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

PRELIMINARY PROSPECTUS

Initial Public Offering

July 3, 2018

KAPA CAPITAL INC.
(a Capital Pool Company)

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

Price: \$0.10 per Common Share

Kapa Capital Inc. (the “**Corporation**”) hereby offers for distribution on a commercially reasonable efforts basis, through its agent, Canaccord Genuity Corp. (the “**Agent**”), 2,000,000 common shares in the share capital of the Corporation (the “**Common Shares**”) for gross proceeds of \$200,000 (the “**Offering**”). The purpose of this Offering is to provide the Corporation with a minimum of funds with which to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction, as hereafter defined. 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, as hereafter defined, must also receive Majority of the Minority Approval, as hereafter defined, in accordance with Exchange Policy 2.4 - Capital Pool Companies (the “**CPC Policy**”). The Corporation is a Capital Pool Company (“**CPC**”). It has not commenced commercial operations and has no assets other than a minimum amount of cash. Except as specifically contemplated in the CPC Policy, until the Completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a proposed Qualifying Transaction. See “Business of the Corporation” and “Use of Proceeds”.

	Common Shares	Price to Public	Agent's Commission⁽¹⁾	Net Proceeds to the Corporation⁽²⁾
Per Common Share	1	\$0.10	\$0.01	\$0.09
Total Offering	2,000,000	\$200,000	\$20,000	\$180,000

Notes:

- (1) A cash commission of 10% of the gross proceeds of the Offering will be paid to the Agent. The Agent will also be paid an administration fee of \$15,000 upon Closing. The Corporation has paid a \$15,000 retainer to the Agent, which will be applied towards the Agent’s legal fees, expenses and other costs it incurs, including disbursements and taxes. In addition, the Agent will be granted the Agent’s Warrants (as hereafter defined). The Agent’s Warrants entitle the Agent to purchase up to 200,000 Common Shares at a price of \$0.10 per Common Share and is exercisable for a period of 24 months from the Listing Date (as hereafter defined). The Agent’s Warrants are qualified for distribution under this Prospectus. See “Plan of Distribution - Agency Agreement and Agent’s Compensation”.
- (2) Before deducting the costs of this issue estimated at \$80,125 for the Offering (excluding the Agent’s commission set out above), which includes legal and audit fees and other expenses of the Corporation, the administration fee, fees and expenses payable to the Agent, filing fees and the listing fee payable to the Exchange. See “Use of Proceeds”.

This Offering is being made on a “commercially reasonable efforts” agency basis by the Agent in the Provinces of British Columbia and Alberta and is subject to the completion of an aggregate minimum subscription of 2,000,000 Common Shares for gross proceeds to the Corporation of \$200,000. The Offering price of the Common Shares was determined by negotiation between the Corporation and the Agent. All funds received from

subscriptions for Common Shares will be held by the Agent pursuant to the terms of the Agency Agreement (as hereafter defined) between the Agent and the Corporation. If the Offering is not completed within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by the regulatory authorities and the Agent and 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 the Agent. See “Plan of Distribution”.

Pursuant to the Agency Agreement, the Agent will be granted non-transferable warrants (the “**Agent’s Warrants**”) to purchase up to 200,000 Common Shares at a price of \$0.10 per Common Share which may be exercised for a period of 24 months from the date the Common Shares are listed on the Exchange (the “Listing Date”). The Agent’s Warrants are qualified for distribution under this prospectus. See “Plan of Distribution - Agency Agreement and Agent’s Compensation”. This prospectus also qualifies for distribution the Directors’ and Officers’ Options to be granted to the directors and officers of the Corporation to purchase up to a total of 500,000 Common Shares.

Other than the initial distribution of the Common Shares pursuant to this prospectus, the grant of the Agent’s Warrants and the grant of the Directors’ and Officers’ Options, trading in all securities of the Corporation is prohibited during the period between the date a receipt for the preliminary prospectus is issued by the securities commission that is designated the principal regulator of the Corporation pursuant to Multilateral Instrument 11-102 (“**MI 11-102**”) and National Policy 11-202 (“**NP 11-202**”) and the Listing Date 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 grants a discretionary order. See “Plan of Distribution”.

There is currently no market through which these securities may be sold and purchasers may not be able to dispose of them on a timely basis. The Corporation has applied to list its Common Shares on the Exchange. Listing is subject to the Corporation fulfilling all of the requirements of the Exchange.

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

As at the date of this prospectus, the Corporation does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America.

Pursuant to the CPC Policy, no purchaser of Common Shares is permitted to directly or indirectly purchase more than 2% of the total Common Shares offered under this prospectus, or 40,000 Common Shares (\$4,000). In addition, the maximum number of Common Shares that may directly or indirectly be purchased by that purchaser, together with any Associates or Affiliates of that purchaser, is 4% of the total number of Common Shares offered under this prospectus, or 80,000 Common Shares (\$8,000). Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that share certificates evidencing the Common Shares in definitive form will be available for delivery at Closing unless the Agent elects for delivery in electronic book entry form through CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee. If delivered in book entry form, 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 Shares were purchased.

The Agent conditionally offers these Common Shares on a “commercially reasonable efforts” basis, if, as and when subscriptions are accepted by the Corporation, subject to prior sale, in accordance with the terms and conditions of the Agency Agreement referred to under “Plan of Distribution” and subject to the approval of certain legal matters by Miller Thomson LLP, on behalf of the Corporation, and by Thomas Rondeau LLP, on behalf of the Agent.

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GLOSSARY

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

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

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

A Company is “controlled” by a Person if:

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

A Person beneficially owns securities that are beneficially owned by:

- (c) a Company controlled by that Person, or
- (d) an Affiliate of that Person or an Affiliate of any Company controlled by that Person.

“**Agency Agreement**” means the agency agreement dated • 2018, between the Corporation and the Agent.

“**Agent**” means Canaccord Genuity Corp. at its office in the City of Vancouver, in the Province of British Columbia.

“**Agent’s Warrants**” means the non-transferable warrants to be granted by the Corporation to the Agent entitling the Agent to purchase up to 200,000 Common Shares at a price of \$0.10 per Common Share and which may be exercised for a period of 24 months from the Listing Date.

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

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

- (a) identifies assets or a business to be acquired which would reasonably appear to constitute Significant Assets and the acquisition of which would reasonably appear to constitute 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 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 or Company, 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 an individual, a relative of that Person, including:
 - (i) that Person's spouse or child, or
 - (ii) any relative of that Person or of his spouse who has the same residence as that Person;but
- (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding company.

“Closing” means the completion of the Offering.

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

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

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

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

“Corporation” means Kapa Capital Inc., a corporation incorporated under the *Business Corporations Act* (British Columbia) and having its registered office in the City of Vancouver, in the Province of British Columbia.

“CPC” means a company:

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

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

“Directors’ and Officers’ Options” means options to be granted at Closing to directors and officers of the Corporation, which options entitle the holders to purchase an aggregate of 500,000 Common Shares at a price of \$0.10 if the Offering is subscribed for. These options may be exercised for a period of 5 years from the date of such grant.

“Escrow Agreement” means the escrow agreement dated ●, 2018 among the Corporation, the Trustee and certain shareholders of the Corporation.

“Exchange” means the TSX Venture Exchange Inc.

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

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

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

“Insider” if used in relation to an Issuer, means:

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

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

“Listing Date” means the date that the Corporation’s Common Shares are listed on the Exchange.

“Majority of the Minority Approval” means the approval of a Non-Arm’s Length Qualifying Transaction by the majority of the votes cast by shareholders, other than:

- (a) Non-Arm’s Length Parties to the CPC;
- (b) Non-Arm’s Length Parties to the Qualifying Transaction; and
- (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;

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

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

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

“Non-Arm’s Length Party” means in relation to a Company, a Promoter, officer, director, other Insider or Control Person of that Company (including an Issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means 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 the subject of the proposed Qualifying Transaction.

“Offering” means the offering of Common Shares in accordance with the terms of this prospectus.

“Person” means a Company or individual.

“Principal” means:

- (a) a Person or Company who acted as a Promoter of the Issuer within two years or their respective Associates or Affiliates, before the IPO prospectus or Final Exchange Bulletin;
- (b) a director or senior officer of the Issuer or any of its material operating subsidiaries at the time of the IPO prospectus or Final Exchange Bulletin;
- (c) a “20% holder” – a Person that holds securities carrying more than 20% of the voting rights attached to the Issuer’s outstanding securities immediately before and immediately

after the Issuer's IPO or immediately after the Final Exchange Bulletin for non-IPO transactions;

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

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

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

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

"Pro Group" means:

- (a) Subject to subparagraphs (b), (c) and (d) "Pro Group" shall include, either individually or as a group:
 - (i) the Member;
 - (ii) employees of the Member;
 - (iii) partners, officers and directors of the Member;
 - (iv) Affiliates of the Member; and
 - (v) Associates of any parties referred to in subparagraphs (i) through (iv).
- (b) The Exchange may, in its discretion, include a Person or party in the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is not acting at arm's length to the Member;
- (c) The Exchange may, in its discretion, exclude a Person from the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is acting at arm's length of the Member;
- (d) The Member may deem a Person who would otherwise be included in the Pro Group pursuant to subparagraph (a) to be excluded from the Pro Group where the Member determines that:

- (i) the Person is an affiliate or associate of the Member acting at arm's length of the Member;
- (ii) the associate or affiliate has a separate corporate and reporting structure;
- (iii) there are sufficient controls on information flowing between the Member and the associate or affiliate; and
- (iv) the Member maintains a list of such excluded Persons.

"Promoter" has the meaning specified in applicable securities laws.

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

"Related Party Transaction" has the meaning ascribed to that term under Exchange Policy 5.9 incorporating by reference Ontario Securities Commission Rule 61-501, and includes a related party transaction that is determined by the Exchange, to be a Related Party Transaction. The Exchange may deem a transaction to be a Related Party Transaction where the transaction involves Non-Arm's Length Parties, or other circumstances exist which may compromise the independence of the Issuer with respect to the transaction.

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

"SEDAR" means System for Electronic Document Analysis and Retrieval.

"Seed Shares" means securities issued before an Issuer's IPO, or by a private Target Company before a reverse take-over bid, change of business or Qualifying Transaction, regardless of whether the securities are subject to resale restrictions or are free trading.

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

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

"Sponsor Report" means the report to be provided to the Exchange by the Sponsor.

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

"Trustee" means Computershare Investor Services Inc., a trust corporation having an office in the City of Vancouver, in the Province of British Columbia.

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

PROSPECTUS SUMMARY

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

The Corporation:	Kapa Capital Inc.
Business of the Corporation:	The Corporation is a CPC. The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Corporation has not commenced commercial operations and has no assets other than a minimum amount of cash. The Corporation has commenced the process of identifying potential acquisitions. To date, the Corporation has not yet identified a company or assets for a potential Qualifying Transaction. Furthermore, the Corporation has not entered into an Agreement in Principle. See "Business of the Corporation - Proposed Operations until Completion of a Qualifying Transaction".
Offering:	2,000,000 Common Shares are being offered and qualified under this prospectus at a price of \$0.10 per Common Share. In addition, the Corporation will grant to the Agent, Agent's Warrants to purchase up to 200,000 Common Shares at a price of \$0.10 per Common Share under the Offering. The Agent's Warrants may be exercised for a period of 24 months from the Listing Date. The Corporation also intends to grant Directors' and Officers' Options to directors and officers of the Corporation entitling them to purchase up to 500,000 Common Shares at a price of \$0.10 per Common Share on Closing. The Directors' and Officers' Options may be exercised for a 5 year period from the date of grant. The Agent's Warrants and the Directors' and Officers' Options are qualified for distribution under this prospectus. See "Plan of Distribution" and "Options to Purchase Securities".
Use of Proceeds:	Under the Offering, the net proceeds to the Corporation, after deducting the Agent's commission of \$20,000, will be \$180,000. The net proceeds of this Offering, along with the proceeds from the prior sale of Common Shares, will be used to provide the Corporation 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 Corporation may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. Until completion of the Qualifying Transaction and except as otherwise provided in the CPC Policy, a maximum of the lesser of 30% of the gross proceeds realized or \$210,000 may be used for purposes other than evaluating businesses or assets. See "Use of Proceeds," "Business of the Corporation" and "Risk Factors".
Directors and Management:	• Charalambos (Harry) Katevatis (President, Chief Executive Officer and Director) • Vivian Katsuris (Chief Financial Officer, Corporate Secretary and Director) • Alan Williams (Director) See "Directors, Officers and Promoters".

Escrow Securities:	2,000,000 Common Shares of the current issued and outstanding Common Shares of the Corporation issued at \$0.05 per Common Share 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 three years after the date of the Final Exchange Bulletin. See “Escrowed Securities”.
Risk Factors:	Investment in the Common Shares must be regarded as highly speculative due to the proposed nature of the Corporation’s business and its present stage of development. The Corporation was only recently incorporated and has no active business or assets other than cash. The Corporation does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. The Offering is only suitable to investors who are prepared to rely entirely on the directors and management of the Corporation and can afford to risk the loss of their entire investment. The directors and officers of the Corporation will only devote part of their time and attention to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. Assuming completion of the Offering, an investor will suffer an immediate dilution on investment (based on the gross proceeds from this and prior issuances without deduction of selling and related expenses) per Common Share of \$0.02 or 20%. There can be no assurance that an active and liquid market for the Corporation’s Common Shares will develop and an investor may find it difficult to resell the Common Shares. Until completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Corporation has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Corporation will be able to identify or complete a suitable Qualifying Transaction. The Qualifying Transaction may involve the acquisition of a business or assets located outside of Canada. It may therefore be difficult or impossible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and it may not be possible to enforce against such persons or companies judgments obtained in Canadian courts predicated upon the civil liability provisions applicable to securities laws in Canada. Adverse tax consequences may arise if the Corporation does not list the Common Shares on the Exchange prior to Closing in the manner contemplated under “Eligibility for Investment”. See “Business of the Corporation”, “Directors, Officers and Promoters - Conflicts of Interest”, “Capitalization”, “Dilution” and “Risk Factors”.

THE CORPORATION

The Corporation was incorporated on January 29, 2018, by Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (British Columbia) under the name “Kapa Capital Inc.”

The registered and records office and the head office of the Corporation is located at Suite 400 – 725 Granville Street, Vancouver, BC V7Y 1G5.

BUSINESS OF THE CORPORATION

Preliminary Expenses

As at April 30, 2018, the Corporation had prepaid expenses for accounting and legal fees in the amount of \$11,500, paid a retainer of \$15,000 to its Agent, and incurred general administrative costs of \$234. Since that date and to the date hereof, the Corporation has incurred additional expenses of approximately \$4,228.66. A portion of the Offering proceeds will be utilized to satisfy the obligations of the Corporation related to the Offering, including the expenses of its auditor and legal fees, the fees of the Exchange, the Agent's commission, administration fee and expenses and the fees of the securities regulatory authorities. See "Use of Proceeds".

Proposed Operations until Completion of a Qualifying Transaction

The Corporation 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 Corporation has not conducted commercial operations other than to enter into discussions for the purpose of identifying potential acquisitions or interests. The Corporation currently intends to primarily pursue a Qualifying Transaction in the mining, technology or industrial sector but there is no assurance that these will, in fact, be the business sectors of a proposed Qualifying Transaction or of the Corporation following the Completion of the Qualifying Transaction.

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

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

Method of Financing

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

Criteria for a Qualifying Transaction

The Corporation will consider acquisitions of assets or businesses operated or located both inside and outside of Canada, as permitted by the CPC Policy. All potential acquisitions will be screened initially by management of the Corporation to determine their economic viability. Approval of acquisitions will be made by the board of directors. The board of directors will examine proposed acquisitions having regard to sound business fundamentals and utilizing their expertise and experience. The board of directors of the Corporation must approve any proposed Qualifying Transaction. In exercising their powers and discharging their duties in relation to a proposed Qualifying Transaction, the directors will act honestly and in good faith having regard to the best interests of the Corporation and will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Filings and Shareholder Approval of the Qualifying Transaction

Upon the Corporation reaching an Agreement in Principle, the Corporation must issue a comprehensive news release, at which time the Exchange generally will halt trading in the Corporation's Common Shares until the filing requirements of the Exchange have been satisfied as set forth under "Business of the Corporation - Trading Halts, Suspensions and Delisting". Within 75 days after issuance of such news release, the Corporation is required to submit for review to the Exchange either an information circular that complies with applicable corporate and securities laws or a filing statement that complies with Exchange requirements. An information circular must be submitted where there is a Non-Arm's Length Qualifying Transaction. A filing statement must be submitted where the Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction. The information circular or filing statement, as applicable, must contain prospectus level disclosure of the Target Company and the Corporation, assuming completion of the Qualifying Transaction, and be prepared in accordance with the CPC Policy and Form 3B1 or Form 3B2, as the case may be, of the Exchange. Upon acceptance by the Exchange, the Corporation must then either:

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

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

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

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

Initial Listing Requirements

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

Trading Halts, Suspensions and Delisting

The Exchange will generally halt trading in the Common Shares from the date of the public announcement of an Agreement in Principle until all filing requirements of the Exchange have been satisfied, which includes the submission of a Sponsorship Acknowledgment Form, where the Qualifying Transaction is subject to sponsorship. In addition, personal information forms or, if applicable,

declarations, for all individuals who may be directors, senior officers, Promoters, or Insiders of the Resulting Issuer must be filed with the Exchange and any preliminary background searches that the Exchange considers necessary or advisable, must also be completed, before the trading halt will be lifted by the Exchange.

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

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

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

If the Corporation has not completed a Qualifying Transaction within the time frame prescribed by the CPC Policy, the Corporation, under current Exchange policies, may apply for listing on NEX (the market on which former Exchange and Toronto Stock Exchange Issuers that do not meet the minimum listing requirements for Tier 2 issuers may continue to trade) rather than be delisted. In order to be eligible to list on NEX the Corporation must:

- (a) obtain majority shareholder approval for the transfer to NEX exclusive of the votes of Non-Arm's Length Parties of the Corporation; and
- (b) either:
 - (i) cancel all Seed Shares purchased by Non-Arm's Length Parties to the Corporation at a discount to the IPO price, in accordance with section 11.2(a) of the CPC Policy, as if the Corporation had delisted from the Exchange, or
 - (ii) subject to majority shareholder approval, cancel an amount of the Seed Shares purchased by Non-Arm's Length Parties to the Corporation so that the average cost of the remaining Seed Shares is at least equal to the IPO price.

If the Corporation lists on the NEX, the Corporation must continue to comply with all the requirements and restrictions of the CPC Policy.

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

USE OF PROCEEDS

Net Proceeds

The gross proceeds to be received by the Corporation from the sale of the Common Shares offered by this prospectus will be \$200,000. The gross proceeds received by the Corporation from the sale of Seed Shares was \$200,001. The Corporation incurred no expenses and costs towards the issuance of the Seed Shares. Assuming the Offering is completed, from the aggregate gross proceeds of \$200,000 an estimated \$100,125 will be deducted for the costs of this issue. Such costs will include: legal, accounting and audit fees, regulatory fees, the Agent's commission, administration fee and expenses and applicable taxes. The Corporation estimates that \$299,876 will be available to the Corporation from the sale of Common Shares distributed by this prospectus and prior sales of Common Shares.

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

Item	Offering
Gross cash proceeds raised prior to this Offering (Seed Shares) ⁽¹⁾	\$200,001
Expenses and costs relating to raising Seed Share proceeds	Nil ⁽²⁾
Gross cash proceeds to be raised pursuant to this Offering	\$200,000
Estimated expenses and costs relating to the Offering ⁽³⁾	(\$100,125)
Estimated funds available on completion of the Offering ⁽⁴⁾	\$299,876

Item	Offering
Funds available for identifying and evaluating assets or business prospects ⁽⁴⁾⁽⁵⁾	\$251,876
Estimated general and administrative expenses until Completion of a Qualifying Transaction	\$48,000
Total Net Proceeds	\$299,876

Notes:

- (1) See "Prior Sales".
- (2) Nil in expenses and costs were allocated towards the issuance of these shares. See the Corporation's balance sheet as at April 30, 2018.
- (3) Includes listing and filing fees, Agent's commission, administration fee and expenses, the Corporation's legal fees, audit fee, the Agent's legal fees and other expenses.
- (4) In the event the Agent exercises the Agent's Warrants, or any portion of the Directors' and Officers' Options are exercised there will be available to the Corporation a maximum of an additional \$70,000 which will be added to the working capital of the Corporation. There is no assurance that any of these warrants or options will be exercised.
- (5) In the event that the Corporation enters into an Agreement in Principle prior to spending the entire amount on identifying and evaluating assets or businesses, the remaining funds may be used to finance or partially finance the acquisition of Significant Assets or for working capital after Completion of the Qualifying Transaction.

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

The proceeds from this Offering and any prior sale of the Seed Shares, after deducting the expenses associated with this Offering, will only be sufficient to identify and evaluate a finite number of assets and businesses, and additional funds may be required to finance any acquisition to which the Corporation may commit. See "*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 "Use of Proceeds - Restrictions on Use of Proceeds", "Use of Proceeds - Private Placements for Cash" and "Use of Proceeds - Prohibited Payments to Non-Arm's Length Parties", the gross proceeds realized from the sale of all securities issued by the Corporation will be used by the Corporation only to identify and evaluate businesses or assets and obtain shareholder approval for a proposed Qualifying Transaction.

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

- (i) valuations or appraisals;
- (ii) business plans;
- (iii) feasibility studies and technical assessments;
- (iv) sponsorship reports;
- (v) engineering or geological reports;
- (vi) financial statements, including audited financial statements;
- (vii) fees for legal and accounting services; and
- (viii) Agent's fees, costs and commissions,

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

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

Restrictions on Use of Proceeds

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

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

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

Private Placements for Cash

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

Prohibited Payments to Non-Arm's Length Parties

Except as described under "Options to Purchase Securities" and "Use of Proceeds - Restrictions on Use of Proceeds", the Corporation has not made, and until the Completion of the Qualifying Transaction will not make, any payment of any kind, directly or indirectly, to a Non-Arm's Length Party to the Corporation or

a Non-Arm's Length Party to the Qualifying Transaction, or to a Person engaged in investor relations activities, by any means, including:

- (a) remuneration, which includes but is not limited to salaries, consulting fees, management contract fees or directors' fees, finders' fees, loans, advances and bonuses; and
- (b) deposits and similar payments.

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

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

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

PLAN OF DISTRIBUTION

Agency Agreement and Agent's Compensation

Pursuant to the Agency Agreement, the Corporation has appointed the Agent as its agent to offer for sale to the public on a "commercially reasonable efforts" agency basis 2,000,000 Common Shares, at \$0.10 per Common Share for aggregate gross proceeds of \$200,000, subject to the terms and conditions in the Agency Agreement. The Agent will receive a cash commission of 10% of the aggregate gross proceeds from the sale of the Common Shares. In addition, the Corporation will pay the Agent an administration fee of \$15,000 and the Agent's reasonable legal fees, plus disbursements and taxes, and any other reasonable expenses of the Agent.

The Corporation has also agreed to grant to the Agent, non-transferable Agent's Warrants which entitles the Agent to purchase 200,000 Common Shares at \$0.10 per Common Share, which may be exercised for a period of 24 months from the Listing Date. The Agent's Warrants are qualified for distribution under this prospectus. Not more than 50% of the Common Shares received on the exercise of the Agent's Warrants may be sold by the Agent prior to the Completion of the Qualifying Transaction.

The Corporation has granted the Agent a right of first refusal (the "ROFR") to provide sponsorship services for any Qualifying Transaction of the Corporation and to provide additional financings to Corporation, equity or securities convertible into equity, that the Corporation requires or proposes to obtain, expiring on the date that is the earlier of (a) the day that is 24 months from the Listing Date or such later date prior to which the Exchange may permit the Corporation to complete the Qualifying Transaction; and (b) the date of closing of the Corporation's Qualifying Transaction. The ROFR also pertains to any financing that is proposed to be completed concurrently or in connection with the Corporation's Qualifying Transaction.

The Agent has agreed to use its "commercially reasonable efforts" to secure subscriptions for the Common Shares offered hereunder on behalf of the Corporation and may make co-brokerage

arrangements with other investment dealers at no additional cost to the Corporation. The obligations of the Agent under the Agency Agreement may be terminated at its discretion on the basis of its assessment of the state of financial markets and may also be terminated on the occurrence of certain events as stated in the Agency Agreement.

Commercially Reasonable Efforts Offering and Minimum Distribution

This Offering is made on a “commercially reasonable efforts” basis by the Agent and is subject to the completion of 2,000,000 Common Shares for gross proceeds to the Corporation of \$200,000. Pursuant to the CPC Policy, no purchaser of Common Shares is permitted to directly or indirectly purchase more than 2% of the total Common Shares offered under this prospectus, or 40,000 Common Shares (\$4,000). In addition, the maximum number of Common Shares that may directly or indirectly be purchased by that purchaser, together with any Associates or Affiliates of that purchaser, is 4% of the total number of Common Shares offered under this prospectus, or 80,000 Common Shares (\$8,000). Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The funds received from the Offering will be deposited with the Agent, and will not be released until proceeds of \$200,000 have been deposited. The total subscription must be raised within 90 days of the date a receipt for the final prospectus is issued, or such other time as may be consented to by the Agent and Persons or Companies who subscribed within that period, failing which the Agent will remit the funds collected to the original subscribers without interest or deduction, unless subscribers have otherwise instructed the Agent.

Other Securities Being Distributed

The Corporation also proposes to grant the Directors’ and Officers’ Options at Closing in accordance with the policies of the Exchange, which options are qualified for distribution pursuant to this prospectus. The Directors’ and Officers’ Options entitle the holders thereof to purchase an aggregate of 500,000 Common Shares at a price of \$0.10 per Common Share. Such options may be exercised for a period of 5 years from the date of such grant. See “Plan of Distribution” and “Options to Purchase Securities”.

Determination of Price

The offering price of the Common Shares hereunder was determined by negotiation between the Corporation and the Agent in accordance with the CPC Policy.

Listing Application

There is currently no market through which these securities may be sold. The Corporation has applied to list its Common Shares on the Exchange. Listing will be subject to the Corporation fulfilling all the listing requirements of the Exchange.

As at the date of this prospectus, the Corporation does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America.

Subscriptions by and Restrictions on the Agent

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

Until Completion of the Qualifying Transaction, the aggregate number of Common Shares permitted to be owned directly or indirectly by the members of the Pro Group is 20% of the issued and outstanding Common Shares of the Corporation exclusive of Common Shares reserved for issuance at a future date. The Exchange will require that any securities issued to the Pro Group in connection with or in contemplation of the Qualifying Transaction will be required to be subject to a four month Exchange hold period and the securities certificate(s) legended accordingly, as prescribed by Exchange Policy 3.2 “Filing Requirements and Continuous Disclosure”.

The Agent has advised the Corporation that to the best of its knowledge and belief, members of the Aggregate Pro Group currently own no Common Shares of the Corporation.

Restrictions on Trading

Other than the distribution of the Common Shares pursuant to this prospectus and the grant of the Agent’s Warrants and the grant of the Directors’ and Officers’ Options, no securities of the Corporation will be permitted to be issued during the period between the date a receipt for the preliminary prospectus is issued by the securities commission that is designated the principal regulator of the Corporation pursuant to MI 11-102 and the Listing Date, 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 SHARE CAPITAL

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares without nominal or par value of which, as at the date hereof, 3,000,001 are issued and outstanding as fully paid and non-assessable. The Corporation has reserved 2,000,000 Common Shares for issuance under this prospectus. The Corporation has also reserved an additional 200,000 Common Shares for issuance pursuant to the Agent’s Warrants and 500,000 Common Shares for issuance, subject to regulatory approval, for the Directors’ and Officers’ Options.

The holders of 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 Corporation and, upon dissolution, to share equally in such assets of the Corporation as are distributable to the holders of Common Shares. All Common Shares to be outstanding after completion of this Offering will be fully paid and non-assessable.

CAPITALIZATION

Designation of Security	Amount Authorized	Amount Outstanding as of April 30, 2018 ⁽¹⁾	Amount Outstanding as of the Date Hereof ⁽¹⁾	Amount Outstanding After Giving Effect to the Offering ⁽²⁾⁽³⁾
Common Shares	Unlimited	\$200,001 (3,000,001 Common Shares)	\$200,001 (3,000,001 Common Shares)	\$400,001 (5,000,001 Common Shares)

Notes:

- (1) As at April 30, 2018 and as of the date hereof, the Corporation had not commenced commercial operations.
- (2) 200,000 Common Shares are reserved for issuance pursuant to the Agent’s Warrants at \$0.10 per Common Share. See “Plan of Distribution” and “Options to Purchase Securities”.
- (3) Based on gross proceeds of the Offering of \$200,000 and before deducting the Agent’s commission, filing fees, the administration fee and expenses and the other costs of this Offering, estimated at \$100,125.

OPTIONS TO PURCHASE SECURITIES

The Corporation's stock option plan (the "**Stock Option Plan**") was approved on May 18, 2018.

The Directors' and Officers' Options to purchase 500,000 Common Shares, to be granted to the directors and officers of the Corporation at Closing, are qualified for distribution pursuant to this prospectus.

The Board of Directors of the Corporation may from time to time, in its discretion, and in accordance with the Stock Option Plan and Exchange requirements, grant to directors, officers, and technical consultants to the Corporation, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares exercisable for a period of up to 5 years from the date of grant. The number of Common Shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding Common Shares. Options may be exercised the greater of 12 months after the Completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. The exercise price of any options issued cannot be less than the greater of the price of the Common Shares issued pursuant to the Offering and the Discounted Market Price, as defined in the Policies of the Exchange. Any Common Shares acquired pursuant to the exercise of options prior to the Completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. See "Escrow Securities".

The Directors' and Officers' Options will be granted at Closing, are qualified for distribution pursuant to this prospectus and are expected to be allocated on the following basis:

Optionee	Number of Common Shares Reserved Under Option under the Offering	Exercise Price	Expiry Date
Charalambos (Harry) Katevatis	200,000	\$0.10	5 Years from the date of grant
Vivian Katsuris	100,000	\$0.10	5 Years from the date of grant
Alan Williams	200,000	\$0.10	5 Years from the date of grant
Total:	500,000		

PRIOR SALES

Since the date of incorporation, the Corporation has issued 3,000,001 Common Shares as follows:

Date	Number of Common Shares	Issue Price Per Share	Aggregate Issue Price	Consideration Received
January 29, 2018	1 ⁽¹⁾	\$1.00	\$1.00	Cash
January 29, 2018	1	\$1.00	\$1.00	Cash
March 29, 2018	2,000,000 ⁽²⁾	\$0.05	\$100,000	Cash
March 29, 2018	1,000,000	\$0.10	\$100,000	Cash

Notes:

- (1) This Common Share was issued to the incorporator of the Corporation and has been repurchased and cancelled.

- (2) 2,000,001 Common Shares will be held in escrow. See “Escrowed Securities”.

ESCROWED SECURITIES

An aggregate of 2,000,001 Common Shares issued prior to this Offering (which were issued at a price of \$0.05 per Common Share) and all Common Shares that may be acquired from treasury of the Corporation by Non-Arm’s Length Parties of the Corporation either under the Offering or otherwise prior to Completion of the Qualifying Transaction and all Common Shares acquired by members of the Aggregate Pro Group prior to this Offering will be deposited with the Trustee under the Escrow Agreement.

All Common Shares acquired on exercise of the Directors’ and Officers’ Options or any other stock options prior to the Completion of a Qualifying Transaction, must also be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

In addition, all Common Shares of the Corporation acquired in the secondary market prior to the Completion of a Qualifying Transaction by any Person or Company who becomes a Control Person are required to be deposited in escrow. Subject to certain exemptions permitted by the Exchange, all securities of the Corporation held by Principals of the Resulting Issuer will also be escrowed.

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

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

Name and Municipality of Residence of Shareholder	Number of Common Shares Held Prior to Offering	Number of Escrowed Common Shares	Percentage of Common Shares of the Corporation Prior to Giving Effect to the Offering	Percentage of Common Shares of the Corporation After Giving Effect to the Offering ⁽¹⁾⁽²⁾
Charalambos (Harry) Katevatis Vancouver, BC	1,100,001	1,100,001	36.67%	22%
Neon Rainbow Holdings Ltd. ⁽³⁾ Vancouver, BC	800,000	800,000	26.67%	16%
Vivkor Holdings Inc. ⁽⁴⁾ Vancouver, BC	100,000	100,000	3.33%	2%
Total	2,000,001	2,000,001	66.67%	40%

Notes:

- (1) Assuming no Common Shares are purchased by these persons under the Offering.
(2) Assuming the Directors’ and Officers’ Options and the Agent’s Warrants have not been exercised.
(3) A private company controlled by Alan Williams, a director of the Corporation.
(4) A private company controlled by Vivian Katsuris, a director and officer of the Corporation.

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

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

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

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

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

- (a) cancel all of those escrowed Common Shares upon the issuance by the Exchange of a bulletin delisting the Common Shares of the Corporation; or
- (b) if the Corporation lists on NEX, either:
 - (i) cancel all Seed Shares purchased by Non-Arm’s Length Parties to the Corporation at a discount from the IPO price, in accordance with section 11.2(a) of the CPC Policy, or
 - (ii) subject to majority shareholder approval, cancel an amount of the Seed Shares purchased by Non-Arm’s Length Parties to the Corporation so that the average cost of the remaining Seed Shares is at least equal to the IPO price.

Escrowed Securities on Qualifying Transaction

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

The principal distinction between a Value Security Escrow Agreement and a Surplus Security Escrow Agreement is the time period for release of securities from escrow. In the case of a Resulting Issuer that will be a Tier 2 issuer when the Final Exchange Bulletin is issued, the Value Security Escrow Agreement provides for a three year escrow release mechanism with 10% of the escrowed securities being releasable at the time of the Final Exchange Bulletin, and 15% of the escrowed securities being releasable every 6 months thereafter until the date which is 36 months after the Final Exchange Bulletin. In the case of a Resulting Issuer that will be a Tier 2 issuer subject to a Surplus Security Escrow Agreement, when the Final Exchange Bulletin is issued, the Surplus Security Escrow Agreement provides for a 3 year escrow release mechanism with 5% of the escrowed securities releasable at the time of the Final Exchange

Bulletin, 5% on the date which is 6 months after the Final Exchange Bulletin, 10% on each of the dates which are 12 and 18 months after the Final Exchange Bulletin, 15% on each of the dates which are 24 and 30 months after the Final Exchange Bulletin and 40% on the date which is 36 months after the Final Exchange Bulletin.

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

Escrowed Securities on Private Placement

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

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

PRINCIPAL SHAREHOLDERS

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

Name and Municipality of Residence of Shareholder	Type of Ownership	Number of Common Shares	Percentage of Common Shares Owned Prior to Giving Effect to the Offering	Percentage of Common Shares Owned After Giving Effect to the Offering ⁽¹⁾⁽²⁾
Charalambos (Harry) Katevatis Vancouver, BC	Direct and Beneficial	1,100,001	36.67%	22.00%
Alan Williams ⁽³⁾ Vancouver, BC	Beneficial	800,000	26.67%	16.00%

Notes:

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

- (2) Assuming no Common Shares are purchased by these entities under the Offering and assuming exercise of the Agent's Warrants and the Directors' and Officers' Options; on a fully diluted basis under the Offering, Charalambos Katevatis will hold 22.81% and Alan Williams will hold 17.54% of the issued and outstanding Common Shares.
- (3) Indirectly held by Neon Rainbow Holdings Ltd., a private company controlled by Alan Williams.

DIRECTORS, OFFICERS AND PROMOTERS

The following are the names and municipalities of residence of the directors, officers and Promoters of the Corporation, their positions and offices with the Corporation and their principal occupations during the last five years:

Name, Municipality of Residence and Position	Director/ Officer Since	Principal Occupation for Past Five Years	Common Shares Held (Percentage and Number of Common Shares before Closing)	Number and Percentage of Common Shares Beneficially Owned Directly or Indirectly Upon Closing ⁽¹⁾
Charalambos (Harry) Katevatis ⁽²⁾ Vancouver, BC <i>President, Chief Executive Officer, and Director</i>	January 29, 2018	President of Lakithra Management Corp. since September 2003 to present; President, CEO and director of Universal mCloud Corp. (formerly Universal Ventures Inc.) from January 2011 to October 2017; President, CEO and director of ArcPacific Resources Corp. (formerly Plate Resources Inc.) from February 2011 to July 2016.	1,100,001 (36.67%)	1,100,001 (22.00%)
Vivian Katsuris ⁽²⁾ Vancouver, BC <i>Chief Financial Officer, Corporate Secretary and Director</i>	January 29, 2018	President of Vivkor Holdings Inc, since August 2014, a private company providing corporate development, management and consulting services; self-employed providing corporate services; Investment advisor of Global Securities Corp. from April 2003 to December 2013.	100,000 (3.33%)	100,000 (2.00%)
Alan Williams ⁽²⁾ Vancouver, BC <i>Director</i>	January 29, 2018	Director of Greatbanks Resources Ltd. (formerly Invenio Resources Corp.) from July 2003 to present; director of Maritime Resources Corp. from 2007 to present; director of True Grit Resources Ltd. from January 2012 to present; and director of Goldrush Resources Ltd. from October 2003 to present.	800,000 (26.67%)	800,000 (16.00%)

Notes:

- (1) Assuming that no Common Shares are purchased by these persons under the Offering.
- (2) Denotes a member of the Audit Committee of the Corporation.

The term of the directors expire annually at the time of the Corporation's annual general meeting. The term of office of the officers expire at the discretion of the Corporation's directors.

Charalambos (Harry) Katevatis- Age: 76 - President, Chief Executive Officer and Director

Mr. Katevatis is the President, Chief Executive Officer and a director of the Corporation and has served in these positions since January 29, 2018.

Since 2003, Mr. Katevatis has been President of Lakithra Management Corp., a private company that provides management services to private and public companies. Most recently, he also served as director and officer of two public companies: he was the President, CEO and director of Universal mCloud Corp. (formerly Universal Ventures Inc.) from January 2011 to October 2017 and the President, CEO and director of ArcPacific Resources Corp. (formerly Plate Resources Inc.) from February 2011 to July 2016.

Mr. Katevatis holds a degree from Panteios University in Athens Greece, a diploma in the Canadian Securities Course and a diploma in the Canadian Mutual Funds Course.

Mr. Katevatis will devote the time necessary to perform the work required in connection with the management of the Corporation and the completion of the Qualifying Transaction.

Vivian Katsuris- Age: 54 - *Chief Financial Officer, Corporate Secretary and Director*

Ms. Katsuris is the Chief Financial Officer, Corporate Secretary and a director of the Corporation and has served in this position since January 29, 2018.

Ms. Katsuris is currently the President of Vivkor Holdings Inc., a private company that provides corporate development, management and consulting services and is the President, Director and Corporate Secretary of Alexandra Capital Corp. She was also an investment advisor for Global Securities Corporation for ten years. Ms. Katsuris has further been involved with various reporting issuers over the last five years, including her roles as: director of Universal mCloud Corp. (formerly Universal Ventures Inc.) from April 2014 to October 2017 and director and corporate secretary of ArcPacific Resources Corp. (formerly Plate Resources Inc.) from January 2014 to July 2016 and CFO from July 2015 to July 2016.

Ms. Katsuris completed the Canadian Securities Course granted by the Canadian Securities Institute in 1988.

Ms. Katsuris will devote the time necessary to perform the work required in connection with the management of the Corporation and the completion of the Qualifying Transaction.

Alan Williams- Age: 61 – *Director*

Mr. Williams is a director of the Corporation and has served in this position since January 29, 2018.

Mr. Williams is currently the director of various Exchange-listed companies including: Greatbanks Resources Ltd. (formerly Invenio Resources Corp.) since July 2003; Maritime Resources Corp. since 2007; True Grit Resources Ltd. since January 2012 and Goldrush Resources Ltd. since October 2003.

Mr. Williams will devote the time necessary to perform the work required in connection with the management of the Corporation and the completion of the Qualifying Transaction.

Other Corporate Information

Pursuant to the provisions of the *Business Corporations Act* (British Columbia), the Corporation is required to have an audit committee. The general function of the audit committee is to review the overall audit plan and the Corporation's system of internal controls, to review the results of the external audit and to resolve any potential dispute with the Corporation's auditor. The audit committee of the Corporation currently consists of Charalambos Katevatis, Vivian Katsuris and Alan Williams.

In addition to any other requirements of the Exchange, the Exchange expects management of the Corporation to meet a high management standard. The directors and officers of the Corporation believe that, on a collective basis, management possesses the appropriate experience, qualifications and history to be capable of identifying, investigating and acquiring a Significant Asset.

Prior to this Offering, the directors and officers beneficially own, directly or indirectly, or have control or direction over, an aggregate of 2,000,001 Common Shares, representing 66.67% of the issued and outstanding Common Shares as at the date hereof and 40% assuming completion of the Offering.

The Corporation's articles also include advance notice provisions which apply once the Corporation becomes a public company. Pursuant to these advance notice provisions, nominations of persons for election to the Board may be made at any annual meeting of shareholders or special meeting of shareholders, if one of the purposes of that special meeting was the election of directors, by or at the direction of the Board or any authorized officer; by one more shareholders pursuant to the provisions of the BCBCA or by any shareholder (a "**Nominating Shareholder**") who follows specific notice procedures in the Corporation's Articles (the "**Advance Notice Procedures**"). Further to the Advance Notice Procedures, a Nominating Shareholder must give written notice to the Secretary of the Corporation within the following time periods: not less than 30 and not more than 65 days prior to the date of an annual meeting of shareholders and no later than the close of business on the 15th date after a special meeting of shareholders is called, subject to various adjustments. The written notice must set forth specific information regarding Board nominees such as the name, age, address, principal occupation and number of shares owned by the nominee in the Corporation, including other information required to be disclosed in a dissident's proxy circular pursuant to the BCBCA and applicable securities laws. The Nominating Shareholder must also state in the written notice any proxy, contract or arrangement of the Nominating Shareholder through which the Nominating Shareholder has a right to vote any shares of the Corporation, including other information required to be disclosed in a dissident's proxy circular pursuant to the BCBCA and applicable securities laws. The Chairman of the shareholder meeting has the power and duty to determine whether a nomination for election of a director was made in accordance with the Advance Notice Procedures, and if not in compliance, the nomination will be considered defective and disregarded.

Other Reporting Issuer Experience

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

Name of Director, Officer or Promoter	Name of Reporting Issuer	Market	Position	Term From - To
Charalambos (Harry) Katevatis	Universal mCloud Corp. (formerly Universal Ventures Inc.)	TSXV	President, CEO and director	January 2011- October 2017
	ArcPacific Resources Corp. (formerly Plate Resources Inc.)	TSXV	President, CEO and director	February 2011 to July 2016
Vivian Katsuris	Alexandra Capital Corp.	CSE	President and Corporate Secretary	January 2018 to Present
			Director	November 2017 to Present
			CFO	August 2014 to January 2018
	Universal mCloud Corp. (formerly Universal Ventures Inc.)	TSXV	Director	April 2014 to October 2017
	ArcPacific Resources Corp. (formerly Plate Resources Inc.)	TSXV	Director and Corporate Secretary	January 2014 to July 2016
			CFO	July 2015 to July 2016
Alan Williams	Greatbanks Resources Ltd. (formerly Invenio Resources Corp.)	TSXV	Director	July 2003 to April 2018
	Maritime Resources Corp.	TSXV	Director	2007 to Present

Name of Director, Officer or Promoter	Name of Reporting Issuer	Market	Position	Term From - To
	True Grit Resources Ltd. (formerly, Catalina Metals Corp)	TSXV	Director	January 2012 to April 2018
	Goldrush Resources Ltd.	TSXV	Director	October 2003 to January 2016
	One World Lithium Inc. (formerly One World Investments Inc.)	CSE	Director	September 2015 to June 2018
	Calico Resources Corporation (formerly, Cobre Exploration Corp.)	N/A (delisted from the TSXV as at July 7, 2016)	Director	December 2009 to July 2016
	XORTX Therapeutics Inc. (formerly, APAC Resources Inc.)	CSE	Director	January 2018 to Present

Corporate Cease Trade Orders or Bankruptcies

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

Penalties or Sanctions

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

Personal Bankruptcies

No director, officer, Insider or Promoter of the Corporation, or a shareholder of the Corporation holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, or a personal holding company of any such persons has, within the 10 years 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, arrangement 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, Insiders and Promoters of the Corporation may be subject in connection with the operations of the Corporation. All of the directors, officers, Insiders and Promoters are engaged in and will continue to be engaged in corporations or

businesses which may be in competition with the search by the Corporation for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where the directors, officers, Insiders and Promoters will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies as provided under the *Business Corporations Act* (British Columbia).

Executive Compensation

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

- (a) remuneration, which includes but is not limited to:
 - (i) salaries;
 - (ii) consulting fees;
 - (iii) management contract fees or directors' fees;
 - (iv) finder's fees;
 - (v) loans, advances, bonuses; and
- (b) deposits and similar payments.

Although the Corporation may reimburse Non-Arm's Length Parties for the Corporation's reasonable allocation of rent, secretarial services and other general administrative expenses, at fair market value ("**Permitted Reimbursement**").

Following Completion of the Qualifying Transaction, it is anticipated that the Corporation shall pay compensation to its officers and may compensate its directors in addition to granting additional incentive stock options pursuant to the Stock Option Plan. However, no payment other than the Permitted Reimbursements, will be made by the Corporation or by any party on behalf of the Corporation, after Completion of the Qualifying Transaction, if the payment relates to services rendered or obligations incurred or in connection with the Qualifying Transaction.

DILUTION

Purchasers of Common Shares under this prospectus will suffer an immediate dilution of \$0.02 per Common Share or 20% on the basis of there being 5,000,000 Common Shares of the Corporation issued and outstanding following completion of this Offering. Dilution has been computed on the basis of total gross proceeds to be raised by this prospectus and from sales of securities prior to the filing of this prospectus, without deduction of commissions or related expenses incurred by the Corporation, as set forth below:

Item	Total Offering (\$)
Gross proceeds of prior share issuances	200,001
Gross proceeds of this Offering	200,000
Total gross proceeds after this Offering	400,001
Offering price per share	0.10
Proceeds per share after this Offering	0.08
Dilution per share to subscriber	0.02
Percentage of dilution in relation to offering price	20.0%

RISK FACTORS

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

- (a) the Corporation was only recently incorporated, has not commenced commercial operations and has no assets other than cash. It has no history of earnings, and shall not generate earnings or pay dividends until at least after Completion of the Qualifying Transaction;
- (b) investment in the Common Shares offered by this Prospectus is highly speculative given the proposed nature of the Corporation's business and its present stage of development;
- (c) the directors and officers of the Corporation will only devote a portion of their time to the business and affairs of the Corporation and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time. See "Directors, Officers and Promoter - Conflicts of Interest";
- (d) the Corporation is relying solely on its past business experience of its directors and officers to identify a Qualifying Transaction of merit. The success of the Corporation is dependent upon the efforts and abilities of its management team. The loss of any member of the management team could have a material adverse effect upon the business and prospects of the Corporation. In such event, the Corporation will seek satisfactory replacements but there can be no guarantee that appropriate personnel may be found.
- (e) assuming completion of the Offering, an investor will suffer an immediate dilution to its investment of \$0.02 per Common Share or 20%;
- (f) there can be no assurance that an active and liquid market for the Corporation's Common Shares will develop and an investor may find it difficult to resell its Common Shares;
- (g) until Completion of a Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;
- (h) the Corporation has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Corporation will be able to identify a suitable Qualifying Transaction. The Corporation will also be in competition with other corporations with greater resources;
- (i) even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction;
- (j) 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;
- (k) unless the shareholder has the right to dissent and be paid fair value in accordance with applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Corporation of fair value for the Common Shares;

- (l) upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares of the Corporation will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained and certain preliminary reviews have been conducted. The Common Shares of the Corporation will be reinstated to trading before the Exchange has reviewed the transaction and before the Sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Corporation completing the proposed Qualifying Transaction;
- (m) trading in the Common Shares of the Corporation may be halted at other times for other reasons, including for failure by the Corporation to submit documents to the Exchange in the time periods required;
- (n) the Exchange will generally suspend trading in the Corporation's Common Shares or delist the Corporation in the event that the Exchange has not issued a Final Exchange Bulletin within 24 months from the date of listing;
- (o) neither the Exchange nor any securities regulatory authority passes upon the merits of the proposed Qualifying Transaction;
- (p) in the event that management of the Corporation resides outside of Canada or the Corporation identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service of 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;
- (q) the Qualifying Transaction may be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation; and
- (r) subject to prior acceptance by the Exchange, the Corporation may be permitted to loan or advance up to an aggregate of \$250,000 of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Corporation will be able to recover that loan; and
- (s) if the Corporation does not list the Common Shares on the Exchange prior to the time of closing in the manner contemplated under the heading "Eligibility for Investment", adverse tax consequences will arise with respect to any Common Shares held in RRSPs, RRIFs, TFSAs or other deferred plan.

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

LEGAL PROCEEDINGS

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

RELATIONSHIP BETWEEN THE CORPORATION AND THE AGENT

The Corporation 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 Corporation to distribute Common Shares pursuant to the Offering, nor was the Offering requested or suggested to the Corporation by the Agent. The Agent, through its corporate finance department was involved in the determination of the terms of the Offering in its capacity as agent for the sale of the Common Shares on a “commercially reasonable efforts” basis. The Agent does not, prior to completion of the Offering, own directly or indirectly, any securities of the Corporation 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 administration 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 Corporation.

RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS

Certain legal matters relating to this Offering will be passed upon by Miller Thomson LLP, on behalf of the Corporation, and by Thomas, Rondeau LLP, on behalf of the Agent.

As of the date hereof, no “professional person” (including the Corporation’s auditor, Saturna Group Chartered Professional Accountants LLP, and any partner or associate of Miller Thomson LLP and Thomas, Rondeau LLP) holds any beneficial interest, direct or indirect, in any securities or properties of the Corporation or an Associate or Affiliate of the Corporation. In addition, no “professional person” is or is expected to be elected, appointed or employed as a director, senior officer or employee of the Corporation or of an Associate or Affiliate of the Corporation, or a promoter of the Corporation or of an Associate or Affiliate of the Corporation.

The partners and associates of Miller Thomson LLP and Thomas, Rondeau LLP may subscribe for Common Shares pursuant to the Offering.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of the Corporation is Saturna Group Chartered Professional Accountants LLP at its office at 1066 West Hastings Street, Suite 1250, Vancouver, BC Canada V6E 3X1.

Computershare Investor Services Inc., at its Vancouver office located at 510 Burrard Street, Vancouver BC, V6C 3B9, is the transfer agent and registrar for the Corporation's Common Shares.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The directors and officers of the Corporation have all acquired Common Shares and are expected to receive the Directors’ and Officers’ Options.

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

MATERIAL CONTRACTS

The Corporation has not entered into any contracts material to investors in the Common Shares hereunder within the two years prior to the date hereof, other than the following:

1. Agency Agreement dated ●, 2018 between the Corporation and the Agent. See “Plan of Distribution”.
2. Escrow Agreement dated ●, 2018 among the Corporation, the Trustee and those shareholders that executed such agreement. See “Escrowed Securities”.
3. Transfer Agent, Registrar and Dividend Disbursing Agent Agreement dated May 4, 2018 between the Corporation and the Trustee.
4. Stock Option Plan adopted by the Board of Directors.

Copies of these agreements will be available for inspection at the registered office of the Corporation located at Suite 400 – 725 Granville Street, Vancouver BC V7Y 1G5 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. Copies of these agreements will also be available on the Corporation’s SEDAR profile at www.sedar.com.

OTHER MATERIAL FACTS

To management’s knowledge, there are no other material facts about the Common Shares 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 Common Shares being distributed.

DIVIDEND POLICY

To date, the Corporation has not paid any dividends on its outstanding Common Shares. The future payment of dividends will be dependent upon the financial requirements of the Corporation to fund further growth, financial condition of the Corporation and other factors which the board of directors of the Corporation may consider in the circumstances. It is not contemplated that any dividends will be paid in the immediate or foreseeable future.

PURCHASERS’ STATUTORY RIGHTS

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

ELIGIBILITY FOR INVESTMENT

In the opinion of Miller Thomson LLP, counsel to the Corporation, 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 any proposal to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) (“**Tax Proposals**”) prior to the date hereof, if the Common Shares were issued on the

date hereof and listed and posted for trading on a “designated stock exchange” as defined in the Tax Act (which includes the Exchange) or if the Corporation 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 Corporation is not currently a “public corporation”, as that term is defined in the Tax Act. The Corporation has applied to list the Common Shares on the Exchange as of the day before Closing, followed by an immediate halt in trading of the Common Shares in order to allow the Corporation 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 Closing. The Corporation 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 Closing 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 Closing. If the Common Shares are not listed on the Exchange at the time of their issuance on Closing and the Corporation is not a “public corporation” at that time, the Common Shares will not be qualified investments for the Plans at that time.

Notwithstanding that a Common Share may be a qualified investment for a TFSA, RRSP or RRIF (a “Registered Plan”), the holder or annuitant of the Registered Plan, as the case may be, will be subject to a penalty tax as set out in the Tax Act in respect of the Common Shares if such Common Shares are a “prohibited investment” for the Registered Plan for purposes of the Tax Act. The Common Shares will generally be a “prohibited investment” for a Registered Plan if the holder or annuitant, as the case may be, does not deal at arm’s length with the Corporation for the purposes of the Tax Act or has a “significant interest” (as defined in the Tax Act) in the Corporation. 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 the Registered Plan.

On March 22, 2017, the Minister of Finance (Canada) announced Tax Proposals which are reflected in draft legislation released on September 8 2017 to extend the prohibited investment rules, which are currently applicable to Registered Plans, and the annuitants or holder, thereof, as the case may be, to RESPs and RRSPs and the subscribers or holders thereof, as the case maybe. These Tax Proposals are intended to apply to transactions occurring and investments acquired after March 22, 2017, subject to certain transitional rules.

Purchasers who intend to hold Common Shares in their Plans, should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

SCHEDULE “A”- FINANCIAL STATEMENTS

Financial Statements of the Corporation, audited for the year ended April 30, 2018.

KAPA CAPITAL INC.

FINANCIAL STATEMENTS

Period from January 29, 2018 (date of incorporation) to April 30, 2018

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Kapa Capital Inc.

We have audited the financial statements of Kapa Capital Inc., which comprise the statement of financial position as at April 30, 2018, and the statements of operations and comprehensive loss, changes in equity, and cash flows for the period from January 29, 2018 (date of incorporation) to April 30, 2018, and the summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Kapa Capital Inc. as at April 30, 2018, and its financial performance and its cash flows for the period from January 29, 2018 (date of incorporation) to April 30, 2018, in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 of the financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Kapa Capital Inc. to continue as a going concern.



Saturna Group Chartered Professional Accountants LLP

Vancouver, Canada

June 22, 2018

KAPA CAPITAL INC.STATEMENT OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)

	April 30, 2018 \$
ASSETS	
Current Assets	
Cash	173,267
Prepaid expenses	26,500
Total assets	199,767
SHAREHOLDER'S EQUITY	
Share capital	200,001
Deficit	(234)
Total shareholders' equity	199,767

Nature of business and continuance of operations (Note 1)

Subsequent event (Note 7)

Approved and authorized for issuance by the Board of Directors on June 22, 2018:

Signed "Charalambos Katevatis"

Charalambos Katevatis
Director*Signed "Vivian Katsuris"*

Vivian Katsuris
Director

(The accompanying notes are an integral part of these financial statements)

KAPA CAPITAL INC.**STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS**
(EXPRESSED IN CANADIAN DOLLARS)

	Period from January 29, 2018 (date of incorporation) to April 30, 2018 \$
EXPENSES	
General and administrative	234
Net loss and comprehensive loss	(234)
Loss per share, basic and diluted	—
Weighted average number of shares outstanding	145,162

(The accompanying notes are an integral part of these financial statements)

KAPA CAPITAL INC.STATEMENT OF CHANGES IN EQUITY
(EXPRESSED IN CANADIAN DOLLARS)

	Share Capital		Deficit \$	Total \$
	Number of shares	Amount \$		
Balance, January 29, 2018 (date of incorporation)	1	1	—	1
Issuance of common shares for cash	3,000,000	200,000	—	200,000
Net loss for the period	—	—	(234)	(234)
Balance, April 30, 2018	3,000,001	200,001	(234)	199,767

(The accompanying notes are an integral part of these financial statements)

KAPA CAPITAL INC.
STATEMENT OF CASH FLOWS
EXPRESSED IN CANADIAN DOLLARS

	Period from January 29, 2018 (date of incorporation) to April 30, 2018 \$
Operating activities	
Net loss	(234)
Changes in non-cash operating working capital:	
Prepaid expenses	(26,500)
Net cash used by operating activities	(26,734)
Financing activities	
Proceeds from issuance of common shares	200,001
Net cash provided by financing activities	200,001
Change in cash	173,267
Cash, beginning of period	—
Cash, end of period	173,267

(The accompanying notes are an integral part of these financial statements)

KAPA CAPITAL INC.**NOTES TO THE FINANCIAL STATEMENTS****PERIOD FROM JANUARY 29, 2018 (DATE OF INCORPORATION) TO APRIL 30, 2018****EXPRESSED IN CANADIAN DOLLARS**

1. NATURE OF BUSINESS AND CONTINUANCE OF OPERATIONS

Kapa Capital Inc. (the "Company") was incorporated under the British Columbia Business Corporations Act on January 29, 2018. The Company was formed for the primary purpose of completing an Initial Public Offering ("IPO") on the TSX Venture Exchange ("Exchange") as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the Exchange. As a CPC, the Company's principal business would be to identify, evaluate and acquire assets, properties or businesses which would constitute a qualifying transaction in accordance with Policy 2.4 of the Exchange ("Qualifying Transaction"). A CPC has 24 months from when the shares are listed on the Exchange to complete a Qualifying Transaction. Such a transaction will be subject to shareholder and regulatory approval. Until completion of the Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction.

The proposed business of the Company involves a high degree of risk and there is no assurance that the Company will complete its IPO or identify an appropriate business for acquisition or investment, and even if so identified and warranted, it may not be able to finance such an acquisition or investment. Additional funds may be required to enable the Company to pursue such an initiative and the Company may be unable to obtain such financing on terms which are satisfactory to it, particularly in the current economic environment. Furthermore, there is no assurance that the business will be profitable. Those factors raise doubt as to the Company's ability to continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(a) Statement of Compliance and Basis of Presentation**

The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is also the Company's functional currency.

(b) Use of Estimates and Judgments

The preparation of these financial statements in conformity with IFRS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. It also requires management to exercise its judgment in the processing of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The impacts of such estimates and judgments are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates and judgments are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. Actual results could differ from these estimates.

Significant areas requiring the use of estimates include unrecognized deferred income tax assets.

The Company's assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

KAPA CAPITAL INC.**NOTES TO THE FINANCIAL STATEMENTS****PERIOD FROM JANUARY 29, 2018 (DATE OF INCORPORATION) TO APRIL 30, 2018****EXPRESSED IN CANADIAN DOLLARS**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(c) Cash and Cash Equivalents**

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to a known amount of cash, and which are subject to insignificant risk of changes in value to be cash equivalents.

(d) Financial Instruments

The Company does not have any derivative financial instruments.

Financial assets

The Company recognizes financial assets at fair value net of transaction costs directly attributable to the acquisition of the financial asset. After initial recognition, the Company classifies financial assets as either: (i) amortized cost; (ii) fair value through other comprehensive income; or (iii) fair value through profit or loss. The classification depends on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial asset. Management determines the classification of financial assets at initial recognition.

A financial asset is classified as amortized cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A financial asset is classified as fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is classified as fair value through profit or loss unless it is measured at amortized cost or as fair value through other comprehensive income. Upon initial recognition, a financial asset can be irrevocably designated as fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains or losses on the financial asset on different bases.

The Company's cash is classified as fair value through profit or loss. The Company does not have any financial assets classified as amortized cost or fair value through other comprehensive income.

Financial liabilities

The Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the trade at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expired. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

KAPA CAPITAL INC.**NOTES TO THE FINANCIAL STATEMENTS****PERIOD FROM JANUARY 29, 2018 (DATE OF INCORPORATION) TO APRIL 30, 2018****EXPRESSED IN CANADIAN DOLLARS**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(d) Financial Instruments (continued)*****Impairment of financial assets***

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial asset are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the assets have been impacted. Factors that could indicate impairment of financial assets include significant financial difficulty, default or delinquency in payment, bankruptcy, or financial reorganization.

At each reporting date, the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. The Company will recognize a loss allowance for expected credit loss for a financial instrument equal to the lifetime expected credit loss if the credit risk on that financial instrument has increased significantly since initial recognition. Conversely, if the credit risk on a financial instrument has not increased significantly since initial recognition, the Company shall measure the loss allowance for that financial instrument at an amount equal to the expected credit losses for the next twelve months. The expected credit loss shall be measured in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money, and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

(e) Income Taxes***Current income tax***

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in the statement of operations. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

KAPA CAPITAL INC.**NOTES TO THE FINANCIAL STATEMENTS**

PERIOD FROM JANUARY 29, 2018 (DATE OF INCORPORATION) TO APRIL 30, 2018

EXPRESSED IN CANADIAN DOLLARS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(f) Loss Per Share**

Basic loss per share is computed by dividing the net income or loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period. Diluted loss per share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. Potentially dilutive securities are excluded from the calculation of dilutive loss per share as they are anti-dilutive.

(g) Comprehensive Income (Loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in the statement of operations. The Company does not have any items affecting comprehensive income or loss.

(h) Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. FINANCIAL INSTRUMENTS AND RISKS

The Company is exposed in varying degrees to a variety of financial instruments and related risks. Those risks and management's approach to mitigating those risks are as follows:

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at April 30, 2018, as follows:

	Fair Value Measurements Using			Balance, April 30, 2018 \$
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Cash	173,267	—	—	173,267

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure of credit loss by placing its cash with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Rate and Interest Rate Risk

The Company is not exposed to any significant foreign exchange rate or interest rate risk.

(d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company plans on settling its financial obligations out of cash. The ability to do this relies on the Company raising debt and equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. There is no assurance that financing will be available or, if available, that such financing will be on terms acceptable to the Company.

KAPA CAPITAL INC.**NOTES TO THE FINANCIAL STATEMENTS**

PERIOD FROM JANUARY 29, 2018 (DATE OF INCORPORATION) TO APRIL 30, 2018

EXPRESSED IN CANADIAN DOLLARS

4. SHARE CAPITAL

Authorized: unlimited common shares without par value

- (a) On January 29, 2018 the Company issued 1 common share for proceeds of \$1 to the Chief Executive Officer of the Company.
- (b) On March 29, 2018, the Company issued 2,000,000 common shares at \$0.05 per share for proceeds of \$100,000. Included in the issuance was 1,100,000 common shares to the Chief Executive Officer of the Company, 800,000 common shares to a company controlled by a director of the Company, and 100,000 common shares to a company controlled by the Chief Financial Officer of the Company.
- (c) On March 29, 2018, the Company issued 1,000,000 common shares at \$0.10 per share for proceeds of \$100,000.

5. CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and share capital.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances. The Company is not subject to externally imposed capital requirements.

6. INCOME TAXES

The following table reconciles the expected income tax recovery at the Canadian statutory income tax rates to the amounts recognized in the statements of operations for the period from January 29, 2018 to April 30, 2018:

	Period from January 28, 2018 (date of incorporation) to April 30, 2018 \$
Canadian statutory income tax rate	27%
Income tax recovery at statutory rate	(63)
Tax effect of:	
Change in unrecognized deferred income tax assets	63
Income tax provision	—

KAPA CAPITAL INC.**NOTES TO THE FINANCIAL STATEMENTS**

PERIOD FROM JANUARY 29, 2018 (DATE OF INCORPORATION) TO APRIL 30, 2018

EXPRESSED IN CANADIAN DOLLARS

6. INCOME TAXES (continued)

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

	Period from January 28, 2018 (date of incorporation) to April 30, 2018 \$
Deferred income tax assets:	
Non-capital losses carried forward	63
Unrecognized deferred income tax assets	(63)
Net deferred income tax asset	—

As at April 30, 2018, the Company has a non-capital loss carried forward of \$234 which is available to offset future years' taxable income until fiscal 2038.

7. SUBSEQUENT EVENT

On March 22, 2018, the Company entered into an agreement to complete its initial public offering ("IPO") for the issuance of 2,000,000 common shares at \$0.10 per common share for proceeds of \$200,000. As part of the issuance, the Company will pay an administration fee of \$15,000 (plus GST) and an agent commission of 10% of the gross proceeds of the IPO and agents warrants equal to 10% of the IPO. Each warrant will allow the agent to purchase one common share of the Company at \$0.10 per common share for a period of two years from the date of listing of the Company's common shares.

DATE: July 3, 2018

CERTIFICATE OF THE CORPORATION

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

“Charalambos (Harry) Katevatis”

CHARALAMBOS (HARRY) KATEVATIS

President, Chief Executive Officer and Director

“Vivian Katsuris”

VIVIAN KATSURIS

Chief Financial Officer, Corporate Secretary and
Director

“Alan Williams”

ALAN WILLIAMS

Director

DATE: July 3, 2018

CERTIFICATE OF THE AGENT

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

CANACCORD GENUITY CORP.

Per: "*Frank Sullivan*"
Frank Sullivan
Vice President, Investment Banking

DATE: July 3, 2018

ACKNOWLEDGEMENT - PERSONAL INFORMATION

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

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

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

ON BEHALF OF THE BOARD

“Charalambos (Harry) Katevatis”

CHARALAMBOS (HARRY) KATEVATIS

President, Chief Executive Officer and
Director