

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

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

April 29, 2021

GRAVITAS II CAPITAL CORP.

(a Capital Pool Company)

Minimum Offering: \$1,000,000 (5,000,000 Common Shares)

Maximum Offering: \$9,000,000 (45,000,000 Common Shares)

Price: \$0.20 per Common Share

Gravitas II Capital Corp. (the "**Issuer**") hereby offers on a commercially reasonable efforts basis through its agents, Gravitas Securities Inc. (the "**Lead Agent**") and Research Capital Corporation (the "**Co-Lead Agent**" and, together with the Lead Agent, the "**Agents**"), a minimum of 5,000,000 common shares ("**Common Shares**") in the capital of the Issuer (the "**Minimum Offering**") and up to a maximum of 45,000,000 Common Shares (the "**Maximum Offering**") for sale to the public at a price of \$0.20 per Common Share (the "**Offering**").

The purpose of the Offering is to provide the Issuer with a minimum of funds with which to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be approved by the Exchange and, in the case of a Non-Arm's Length Qualifying Transaction, 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 Issuer is a CPC, as hereafter defined. It has not commenced commercial operations and has no assets other than a minimum amount of cash. Except as specifically contemplated in the CPC Policy, until the Completion of the Qualifying Transaction, as hereafter defined, the Issuer will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. See "*Business of the Issuer*" and "*Use of Proceeds*". See "*Glossary*" with respect to the meaning ascribed to capitalized terms that are not otherwise defined in this summary.

	Common Shares	Price to Public	Agents' Commission ⁽¹⁾	Proceeds to the Issuer ⁽²⁾
Per Common Share	1	\$0.20	\$0.016	\$0.184
Minimum Offering	5,000,000	\$1,000,000	\$80,000	\$920,000
Maximum Offering	45,000,000	\$9,000,000	\$720,000	\$8,280,000

Notes:

- (1) A cash commission of 8% of the gross proceeds of the Offering will be paid to the Agents (the "**Agents' Commission**"). In addition, the Agents will be granted a non-transferable option (the "**Agents' Option**") allowing the Agents to purchase, at the Agents' election, that number of Common Shares that is equal to 8% of the total number of Common Shares sold pursuant to the Offering, at a price of \$0.20 per Common Share (the "**Agents' Option Shares**"), which Agents' Option may be exercised, in whole or in part, at any time within 5 years after the Listing Date by written notice from the Agents to the Issuer setting forth the number of Agents' Option Shares to be purchased, and which Agents' Option is qualified for distribution under this prospectus. Upon completion of the Offering, the Issuer will pay to the Lead Agent a corporate finance fee of 2% of the gross proceeds of the Offering, plus GST. The Agents will be reimbursed by the Issuer for their fees and expenses in relation to the Offering, including legal fees, expenses and disbursements, towards which a retainer of \$[15,000] has been paid. See "*Plan of Distribution*".
- (2) After deducting the Agents' Commission and before deducting the other expenses of the Offering, which are estimated to be \$• (which

includes listing and filing fees, the Lead Agent's corporate finance fee, Agents' expenses, and the Issuer's legal and auditing expenses). See "Use of Proceeds".

The Offering is being made on a commercially reasonable efforts basis by the Agents. The Offering price of the Common Shares was determined by negotiation between the Issuer and the Agents. All funds received from subscriptions for Common Shares will be held by the Agents pursuant to the terms of the agency agreement dated [●], 2021 (the "**Agency Agreement**") between the Issuer and the Agents. The Offering is subject to an aggregate minimum subscription of 5,000,000 Common Shares for total gross proceeds to the Issuer of \$1,000,000. If the gross proceeds of at least \$1,000,000 are not raised within 90 days of the issuance of a receipt for the (final) prospectus or such other time as may be consented to by the Agents and the purchasers, all subscription monies will be returned to purchasers without interest or deduction, unless the purchasers have otherwise instructed the Agents. See "*Plan of Distribution*".

Pursuant to the Agency Agreement, the following securities may be issuable:

Agents' Position	Minimum size or number of securities available	Maximum size or number of securities available	Exercise period or acquisition date	Exercise price or average acquisition price
Agents' Option ⁽¹⁾	400,000 Agents' Option Shares ⁽¹⁾	3,600,000 Agents' Option Shares ⁽¹⁾	Five years from the Listing Date	\$0.20

Note:

(1) The Agents' Option is qualified for distribution pursuant to this prospectus. See "Plan of Distribution" for more information about the Agents' Option.

Certain members of the Lead Agent's "professional group", as such term is defined in National Instrument 33-105—*Underwriting Conflicts* ("**NI 33-105**"), collectively own or control, as of the date hereof, in aggregate, 3,500,000 Common Shares representing 35% of the issued and outstanding Common Shares. Furthermore, Nima Besharat, Director, Global Investment Banking of the Lead Agent, is a director, officer and a Promoter of the Issuer and Kia Besharat, Senior Managing Director, Global Investment Banking & Head of Capital Markets Origination of the Lead Agent, and Raphael Yeung, Senior Vice President, Global Investment Banking of the Lead Agent, are directors of the Issuer. **As a result, the Lead Agent is an "influential securityholder" of the Issuer, as such term is defined in NI 33-105. Consequently, the Issuer is a "related issuer" and may also be considered a "connected issuer" of the Lead Agent, as such terms are defined in NI 33-105, in connection with the Offering.**

The terms of the Offering were set by the Issuer together with the Agents having regard to the market conditions and the prospects of the Issuer. The proceeds of the Offering will not be applied for the benefit of Messrs. Besharat, Besharat and Yeung or the Lead Agent, except insofar as the Lead Agent may receive commissions and payment of the Lead Agent's legal fees and expenses from the Issuer as further described in this prospectus. These relationships give rise to the potential for conflicts of interest between the interests of the Lead Agent and purchasers in relation to the Issuer and in respect of a prospective investment in the Issuer by clients of the Lead Agent. The engagement of the Lead Agent and the appointment of the aforementioned individuals as directors and officers of the Issuer were not conditional on one another.

See "*Plan of Distribution – Underwriting Conflicts*".

Market for Securities

Other than the initial distribution of the Common Shares pursuant to this prospectus and the grant of the Agents' Option, trading in all securities of the Issuer is prohibited during the period between the date a receipt for the preliminary prospectus is issued by the Commissions and the time the Common Shares are listed for trading except,

subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable Commission(s) grant a discretionary order.

There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "*Risk Factors*". Upon completion of the Offering, purchasers will suffer an immediate dilution (based on the gross proceeds from the Offering and prior issues without deduction of selling and related expenses) per Common Share of 9.09% or \$0.018 in the case of the Maximum Offering (33.33% or \$0.067 in the case of the Minimum Offering). See "*Market for Securities*" and "*Risk Factors*".

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

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

Risk Factors

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

The Issuer has a limited operating history and does not currently own any assets other than cash. The business objective of the Issuer is to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction approved by the Exchange and, in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval; however, there can be no assurance that the Issuer will successfully complete a Qualifying Transaction. The Issuer has not commenced the process of identifying potential acquisitions. The Issuer may find that even if the terms of a potential acquisition are economic, the Issuer may not be able to finance such acquisition and additional funds may be required to meet such obligations. Since the Issuer has not placed any geographical restrictions on the location of a Qualifying Transaction, such Qualifying Transaction may involve the acquisition of a business located outside of Canada and, as such, purchasers should be aware that it may be difficult or may not be possible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and that it may not be possible to enforce against such persons or the Issuer, judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada. Where the investment or acquisition is financed by the issuance of shares from the Issuer's treasury, control of the Issuer may change and shareholders may suffer further dilution of their investment. The Issuer will be in competition with other corporations with greater resources. The Issuer has neither a history of earnings nor has it paid any dividends and it is unlikely to generate earnings or pay dividends in the immediate or foreseeable future. See "*Risk Factors*".

If the Issuer does not list the Common Shares on the Exchange as contemplated herein under the heading "*Eligibility for Investment*", adverse tax consequences may arise with respect to Common Shares held in RRSPs, RRIFFs, TFSA's, DPSPs, RESPs and RDSPs, each as hereafter defined. See "*Eligibility for Investment*" and "*Risk Factors*".

Once listed, the Exchange may suspend from trading or delist the Common Shares where the Issuer has failed to complete a Qualifying Transaction within 24 months of the Listing Date. The Commissions may issue an interim cease

trade order against the Issuer's securities if the Common Shares are suspended from trading on the Exchange and will issue an interim cease trade order if the Common Shares are delisted from the Exchange. In addition, delisting of the Common Shares may result in the cancellation of the Common Shares owned by Non-Arm's Length Parties issued prior to the Offering. See "*Risk Factors*".

Purchasers must rely solely on the expertise of the Issuer's Promoter, directors and officers for any possible return on their investment. The Issuer's Promoter, directors, officers and Control Persons, and their Associates and Affiliates, as a group, beneficially own or control, directly or indirectly, 5,000,000 Common Shares, which represents 50% of the issued and outstanding Common Shares before giving effect to the Offering and 9.09% after giving effect to the Maximum Offering (33.33% after giving effect to the Minimum Offering). It is not expected that the Issuer's directors or officers will purchase any Common Shares pursuant to the Offering. The directors and officers of the Issuer will only devote part of their time to the affairs of the Issuer and there may be potential conflicts of interest to which some of the directors and officers of the Issuer will be subject in connection with the operations of the Issuer. See "*Dilution*", "*Business of the Issuer*", "*Directors, Officers and Promoters*", "*Plan of Distribution – Underwriting Conflicts*", "*Use of Proceeds*" and "*Risk Factors*".

Maximum Investment

Pursuant to the CPC Policy, 75% of the total number of Common Shares offered under this prospectus, or 3,750,000 Common Shares if the Minimum Offering is subscribed for and 33,750,000 Common Shares if the Maximum Offering is subscribed for, are subject to the following limits:

- (a) the maximum number of Common Shares that may be directly or indirectly purchased by any one purchaser pursuant to the Offering is 2% of the total number of Common Shares offered under this prospectus, being 100,000 Common Shares (\$20,000) if the Minimum Offering is subscribed for and 900,000 Common Shares (\$180,000) if the Maximum Offering is subscribed for; and
- (b) the maximum number of Common Shares that may be directly or indirectly purchased by any one purchaser, together with that purchaser's Associates and Affiliates, is 4% of the total number of Common Shares offered under this prospectus, being 200,000 Common Shares (\$40,000) if the Minimum Offering is subscribed for and 1,800,000 Common Shares (\$360,000) if the Maximum Offering is subscribed for.

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 the closing of the Offering unless the Agents elect for delivery in electronic book based form through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee. If delivered in book based 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 Common Shares were purchased.

The Agents hereby offer for sale a minimum of 5,000,000 Common Shares and a maximum of 45,000,000 Common Shares, on a commercially reasonable efforts basis, if, as and when subscriptions are accepted by the Issuer, 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 DuMoulin Black LLP, Vancouver, British Columbia, on behalf of the Issuer and by Minden Gross LLP, Toronto, Ontario, on behalf of the Agents.

Gravitas Securities Inc.
MNP Tower, Suite 2880, 1021 West Hastings Street
Vancouver, BC V6E 0C3
Telephone: 778-327-6863

TABLE OF CONTENTS

GLOSSARY	1
PROSPECTUS SUMMARY	8
Business of the Issuer:	8
Offering:	8
Use of Proceeds:.....	8
Directors, Officers and Promoters:	8
Escrowed Securities:.....	9
THE ISSUER.....	10
Name and Incorporation	10
BUSINESS OF THE ISSUER.....	10
Preliminary Expenses	10
Proposed Operations Until Completion of a Qualifying Transaction	10
Method of Financing	10
Criteria for a Qualifying Transaction	10
Shareholder Approval of a Qualifying Transaction	11
Initial Listing Requirements.....	12
Trading Halts, Suspension and Delisting	12
Refusal of Qualifying Transaction.....	12
USE OF PROCEEDS	13
Proceeds and Principal Purposes	13
Permitted Use of Funds.....	14
Prohibited Payments to Non-Arm’s Length Parties	15
Private Placements for Cash.....	16
Finder’s Fees.....	16
PLAN OF DISTRIBUTION.....	16
Agency Agreement and Agents’ Compensation.....	16
Commercially Reasonable Efforts Offering and Minimum Distribution	17
Determination of Price	18
Listing Application	18
Underwriting Conflicts	18
Subscriptions by and Restrictions on the Agents	19
Restrictions on Trading.....	20
DESCRIPTION OF THE SECURITIES DISTRIBUTED.....	20
Common Shares	20
CAPITALIZATION.....	20
OPTIONS TO PURCHASE SECURITIES	21
Stock Option Terms	21
Agents’ Option.....	21
PRIOR SALES.....	22
ESCROWED SECURITIES	22
Securities Escrowed Prior to the Completion of the Qualifying Transaction.....	22
Escrowed Securities on Qualifying Transaction	24
PRINCIPAL SHAREHOLDERS	24
DIRECTORS, OFFICERS AND PROMOTERS.....	26
Other Reporting Issuer Experience	30

Cease Trade Orders	31
Penalties or Sanctions	31
Individual Bankruptcies	32
Indebtedness of Directors and Officers.....	32
Conflicts of Interest	32
Audit Committee	32
EXECUTIVE COMPENSATION.....	33
DILUTION	33
ELIGIBILITY FOR INVESTMENT.....	34
RISK FACTORS.....	35
LEGAL PROCEEDINGS.....	36
RELATIONSHIP BETWEEN THE ISSUER AND THE AGENTS.....	36
RELATIONSHIP BETWEEN THE ISSUER AND PROFESSIONAL PERSONS	36
PROMOTER	37
INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	37
AUDITORS, TRANSFER AGENT AND REGISTRAR	37
MATERIAL CONTRACTS.....	38
OTHER MATERIAL FACTS	38
DIVIDEND POLICY	38
PURCHASER'S STATUTORY RIGHTS	38
SCHEDULE "A" – FINANCIAL STATEMENTS	
SCHEDULE "B" – AUDIT COMMITTEE CHARTER	
CERTIFICATE OF THE CORPORATION	
CERTIFICATE OF THE AGENTS	
CERTIFICATE OF THE PROMOTERS	

GLOSSARY

The following are definitions of certain terms used throughout this prospectus.

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

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

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

A Company is “controlled” by a Person if:

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

A Person beneficially owns securities that are beneficially owned by:

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

“Agency Agreement” means the agency agreement dated [●], 2021 between the Issuer and the Agents.

“Agents” means Gravitass Securities Inc. and Research Capital Corporation.

“Agents’ Option” means the non-transferable option allowing the Agents to purchase, at the Agents’ election, up to that number of Common Shares that is equal to 8% of the total number of Common Shares sold pursuant to the Offering, at a price of \$0.20 per Common Share, exercisable by the Agents, in whole or in part, at any time within 5 years of the Listing Date by written notice from the Agents to the Issuer setting forth the number of Common Shares to be purchased. For details see *“Options to Purchase Securities”*.

“Agents’ Option Shares” means the Common Shares to be issued to the Agents upon exercise of the Agents’ Option.

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

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

- (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to all outstanding voting securities of the issuer;
- (b) any partner of the Person;
- (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity;
- (d) in the case of a Person who is an individual:
 - (i) that Person’s spouse or child, or
 - (ii) any relative of that Person or of his or her spouse who has the same residence as that Person;

but

- (e) where the Exchange determines that two Persons will, or will not, be deemed to be Associates with respect to a Member firm, Member corporation or holding Company of a Member corporation, then such determination will be determinative of their relationships in the application of Rule D.1.00 of the TSX Venture Exchange Rule Book and Policies with respect to that Member firm, Member corporation or holding company.

“Closing Date” means the date the Offering is completed.

“Co-Lead Agent” means Research Capital Corporation.

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

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

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

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

“Concurrent Financing” means a Private Placement that an issuer proposes to complete after it has entered into a Qualifying Transaction Agreement and concurrently with the closing of the Qualifying Transaction to raise funds needed to close the Qualifying Transaction (e.g. closing payments to the Vendor(s)) and to satisfy applicable Initial Listing Requirements related to Working Capital and Financial Resources.

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

“Controlling Individual” has the meaning set forth in *“Eligibility for Investment”* herein.

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

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

“CPC Escrow Agreement” means the Form 2F – *CPC Escrow Agreement* dated [●], 2021 among the Issuer, the Escrow Agent and the principal shareholders of the Issuer.

“CPC Filing Statement” means the Filing Statement of the CPC prepared in accordance with Form 3B2 – *Information Required in a Filing Statement for a Qualifying Transaction*, which provides full, true and plain disclosure of all material facts relating to the CPC and the Significant Assets.

“CPC Information Circular” means the Information Circular of the CPC prepared in accordance with applicable Securities Laws and Form 3B1 – *Information Required in an Information Circular for a Qualifying Transaction*, which provides full, true and plain disclosure of all material facts relating to the CPC and the Significant Assets.

“CPC Policy” means Policy 2.4 of the Exchange.

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

“Disclosure Document” means the CPC Filing Statement or the CPC Information Circular, as the case may be, or the Prospectus if required by section 11.1(f) of the CPC Policy.

“Escrow Agent” means TSX Trust Company.

“Escrow Shares” means:

- (a) all Seed Shares issued at a price lower than the price of the Common Shares;
- (b) all Seed Shares, Common Shares and any securities acquired from treasury after the IPO but before issuance of the Final QT Exchange Bulletin (other than shares acquired which are subject to Section 11.6 of the CPC Policy and those shares acquired upon exercise of stock options which must be escrowed as provided in Section 7.5 of the CPC Policy) which are, directly or indirectly, beneficially owned or controlled by Non-Arm’s Length Parties of the CPC (as determined post IPO);
- (c) all securities acquired by a Control Person in the secondary market prior to Completion of the Qualifying Transaction; and
- (d) all Seed Shares purchased by a member of the Aggregate Pro Group.

“Exchange” means TSX Venture Exchange.

“DPSP” has the meaning set forth in *“Eligibility for Investment”* herein.

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

“Financial Resources” refers generally only to the ability of an issuer to pay from its cash flow, all general and administrative expenses and costs reasonably required pursuant to its business plan.

“Holding Company” has the meaning set forth in *“Escrowed Securities – Securities Escrowed Prior to the Completion of the Qualifying Transaction”* herein.

“Information Circular” means a document in the form required by applicable corporate law and applicable Securities Laws prepared in connection with a proxy solicitation for a shareholders’ meeting.

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

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

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

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

“Issuer” means Gravitas II Capital Corp., a corporation incorporated under the *Business Corporations Act* (British Columbia).

“Lead Agent” means Gravitas Securities Inc.

“Listed Share” means a share or other security that is listed on the Exchange.

“Listing Date” means the date of listing of the Common Shares on the Exchange.

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

- (a) Non-Arm’s Length Parties to the CPC;
- (b) Non-Arm’s Length Parties to the Qualifying Transaction; and
- (c) in the case of a Related Party Transaction:
 - (i) if the CPC holds its own Common 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.

“Maximum Offering” means the Issuer’s maximum Offering amount of 45,000,000 Common Shares at a price of \$0.20 per Common Share for gross proceeds of \$9,000,000.

“Member” has the meaning in Exchange Rule A 1.00.

“Minimum Offering” means the Issuer’s minimum Offering amount of 5,000,000 Common Shares at a price of \$0.20 per Common Share for gross proceeds of \$1,000,000.

“NI 33-105” means National Instrument 33-105—*Underwriting Conflicts*.

“Non-Arm’s Length Party” means:

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

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

“Non-Arm’s Length Qualifying Transaction” means a proposed Qualifying Transaction where the same party or parties

or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction.

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

“**Option Plan**” has the meaning set forth in “*Options to Purchase Securities*” herein.

“**Participating Organization**” means, generally, a Company that is not a Member but has been granted access to trading privileges through the Exchange. See the definition in Rule A.1.00.

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

“**Principal**” means:

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

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

A Company, 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 any relatives of the Principal or spouse who live at the same address as the Principal will also be treated as Principals and any securities of the Issuer they hold will be subject to escrow requirements.

“**Private Placement**” means an issuance from treasury of securities for cash without Prospectus disclosure, in reliance on one or more of the exemptions under applicable Securities Laws, including the issuance of shares, units, Warrants, convertible securities or debt, but not including a rights offering, issuance of shares for debt, acquisition, take-over bid or offering by a Short Form Offering Document.

“**Pro Group**” means:

- (a) subject to subparagraphs (b), (c) and (d) “Pro Group” will include, either individually or as a group:
 - (i) the Member;

- (ii) employees of the Member;
 - (iii) partners, officers and directors of the Member;
 - (iv) Affiliates of the Member; and
 - (v) Associates of any parties referred to in subparagraphs (i) through (iv);
- (b) the Exchange may, in its discretion, include a Person or party in the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is not acting at arm's length to the Member;
 - (c) the Exchange may, in its discretion, exclude a Person from the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is acting at arm's length of the Member;
 - (d) the Exchange may deem a Person who would otherwise be included in the Pro Group pursuant to subparagraph (a) to be excluded from the Pro Group where the Exchange determines that:
 - (i) the Person is an Affiliate or Associate of the Member 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 section 1(1) of the *Securities Act* (British Columbia).

"Prospectus" means a disclosure document required to be prepared in connection with a public offering of securities and which complies with the form and content requirements of a prospectus as described in applicable Securities Laws.

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

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

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

"RDSP" has the meaning set forth in *"Eligibility for Investment"* herein.

"Registered Plans" has the meaning set forth in *"Eligibility for Investment"* herein.

"RESP" has the meaning set forth in *"Eligibility for Investment"* herein.

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

“RRIF” has the meaning set forth in *“Eligibility for Investment”* herein.

“RRSP” has the meaning set forth in *“Eligibility for Investment”* herein.

“Securities Laws” means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to an issuer.

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

“Seed Shares” means securities issued before an Issuer’s IPO whether the securities are subject to resale restrictions or are free trading.

“Shareholder” means a registered or beneficial holder of shares or, if the context requires, other securities of a Company.

“Significant Assets” means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any other concurrent transactions, would result in the CPC meeting the initial listing requirements of the Exchange.

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

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

“Tax Act” has the meaning set forth in *“Eligibility for Investment”* herein.

“TFSA” has the meaning set forth in *“Eligibility for Investment”* herein.

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

“Warrants” means Listed Share purchase warrants, being a right which can be exercised to acquire Listed Shares upon payment of cash consideration, usually issued in connection with a Private Placement or pursuant to a Prospectus.

“Working Capital” means current assets less current liabilities based on the Issuer’s most recent balance sheet.

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.

Issuer: Gravitas II Capital Corp.

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

Offering: A minimum of 5,000,000 and a maximum of 45,000,000 Common Shares are being offered under this prospectus at a price of \$0.20 per Common Share. In addition, the Issuer will grant to the Agents the Agents' Option to purchase that number of Common Shares equal to 8% of the Common Shares sold pursuant to the Offering (a minimum of 400,000 up to a maximum of 3,600,000 Agents' Option Shares assuming completion of the Minimum Offering and the Maximum Offering, respectively), at a price of \$0.20 per Agents' Option Share which will be exercisable for a period of 5 years from the Listing Date. The Agents' Option is qualified for distribution pursuant to this prospectus. See *"Plan of Distribution"*.

Use of Proceeds: The total net proceeds to the Issuer, including the balance of cash proceeds raised prior to this Offering and the gross proceeds of the Offering, will be approximately \$[●] in the event of the Minimum Offering and \$[●] in the event of the Maximum Offering. These proceeds will be used to provide the Issuer with a minimum amount of funds with which to identify and evaluate assets or businesses, for acquisition, with a view to completing a Qualifying Transaction. The Issuer may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. See *"Use of Proceeds"* for details of the restrictions and prohibitions on the Issuer's use of funds.

Directors, Officers and Promoters: Nima Besharat – Chief Executive Officer, Chief Financial Officer, a director and a Promoter
Drew Green – Chairman and director
Kia Besharat – Director
Raphael Yeung – Director
Mahdi Shams – Director
Justin Kates – Corporate Secretary

See *"Directors, Officers and Promoters"*

Dividend Policy: It is not contemplated that any dividends will be paid on the Common Shares in the immediate or foreseeable future. See *"Dividend Policy"*.

Escrowed Securities:

All of the currently issued and outstanding Common Shares, being 10,000,000 Common Shares, and all the currently issued CPC Stock Options, being 1,000,000 CPC Stock Options, will be deposited in escrow pursuant to the terms of the CPC Escrow Agreement, and will be released from escrow in stages over a period of 18 months from the date of the Final QT Exchange Bulletin. See “*Escrowed Securities*”.

Risk Factors:

Investment in the Common Shares must be regarded as highly speculative due to the proposed nature of the Issuer’s business and its present stage of development. The Issuer has a limited operating history and has no active business or assets other than a minimum amount of cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. The Offering is only suitable to purchasers who are prepared to rely entirely on the directors and management of the Issuer and can afford to risk the loss of their entire investment. The directors and officers of the Issuer will only devote part of their time and attention to the affairs of the Issuer and there are potential conflicts of interests to which some of the directors and officers of the Issuer will be subject in connection with the operations of the Issuer. Assuming completion of the Offering, a purchaser will suffer an immediate dilution of investment per Common Share of 9.09% or \$0.018 in the case of the Maximum Offering (33.33% or \$0.067 in the case of the Minimum Offering). There can be no assurance that an active and liquid market for the Common Shares will develop and a purchaser may find it difficult to resell the Common Shares. Until Completion of the Qualifying Transaction, the Issuer will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Issuer has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Issuer will be able to identify or complete a suitable Qualifying Transaction.

If the Issuer does not list the Common Shares on the Exchange as contemplated herein under the heading “*Eligibility for Investment*”, adverse tax consequences may arise with respect to Common Shares held in RRSPs, RRIFs, TFSAs, DPSPs, RESPs and RDSPs.

If the Issuer identifies a suitable business or asset, the Exchange may not approve the transaction as a Qualifying Transaction or management may determine that market conditions make the terms of the acquisition uneconomic. Furthermore, the Issuer may require additional financing to both secure and exploit the business opportunity and there is no guarantee that such financing will be available.

If the Issuer fails to complete a Qualifying Transaction acceptable to the Issuer’s shareholders and the Exchange within 24 months of the Listing Date, or if the Issuer fails to comply with the Exchange’s listing maintenance requirements, the Common Shares may be suspended from trading or delisted.

An acquisition financed by the issuance of treasury shares could result in a change in the control of the Issuer and may cause the interests of the shareholders in the Issuer to be further diluted.

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 the directors, officers and experts outside of Canada and it may not be possible to enforce against such persons or companies judgments obtained in Canadian courts predicated upon the civil liability provisions applicable to securities laws in Canada. See “*Business of the Issuer*”, “*Risk Factors*”, and “*Directors, Officers and Promoters – Conflicts of Interest*”.

THE ISSUER

Name and Incorporation

Gravitas II Capital Corp. was incorporated pursuant to the provisions of the *Business Corporations Act* (British Columbia) on January 18, 2021. The head office of the Issuer is located at MNP Tower, Suite 2880, 1021 West Hastings Street, Vancouver, British Columbia V6E 0C3, and the registered office of the Issuer is located at 10th Floor, 595 Howe Street, Vancouver, British Columbia V6C 2T5.

BUSINESS OF THE ISSUER

Preliminary Expenses

The Issuer incurred or prepaid total expenses of \$• from the date of incorporation until the date hereof. Included in the total expenses, the Issuer has incurred preliminary expenses of \$• in proceeding with the Offering. A portion of the proceeds of the Offering will be utilized to satisfy certain expenses or costs that relate to the Offering, including the expenses of its auditors, legal counsel, the Agents' legal counsel, the Lead Agent's corporate finance fee, the Exchange and the Commissions. Since the date of the Issuer's statement of financial position included in this prospectus, the Issuer has incurred or prepaid a total of \$5,000 (plus GST) for Exchange listing fees.

See "*Use of Proceeds*".

Proposed Operations Until Completion of a Qualifying Transaction

The Issuer is a CPC pursuant to the CPC Policy. The principal business of the Issuer is to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction is also subject to Majority of the Minority Approval in accordance with the CPC Policy. The Issuer has not conducted commercial operations other than to enter into discussions for the purpose of identifying potential acquisitions or interests.

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

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

Method of Financing

The Issuer may use cash, bank financing, the issuance of treasury shares or public financing of debt or equity, or a combination of the foregoing, 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 Issuer and may cause the shareholders interest in the Issuer to be further diluted.**

Criteria for a Qualifying Transaction

The board of directors of the Issuer must approve any proposed Qualifying Transaction. In exercising their powers and

discharging their duties in relation to a proposed Qualifying Transaction, the directors will act honestly and in good faith with a view to the best interests of the Issuer and will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The potential acquisitions will be screened initially by management of the Issuer 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, among other things, the (a) projected rate of return; (b) risk of loss; (c) prospects for growth; (d) skill of the management team; and (e) basic financing considerations, including the costs of the acquisition and the prospect of obtaining debt or equity financing to complete the acquisition.

Shareholder Approval of a Qualifying Transaction

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

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

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

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

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

Initial Listing Requirements

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

Trading Halts, Suspension and Delisting

The Exchange will generally halt trading in the Common Shares from the date of the public announcement of a Qualifying Transaction Agreement until all filing requirements of the Exchange have been satisfied, which includes the submission of a Form 2G – *Sponsorship Acknowledgment Form*, where the Qualifying Transaction is subject to sponsorship. In addition, a Form 2A – *Personal Information Form* or, if applicable, a Form 2C1 – *Declaration* for each individual who may be a director, senior officer, Promoter, or Insider of the Resulting Issuer must be filed with the Exchange and any preliminary background searches that the Exchange considers necessary or advisable, must also be completed, before the trading halt will be lifted by the Exchange.

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

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

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

In the event that the Common Shares are delisted by the Exchange, then within 90 days from the date of such delisting, the Issuer will wind up and liquidate its assets pursuant to the *Business Corporations Act* (British Columbia) and will make a pro rata distribution of its remaining assets to its shareholders, unless the shareholders, pursuant to a majority vote of shareholders, exclusive of the vote of Non-Arm's Length Parties to the Issuer, determine to deal with the Issuer or its remaining assets in some other manner. See "*Business of the Issuer - Criteria for a Qualifying Transaction, Shareholder Approval of a Qualifying Transaction, Minimum Listing Requirements and Refusal of Qualifying Transaction*".

Refusal of Qualifying Transaction

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

- (a) the Resulting Issuer fails to satisfy the applicable initial listing requirements of the Exchange;
- (b) the Resulting Issuer will be a mutual fund, as defined in the securities legislation; or

- (c) notwithstanding the definition of a Qualifying Transaction, there is any other reason for denying acceptance of the Qualifying Transaction.

USE OF PROCEEDS

Proceeds and Principal Purposes

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

<u>Proceeds and Expenses</u>	<u>MINIMUM OFFERING</u>	<u>MAXIMUM OFFERING</u>
(a) Gross cash proceeds raised prior to the Offering ⁽¹⁾	\$1,000,000	\$1,000,000
(b) Less: Expenses and costs relating to raising the cash proceeds referred to in (a) above ⁽²⁾	(\$●)	(\$●)
(c) Plus: Gross cash proceeds to be raised by the Issuer from the sale of Common Shares pursuant to the Offering ⁽³⁾	\$1,000,000	\$9,000,000
(d) Less: Expenses and costs relating to the Offering (including listing fees, Agents' Commission, corporate finance fee, legal fees, audit fees and expenses) referred to in (c) above, incurred to date and expected to be incurred	(\$[175,000])	(\$[975,000])
(e) Estimated funds to be available to the Issuer (on completion of the Offering)	\$[●]	\$[●]
Estimated general and administrative expenses until Completion of a Qualifying Transaction	\$[50,000]	\$[50,000]
Funds available for identifying and evaluating assets or business prospects ⁽⁴⁾	\$[●]	\$[●]
Total net proceeds	\$[●]	\$[●]

Notes:

- (1) See "Prior Sales".
- (2) [No issue costs have been allocated toward the issuance of the Seed Shares. See Schedule "A" - Financial Statements.]
- (3) In the event the Agents exercise the Agents' Option, there will be available to the Issuer a maximum of an additional \$720,000, in the event of the Maximum Offering (\$80,000 in the event of the Minimum Offering) which will be added to the working capital of the Issuer. There is no assurance that any of the Agents' Option will be exercised, in whole or in part.
- (4) In the event that the Issuer enters into a Qualifying Transaction Agreement prior to spending all of the funds available to it on identifying and evaluating assets or business, which the Issuer estimates will be \$[●] in the event of the Maximum Offering ([●] in the event of the Minimum Offering), the remaining funds may be used to finance or partially finance the acquisition of, or participation in, the Significant Assets or for working capital after Completion of the Qualifying Transaction.

Until required for the Issuer's purposes, the proceeds from the Offering and any prior sale of Common Shares will only be invested in securities of, or those guaranteed by, the Government of Canada or any province or territory of Canada or the Government of the United States of America, in certificates of deposit or interest-bearing accounts of Canadian

chartered banks, trust companies or credit unions.

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

The Issuer intends to spend the funds available to it as stated in this prospectus. There may be circumstances however, where, for sound business reasons, a reallocation of funds may be necessary. Unallocated funds from the Offering, and from the exercise of the Agents' Option, in whole or in part, will be added to the working capital of the Issuer and will be expended at the discretion of management.

Permitted Use of Funds

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

- (a) reasonable expenses relating to the Issuer's IPO, including:
 - (i) fees for legal services and audit services relating to the preparation and filing of this prospectus;
 - (ii) Agent's fees, costs and commissions; and
 - (iii) printing costs, including printing of this prospectus and share certificates;
- (b) reasonable general and administrative expenses of the Issuer (not exceeding in aggregate \$3,000 per month), including:
 - (i) office supplies, office rent and related utilities;
 - (ii) equipment leases;
 - (iii) fees for legal services; and
 - (iv) fees for accounting and advisory services;
- (c) reasonable expenses relating to a proposed Qualifying Transaction, including:
 - (i) valuations or appraisals;
 - (ii) business plans;
 - (iii) feasibility studies and technical assessments;
 - (iv) sponsorship reports;
 - (v) Geological Reports (as defined in Policy 1.1 – *Interpretation of the Exchange*);
 - (vi) financial statements;

- (vii) fees for legal services;
- (viii) fees for accounting, assurance and audit services;
- (d) agents' and finders' fees, costs and commissions;
- (e) assurance and audit fees of the Issuer;
- (f) escrow agent and transfer agent fees of the Issuer; and
- (g) regulatory filing fees of the Issuer.

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

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

Prohibited Payments to Non-Arm's Length Parties

Except as described under "*Options to Purchase Securities*", "*Permitted Use of Funds*" and "*Finder's Fees*", the Issuer has not made, and until the Completion of the Qualifying Transaction will not make, any payment of any kind, directly or indirectly, to a Non-Arm's Length Party to the Issuer or to a Non-Arm's Length Party to the Qualifying Transaction, or to a person engaged in investor relations activities, promotional or market-making services in respect of the Issuer or the securities of the Issuer or any Resulting Issuer, by any means, including:

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

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

Notwithstanding the above, the Issuer may pay or reimburse a Non -Arm's Length Party to the Issuer for reasonable

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

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

Private Placements for Cash

After the closing of the Offering and until the Completion of the Qualifying Transaction, the Issuer will not issue any securities unless written acceptance of the Exchange is obtained before issuance. Prior to the Completion of the Qualifying Transaction, the Exchange generally will not accept a private placement by the Issuer where the gross proceeds raised from the issuance of securities both prior to and pursuant to the Offering, together with any proceeds anticipated to be raised upon closing of the private placement, will exceed \$10,000,000. Generally, the only securities issuable pursuant to such a private placement will be Common Shares and Agent's Options. Subject to certain limited exceptions, any Common Shares issued pursuant to the private placement to Non-Arm's Length Parties to the Issuer and to Principals of the Resulting Issuer will be subject to escrow.

Finder's Fees

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

- (a) to a Person that is not a Non-Arm's Length Party to the Issuer; and
- (b) to a Non-Arm's Length Party to the Issuer, provided that:
 - (i) the Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction;
 - (ii) the Qualifying Transaction is not a transaction between the Issuer and an existing public company;
 - (iii) the finder's fee is payable in the form of cash, Listed Shares and/or Warrants only;
 - (iv) the amount of any Concurrent Financing is not included in the value of the measurable benefit used to calculate the finder's fee; and
 - (v) approval of the finder's fee is obtained by ordinary resolution at a meeting of Shareholders of the Issuer or by the written consent of Shareholders of the Issuer holding more than 50% of the issued Listed Shares of the Issuer, provided that the votes attached to the Listed Shares of the Issuer held by the recipient of the finder's fee and its Associates and Affiliates are excluded from the calculation of any such approval or written consent.

PLAN OF DISTRIBUTION

Agency Agreement and Agents' Compensation

Pursuant to the Agency Agreement, the Issuer has appointed the Agents as its agents to offer for sale, on a commercially reasonable efforts basis to the public, a minimum of 5,000,000 Common Shares and a maximum of 45,000,000 Common

Shares as provided in this prospectus, at a price of \$0.20 per Common Share, for gross proceeds of up to \$9,000,000 in the event of the Maximum Offering (\$1,000,000 in the event of the Minimum Offering), subject to the terms and conditions in the Agency Agreement. The Agents will receive a cash commission of 8% of the aggregate gross proceeds from the sale of the Common Shares, payable 50% to the Lead Agent and 50% to the Co-Lead Agent. In addition, upon closing of the Offering, the Issuer will pay to the Lead Agent a corporate finance fee of 2% of the gross proceeds of the Offering, plus GST, and will reimburse the Agents for their reasonable expenses, including legal fees and disbursements, for which a retainer of \$15,000 has been paid.

The Issuer has also agreed to grant to the Agents the Agents' Option to purchase up to the number of Agents' Option Shares equal to 8% of the Common Shares sold pursuant to the Offering, at a price of \$0.20 per Agents' Option Share, which may be exercised for a period of five years from the Listing Date. The Agents' Option Shares are to be granted on the following basis: 50% to the Lead Agent and 50% to the Co-Lead Agent. The Agents' Option is qualified for distribution under this prospectus. Not more than 50% of the Common Shares which can be acquired by the Agents on exercise of the Agents' Option may be sold by the Agents prior to the Completion of the Qualifying Transaction. The remaining 50% may be sold after the Completion of the Qualifying Transaction.

The Issuer has agreed not to, directly or indirectly, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or agree to, or announce any intention to, issue, sell, offer, grant an option, or right in respect of, or otherwise dispose of any additional Common Shares or any securities convertible or exchangeable into Common Shares, other than pursuant to (i) the exercise of previously issued convertible or exchangeable securities, or (ii) the issuance of securities in accordance with any agreement to acquire assets that will form the basis of a Qualifying Transaction, or (iii) the grant or exercise of stock options and other similar issuances pursuant to any stock option plan or similar share compensation arrangements in place prior to the Closing Date, for a period commencing on the Closing Date and ending on 120 days following the Closing Date, without the prior written consent of the Agents, such consent not to be unreasonably withheld.

The Issuer has agreed to grant to the Lead Agent a right of first refusal to act as lead agent and sole book runner in respect of any offering of securities proposed by the Issuer in Canada or the United States by private placement or public offering, or to provide professional, sponsorship or advisory services performed (or normally performed) by a broker or investment dealer, for a period that is the later of: (i) twelve (12) months following the Closing Date; and (ii) the date of the next financing round of the Issuer.

The Agents have agreed to use commercially reasonable efforts to secure subscriptions for the Common Shares on behalf of the Issuer and may make co-brokerage arrangements with other investment dealers at no extra cost to the Issuer. The obligations of the Agents 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.

Other than as described in this prospectus, there are no payments in cash, securities or other consideration being made, or to be made, to a Promoter, finder or any other person or corporation in connection with the Offering.

The Offering will be made in accordance with the rules and policies of the Exchange and with the consent of the Exchange. The closing of the Offering will take place at such time as the Issuer and the Agents may agree, provided that the total subscription has been received.

Commercially Reasonable Efforts Offering and Minimum Distribution

The Offering consists of a minimum of 5,000,000 Common Shares and a maximum of 45,000,000 Common Shares for total gross proceeds of a minimum of \$1,000,000 and a maximum of \$9,000,000. Under the CPC Policy, 75% of the total

number of Common Shares offered under this prospectus, being 3,750,000 Common Shares if the Minimum Offering is subscribed for and 33,750,000 Common Shares if the Maximum Offering is subscribed for, are subject to the following limits:

- (a) the maximum number of Common Shares that may be directly or indirectly purchased by any one purchaser pursuant to the Offering is 2% of the total number of Common Shares offered under this prospectus, being 100,000 Common Shares (\$20,000) if the Minimum Offering is subscribed for and 900,000 Common Shares (\$180,000) if the Maximum Offering is subscribed for; and
- (b) the maximum number of Common Shares that may be directly or indirectly purchased by any one purchaser, together with that purchaser's Associates and Affiliates, is 4% of the total number of Common Shares offered under this prospectus, being 200,000 Common Shares (\$40,000) if the Minimum Offering is subscribed for and 1,800,000 Common Shares (\$360,000) if the Maximum Offering is subscribed for.

The funds received from the Offering will be deposited with the Agents, and will not be released until a minimum of \$1,000,000 has been deposited. All funds received from subscriptions for Common Shares will be held by the Agents pursuant to the terms of the Agency Agreement. If the gross proceeds of the Offering are not raised within 90 days of the issuance of a receipt for the (final) prospectus or such other time as may be consented to by the Agents and the purchasers, all subscription monies will be returned to purchasers without interest or deduction, unless the purchasers have otherwise instructed the Agents.

Determination of Price

The Offering price of the Common Shares hereunder was determined by negotiation between the Issuer and the Agents in accordance with the CPC Policy.

Listing Application

[The Issuer has applied to list its Common Shares on the Exchange. Listing is subject to the Issuer fulfilling all of the requirements of the Exchange.]

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

Underwriting Conflicts

Certain members of the Lead Agent's "professional group", as such term is defined in NI 33-105, collectively own or control, as of the date hereof, in aggregate, 3,500,000 Common Shares representing 35% of the issued and outstanding Common Shares. Furthermore, Nima Besharat, Director, Global Investment Banking of the Lead Agent, is a director, officer and a Promoter of the Issuer and Kia Besharat, the Senior Managing Director, Global Investment Banking & Head of Capital Markets Origination of the Lead Agent, and Raphael Yeung, Senior Vice President, Global Investment Banking of the Lead Agent, are directors of the Issuer. As a result, the Lead Agent is an "influential securityholder" of the Issuer, as such term is defined in NI 33-105. Consequently, the Issuer is a "related issuer" and may also be considered a "connected issuer" of the Lead Agent, as such terms are defined in NI 33-105, in connection with the Offering.

The terms of the Offering were set by the Issuer together with the Agents having regard to the market conditions and the prospects of the Issuer. The proceeds of the Offering will not be applied for the benefit of Messrs. Besharat,

Besharat and Yeung or the Lead Agent, except insofar as the Lead Agent may receive commissions and payment of the Lead Agent's legal fees and expenses from the Issuer as described in this prospectus. These relationships give rise to the potential for conflicts of interest between the interests of the Lead Agent and purchasers in relation to the Issuer and in respect of a prospective investment in the Issuer by clients of the Lead Agent. The engagement of the Lead Agent and the appointment of the aforementioned individuals as directors and officers of the Issuer were not conditional on one another.

The decision to complete the Offering and the determination of the terms of the Offering, including, but not limited to, the negotiations with the respect to the structuring of the Offering, the determination of the price of the Common Shares, the decision to undertake the distribution of the Common Shares under the Offering and the due diligence activities performed by the Issuer pursuant to the Offering, have been made independently, through negotiations between the Issuer and the Agents. Except for the Agents' Commission, the Agents' Option, the corporate finance fee payable to the Lead Agent and the reasonable fees and expenses of the Agents payable by the Issuer in accordance with the Agency Agreement, the proceeds of the Offering will be for the sole benefit of the Issuer and will not be applied for the benefit of the Agents.

Subscriptions by and Restrictions on the Agents

The Agents have advised the Issuer that, to the best of their knowledge and belief, except as disclosed below, none of their directors, officers, employees or contractors or any Associate or Affiliate of the foregoing have subscribed for Common Shares:

- Nima Besharat, Director, Global Investment Banking of the Lead Agent and Chief Executive Officer, Chief Financial Officer, a director and Promoter of the Issuer, owns 250,000 Common Shares, held through a company controlled by Mr. Besharat and were purchased at an issue price of \$0.10 per Common Share – see “*Escrowed Securities*”.
- Kia Besharat, Senior Managing Director, Global Investment Banking & Head of Capital Markets Origination of the Lead Agent and a director of the Issuer, owns 1,000,000 Common Shares purchased at an issue price of \$0.10 per Common Share through a company controlled by Mr. Besharat – see “*Escrowed Securities*”.
- Raphael Yeung, Senior Vice President, Global Investment Banking of the Lead Agent and a director of the Issuer, owns 500,000 Common Shares purchased at an issue price of \$0.10 per Common Share – see “*Escrowed Securities*”.
- Blayne Creed, President and CEO of the Lead Agent, owns 250,000 Common Shares purchased at an issue price of \$0.10 per Common Share – see “*Escrowed Securities*”.
- Darren Carrigan, Investment Advisor (Employee) of the Lead Agent, owns 500,000 Common Shares purchased at an issue price of \$0.10 per Common Share – see “*Escrowed Securities*”.
- Jason Gold, Investment Advisor (Employee) of the Lead Agent, owns 500,000 Common Shares purchased at an issue price of \$0.10 per Common Share – see “*Escrowed Securities*”.
- Jim Stewart, Investment Advisor (Employee) of the Lead Agent, owns 500,000 Common Shares purchased at an issue price of \$0.10 per Common Share – see “*Escrowed Securities*”.

Restrictions on Trading

Other than the initial distribution of the Common Shares pursuant to this prospectus and the grant of the Agents' Option, no securities of the Issuer will be permitted to be issued during the period between the date a receipt for the preliminary prospectus is issued by the Commissions and the time the Common Shares are listed for trading on the Exchange, except subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities regulatory authorities grant a discretionary order.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Common Shares

The Issuer is authorized to issue an unlimited number of Common Shares without nominal or par value of which 10,000,000 Common Shares were issued and outstanding as fully paid and non-assessable as at the date of this prospectus. A total of: (i) up to 45,000,000 Common Shares have been reserved for issuance pursuant to the Offering and are being qualified for distribution under this prospectus; and (ii) up to 3,600,000 Agents' Option Shares have been reserved for issuance upon exercise of the Agents' Option, which Agents' Option is also being qualified for distribution under this prospectus. See "*Plan of Distribution*".

The holders of the Common Shares are entitled to receive notice of and attend any meeting of the Issuer's shareholders and are entitled to one vote for each Common Share held. The holders of the Common Shares are entitled to receive dividends, if, as and when declared by the board of directors of the Issuer. In the event of liquidation, dissolution or winding-up of the Issuer, the holders of the Common Shares are entitled to share *pro rata* in the remaining assets of the Issuer. All Common Shares currently issued are, and all of those Common Shares that will be outstanding after completion of the Offering will be, fully paid and non-assessable.

CAPITALIZATION

Designation of Securities	Amount Authorized	Amount Outstanding as of the date of the most recent statement of financial position contained in this prospectus ⁽¹⁾	Amount Outstanding at date of this prospectus ⁽¹⁾	Amount to be Outstanding if all Common Shares being offered are sold	
				Minimum Offering	Maximum Offering
Common Shares	Unlimited	\$1,000,000 (10,000,000 Common Shares) ⁽²⁾	\$1,000,000 (10,000,000 Common Shares) ⁽²⁾	\$2,000,000 (15,000,000 Common Shares) ⁽³⁾	\$10,000,000 (55,000,000 Common Shares) ⁽⁴⁾
CPC Stock Options ⁽⁵⁾	10% of the issued and outstanding Common Shares	[Nil]	1,000,000 ⁽²⁾	1,000,000 ⁽²⁾	1,000,000 ⁽²⁾
Agents' Option	8% of the Common Shares sold pursuant to the Offering	Nil	Nil	400,000 ⁽⁶⁾	3,600,000 ⁽⁷⁾

Notes:

- (1) As at the date of the Issuer's most recent statement of financial position, the Issuer has not commenced commercial operations.
- (2) These securities are subject to escrow restrictions. See "*Escrowed Securities*".
- (3) Assuming completion of the Minimum Offering, \$2,000,000 represents the gross proceeds of the Offering and prior sales of Common Shares without the deduction of related expenses of the Offering or the Agents' Commission. See "*Use of Proceeds*" and "*Plan of*

Distribution".

- (4) Assuming completion of the Maximum Offering, \$10,000,000 represents the gross proceeds of the Offering and prior sales of Common Shares without the deduction of related expenses of the Offering or the Agents' Commission. See *"Use of Proceeds"* and *"Plan of Distribution"*.
- (5) 1,000,000 CPC Stock Options granted to directors and officers of the Issuer on April 5, 2021, each exercisable to purchase one Common Share at a price of \$0.10 per Common Share for a period of 10 years. See *"Options to Purchase Securities"*.
- (6) Assuming completion of the Minimum Offering, the Issuer will grant to the Agents the Agents' Option to purchase up to 400,000 Agents' Option Shares at a price of \$0.20 per Agents' Option Share exercisable for five years from the Listing Date.
- (7) Assuming completion of the Maximum Offering, the Issuer will grant to the Agents the Agents' Option to purchase up to 3,600,000 Agents' Option Shares at a price of \$0.20 per Agents' Option Share exercisable for five years from the Listing Date.

OPTIONS TO PURCHASE SECURITIES

Stock Option Terms

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

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

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

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

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

All CPC Stock Options and Common Shares issued prior to the date of the Final QT Exchange Bulletin pursuant to the exercise of CPC Stock Options are subject to escrow under the CPC Escrow Agreement. In addition, all Common Shares issued on or after the date of the Final QT Exchange Bulletin pursuant to the exercise of CPC Stock Options granted prior to the Offering with an exercise price that is less than the issue price of this Offering are also subject to escrow under the CPC Escrow Agreement. For further details of the escrow requirements and release provisions, see *"Escrow Securities"*.

Agents' Option

The Agents will receive the Agents' Option upon completion of the Offering, which will entitle the Agents to purchase up to 3,600,000 Agents' Option Shares in the event of the Maximum Offering (400,000 Agents' Option Shares in the event of the Minimum Offering) at a price of \$0.20 per Agents' Option Share exercisable for a period of five years from the Listing Date. The Agents' Option is qualified for distribution under this prospectus. See *"Plan of Distribution"*.

PRIOR SALES

Since the date of incorporation of the Issuer, 10,000,000 Common Shares have been issued as follows:

Date	Number of Common Shares	Issue Price per Common Share	Aggregate Amount of Issuance ⁽²⁾	Consideration Received
March 5, 2021	7,500,000 ⁽¹⁾	\$0.10	\$750,000	Cash
March 12, 2021	2,500,000 ⁽¹⁾	\$0.10	\$250,000	Cash

Notes:

- (1) These Common Shares will be held in escrow. See “Escrowed Securities”.
(2) All amounts remain unspent as of the date of this prospectus.

ESCROWED SECURITIES

Securities Escrowed Prior to the Completion of the Qualifying Transaction

All of the 10,000,000 Common Shares issued prior to this Offering at a price below \$0.20 per Common Share and all Common Shares that may be acquired from treasury by Non-Arm’s Length Parties of the Issuer either under the Offering or otherwise prior to the date of the Final QT Exchange Bulletin will be deposited with the Escrow Agent under an escrow agreement dated [●], 2021 (the “CPC Escrow Agreement”).

All CPC Stock Options and all Common Shares issued prior to the date of the Final QT Exchange Bulletin pursuant to the exercise of CPC Stock Options are subject to escrow under the CPC Escrow Agreement. In addition, all Common Shares issued on or after the date of the Final QT Exchange Bulletin pursuant to the exercise of CPC Stock Options granted prior to the Offering with an exercise price that is less than the issue price of this Offering are also subject to escrow under the CPC Escrow Agreement.

The following table sets out, as at the date hereof, the number of Common Shares and CPC Stock Options held, or to be held, in escrow and the percentage the number represents of the outstanding Common Shares:

Name and Municipality of Residence of Shareholder	Number of Common Shares Owned	Number of Common Shares held in escrow	Percentage of Common Shares prior to giving effect to the Offering	Percentage of Common Shares after giving effect to the Minimum Offering	Percentage of Common Shares after giving effect to the Maximum Offering	Number of CPC Stock Options held in escrow
Nima Besharat ⁽¹⁾ Toronto, ON	250,000	250,000	2.50%	1.67%	0.45%	150,000
Kia Besharat ⁽²⁾ Vancouver, BC	1,000,000	1,000,000	10.00%	6.67%	1.82%	250,000
Iraj Besharat Vancouver, BC	500,000	500,000	5.00%	3.33%	0.91%	Nil
Sean McNulty Southampton SNo3, Bermuda	250,000	250,000	2.50%	1.67%	0.45%	Nil
Peter Hatzioannou Toronto, ON	250,000	250,000	2.50%	1.67%	0.45%	Nil
Eric Peter Bull	250,000	250,000	2.50%	1.67%	0.45%	Nil

Name and Municipality of Residence of Shareholder	Number of Common Shares Owned	Number of Common Shares held in escrow	Percentage of Common Shares prior to giving effect to the Offering	Percentage of Common Shares after giving effect to the Minimum Offering	Percentage of Common Shares after giving effect to the Maximum Offering	Number of CPC Stock Options held in escrow
Vancouver, BC						
Drew Green ⁽³⁾ Vancouver, BC	2,500,000	2,500,000	25.00%	16.67%	4.55%	250,000
Jim Stewart Calgary, AB	500,000	500,000	5.00%	3.33%	0.91%	Nil
Michelle Kirk Surrey, BC	250,000	250,000	2.50%	1.67%	0.45%	Nil
James Reid North Vancouver, BC	250,000	250,000	2.50%	1.67%	0.45%	Nil
Nicholas Mersch Toronto, ON	500,000	500,000	5.00%	3.33%	0.91%	Nil
Raphael Yeung ⁽⁴⁾ West Vancouver, BC	500,000	500,000	5.00%	3.33%	0.91%	150,000
Darren Carrigan Etobicoke, ON	500,000	500,000	5.00%	3.33%	0.91%	Nil
Jason Gold Newmarket, ON	500,000	500,000	5.00%	3.33%	0.91%	Nil
Blayne Creed North York, ON	250,000	250,000	2.50%	1.67%	0.45%	Nil
Paul Saunders North York, Ontario	1,000,000	1,000,000	10.00%	6.67%	1.82%	Nil
Mahdi Shams Vancouver, BC	250,000	250,000	2.50%	1.67%	0.45%	100,000
Justin Kates ⁽⁵⁾ Vancouver, BC	500,000	500,000	5.00%	3.33%	0.91%	100,000
Total	10,000,000	10,000,000	100%	66.67%	18.18%	1,000,000

Notes:

- (1) 250,000 of the Common Shares are held by Break Point Ventures Ltd., a company of which Nima Besharat owns 100% of the issued and outstanding shares.
- (2) 1,000,000 of the Common Shares are held by Prodigy Capital Corp., a company of which Kia Besharat owns 100% of the issued and outstanding shares.
- (3) 2,500,000 of the Common Shares are held by DrewGreen.ca Inc., a company of which Drew Green owns 100% of the issued and outstanding shares.
- (4) 500,000 of the Common Shares are held by 1167060 B.C. Ltd., a company of which Raphael Yeung owns 50% of the issued and outstanding shares.
- (5) 500,000 of the Common Shares are held by Broughdale Holdings Inc., a company of which Justin Kates owns 100% of the issued and outstanding shares.

Where the Common Shares which are required to be held in escrow are held by a non-individual (a “**Holding Company**”), each Holding Company pursuant to the CPC Escrow Agreement, has agreed, or will agree, not to carry out any transactions during the currency of the CPC 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 securities to be issued or transferred if it could reasonably result in a change of control of the Holding Company. In addition, the Exchange may require an undertaking from any Control Person of the Holding Company not to transfer the shares of that Holding Company.

Under the CPC Escrow Agreement:

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

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

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

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

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

Escrowed Securities on Qualifying Transaction

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

PRINCIPAL SHAREHOLDERS

The following table lists the holdings of those persons who own 10% or more of the issued and outstanding Common

Shares as at the date hereof:

Name and Municipality of Residence	Type of Ownership	Number of Common Shares ⁽¹⁾	Percentage of Common Shares Owned Before Offering	Number of CPC Stock Options ⁽²⁾	Common Shares Owned After the Offering			
					Undiluted Percentage ⁽³⁾		Fully-Diluted Percentage Assuming Exercise of all Options ⁽⁴⁾	
					Minimum Offering	Maximum Offering	Minimum Offering	Maximum Offering
Drew Green ⁽⁵⁾ Vancouver, BC	Indirect	2,500,000	25.00%	250,000	16.67%	4.55%	16.77%	4.61%
Kia Besharat ⁽⁶⁾ Vancouver, BC	Indirect	1,000,000	10.00%	250,000	6.67%	1.82%	7.62%	2.10%
Paul Saunders North York, ON	Direct	1,000,000	10.00%	Nil	6.67%	1.82%	6.10%	1.68%

Notes:

- (1) These Common Shares will be held in escrow pursuant to the CPC Escrow Agreement. See "*Escrowed Securities*".
- (2) These CPC Stock Options will be held in escrow pursuant to the CPC Escrow Agreement. See "*Escrowed Securities*".
- (3) Before giving effect to the exercise of the Agents' Option and the CPC Stock Options, and assuming that the above shareholder does not acquire any additional Common Shares under the Offering.
- (4) The figures given in this column assume that the Agents' Option to purchase up to 3,600,000 Agents' Option Shares in the event of the Maximum Offering (400,000 Agents' Option Shares in the event of the Minimum Offering) has been fully exercised and the CPC Stock Options to purchase up to 1,000,000 Common Shares have been fully exercised, which together would result in the issued and outstanding Common Shares being increased to 59,600,000 Common Shares in the event of the Maximum Offering (16,400,000 Common Shares in the event of the Minimum Offering).
- (5) 2,500,000 of the Common Shares are held by DrewGreen.ca Inc., a company of which Drew Green owns 100% of the issued and outstanding shares.
- (6) 1,000,000 Common Shares are held by Prodigy Capital Corp., a company of which Kia Besharat owns 100% of the issued and outstanding shares.

DIRECTORS, OFFICERS AND PROMOTERS

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

Name, Address, Occupation and Security Holdings

Name and Municipality of Residence	Position with the Issuer ⁽¹⁾	Principal Occupations during Last Five Years	Age	Number of Common Shares Held	
				Minimum Offering	Maximum Offering
Nima Besharat ⁽²⁾ <i>Toronto, Ontario, Canada</i>	Chief Executive Officer, Chief Financial Officer, and Director since January 18, 2021, and a Promoter	Director, Global Investment Banking of the Lead Agent (2021 – Present); Vice President, Global Investment Banking of the Lead Agent (2018 – 2021); Manager, Advised Channel, TD Bank Group (2016 – 2018); and Articling Student, Corporate Legal, Oxford Properties Group (2015).	39	250,000 Common Shares ⁽³⁾ (1.67%)	250,000 Common Shares ⁽³⁾ (0.45%)
Drew Green <i>Vancouver, British Columbia, Canada</i>	Chairman and Director since January 18, 2021	Chief Executive Officer and President, INDOCHINO Apparel Inc. (2015-Present)	46	2,500,000 Common Shares ⁽⁵⁾ (16.67%)	2,500,000 Common Shares ⁽⁵⁾ (4.55%)
Kia Besharat <i>Vancouver, British Columbia, Canada</i>	Director since January 18, 2021	Senior Managing Director, Global Investment Banking & Head of Capital Markets Origination of the Lead Agent (2015 – Present).	37	1,000,000 Common Shares ⁽⁴⁾ (6.67%)	1,000,000 Common Shares ⁽⁴⁾ (1.82%)
Raphael Yeung ⁽²⁾ <i>Vancouver, British Columbia</i>	Director since January 18, 2021	Senior Vice President, Global Investment Banking of the Lead Agent (2021 – Present); Vice President, Global Investment Banking of the Lead Agent (2018 – 2021); Senior Investment Banking Associate, Global Investment Banking of the Lead Agent (2016 – 2018); and Investment and Corporate Banking Analyst, BMO Capital Markets (2012 – 2015).	31	500,000 Common Shares ⁽⁶⁾ (3.33%)	500,000 Common Shares ⁽⁶⁾ (0.91%)
Mahdi Shams ⁽²⁾ <i>Vancouver, British Columbia, Canada</i>	Director since January 18, 2021	Partner, MLT Aikins LLP (2018 – Present); and Associate, MLT Aikins LLP (2015 – 2017).	37	250,000 Common Shares (1.67%)	250,000 Common Shares (0.45%)
Justin Kates <i>Vancouver, British Columbia, Canada</i>	Corporate Secretary since January 18, 2021	Partner, DuMoulin Black LLP, (2016– Present); Associate, DuMoulin Black LLP (2011-2015).	38	500,000 Common Shares ⁽⁷⁾ (3.33%)	500,000 Common Shares ⁽⁷⁾ (0.91%)

Notes:

(1) Term of board appointment expires upon holding the next annual meeting of shareholders.

- (2) Member of the Audit Committee. The Issuer does not have a compensation, nominating or corporate governance committee.
- (3) Common Shares held indirectly through Break Point Ventures Ltd., a company of which Nima Besharat owns 100% of the issued and outstanding shares.
- (4) Common Shares held indirectly through Prodigy Capital Corp., a company of which Kia Besharat owns 100% of the issued and outstanding shares.
- (5) Common Shares held indirectly through DrewGreen.ca Inc., a company of which Drew Green owns 100% of the issued and outstanding shares.
- (6) Common Shares held indirectly through 1167060 B.C. Ltd., a company of which Raphael Yeung owns 50% of the issued and outstanding shares.
- (7) Common Shares held indirectly through Broughdale Holdings Inc., a company of which Justin Kates owns 100% of the issued and outstanding shares.

All of the directors and officers currently have employment outside of the Issuer. Each of the directors and officers of the Issuer has agreed to devote as much of his time to the business and affairs of the Issuer as necessary to complete the Issuer's Qualifying Transaction. In addition to any other requirements of the Exchange, the Exchange expects management of the Issuer to meet a high standard of management. The directors and officers of the Issuer believe that, on a collective basis, management possesses the appropriate experience, qualifications and history to be capable of identifying, investigating and acquiring Significant Assets.

The directors and officers of the Issuer currently own or control, directly or indirectly, 5,000,000 Common Shares or 50% of the issued and outstanding Common Shares and will own 9.09% of the issued and outstanding Common Shares in the event of the Maximum Offering (33.33% of the issued and outstanding Common Shares in the event of the Minimum Offering). It is not expected that the Issuer's directors or officers will purchase any Common Shares pursuant to the Offering. For particulars of the shareholdings of the directors and officers, see "*Principal Shareholders*".

The following is a brief description of the background of the directors and officers of the Issuer.

Nima Besharat, Chief Executive Officer, Chief Financial Officer, Director and Promoter (Age 40)

Nima Besharat will be allocating approximately 20% of his time to the Issuer. Mr. Besharat will manage the day-to-day operations of the Issuer and will assist with structuring the Qualifying Transaction. Mr. Besharat has over 8 years private equity, merchant banking and directorship experience. Mr. Besharat has extensive experience in wealth management and asset management at Scotiabank and TD Bank Group. Mr. Besharat articulated with Oxford Properties Group, the real estate investment arm of OMERS, one of Canada's largest pension plans. Mr. Besharat is a Director of EMERGE Commerce Ltd. (TSXV: ECOM), a disciplined, diversified, rapidly growing acquirer and operator of Direct to Consumer (DTC) e-commerce brands across North America.

Mr. Besharat holds a Bachelor of Arts in Economics and History from Western University, a Bachelor of Laws (Hons.) from the University of Sheffield, a Master of Laws in International Business Law from King's College London, University of London (Dr. Peter Dyne Scholar), and a Postgraduate Diploma in Legal Practice (Corporate Finance) from the University of Law. Mr. Besharat was called to the bar in Ontario in 2017. Mr. Besharat has completed the Canadian Securities Course, Conduct and Practices Handbook Course, Chief Compliance Officers Qualifying Exam and the Partners, Directors and Senior Officers Course through the Canadian Securities Institute. Mr. Besharat was nominated for the Investment Industry Association of Canada (IIAC) Top 40 Under 40 Award in 2020, recognizing professionals whose accomplishments have brought distinction to the investment/financial industry.

Mr. Besharat has held the following positions in the last 5 years:

- Director, Global Investment Banking of the Lead Agent (2021 – Present)
- Vice President, Global Investment Banking of the Lead Agent (2018 – 2021).
- Manager, Advised Channel, TD Bank Group (2016 – 2018).

- Articling Student, Corporate Legal, Oxford Properties Group (2015).

Mr. Besharat is an independent contractor of the Issuer and has not entered into either a non-competition or non-disclosure agreement with the Issuer.

Drew Green, Chairman and Director (Age 46)

Drew Green will be allocating approximately 5% of his time to the Issuer. Mr. Green is the Chief Executive Officer, President, and Director of INDOCHINO, a global leader in custom apparel and one of the top 500 e-Commerce companies in North America, where between 2015-2019 he has grown the business by over 500% as Chief Executive Officer and major shareholder, 2nd only to Canada Goose (TSX: GOOS). Between 2015-2020, he established over \$100M in strategic capital commitments for INDOCHINO from Madrona Venture Partners, Highland Consumer, Dayang Group, Mitsui & Co. (TSE: 8031) and Postmedia Network (TSX: PNC.B), and has secured partnerships with the New York Yankees, Boston Red Sox, Nordstrom, and 100s of National Basketball Association (NBA), Major League Baseball (MLB), National Football League (NFL), and National Hockey League (NHL) athletes and celebrities.

Mr. Green is a Founder, Chairman and Director of the Board of Directors of EMERGE Commerce Ltd. (TSXV: ECOM), a disciplined, diversified, rapidly growing acquirer and operator of Direct to Consumer (DTC) e-commerce brands across North America. He is also Chairman and Director of Real Luck Group Ltd. (TSXV: LUCK), an award-winning betting company that offers legal, real-money betting, live streams, and statistics on all major e-sports and sports on desktop and mobile devices and Chairman and Director of American Aires Inc. (CSE: WIFI) a Canadian-based nanotechnology company which has developed proprietary silicon-based microprocessors that reduce the harmful effects of electromagnetic radiation (EMR).

Mr. Green was selected as the Entrepreneur of the Year by Ernst and Young, and formally recognized as US Retailer of the Year by Chain Store Age, Innovator of The Year by the University of Alberta, as well as one of Canada's Top 40 Under 40.

Prior to INDOCHINO, Mr. Green founded and was chief executive officer of SHOP.CA, Canada's first multi-merchant marketplace, and played key leadership roles at DoubleClick (acquired by Google (NASDAQ: GOOGL)), SHOP.COM (acquired by Market America) and Flonetwork (acquired by DoubleClick). Mr. Green holds a Bachelors in Kinesiology and Exercise Science from York University.

Mr. Green has held the following positions in the last 5 years:

- Chief Executive Officer and President, INDOCHINO Apparel Inc. (2015 – Present).

Mr. Green is an independent contractor of the Issuer and has not entered into either a non-competition or non-disclosure agreement with the Issuer.

Kia Besharat, Director (Age 37)

Kia Besharat will be allocating approximately 15% of his time to the Issuer. Mr. Besharat has over 15 years of Founder, Private Equity, Investment Banking, and Directorship experience. As Senior Managing Director & Founder of the Lead Agent, Mr. Besharat leads the advisory, restructuring, corporate finance and mergers & acquisitions mandates across the firm's global platform. Since founding the Lead Agent in 2015, he has played a key role in establishing the firm as one of the top independent investment banks in Canada. Mr. Besharat's transactions have totaled in excess of \$750 million and in aggregate of more than \$3 billion over the span of his career. Mr. Besharat is a founder and Director of EMERGE Commerce Ltd. (TSXV: ECOM), a disciplined, diversified, rapidly growing acquirer and operator of Direct to Consumer (DTC) e-commerce brands across North America. He is also a founder and Director of Mednow Inc. (TSXV: MNOW), a

health care technology company offering virtual access with exceptional care.

Mr. Besharat was recognized by the Investment Industry Association of Canada (IIAC) as a Top 40 Under 40 Award Nominee in 2018, recognizing professionals whose accomplishments have brought distinction to the investment/financial industry. He holds a Bachelor of Arts in Economics with minor in Management from McGill University as well as a Master of Science in Finance and Investment from the University of Edinburgh.

Mr. Besharat has held the following positions in the last 5 years:

- Senior Managing Director and Founder, Global Investment Banking of the Lead Agent (2015 – Present).

Mr. Besharat is an independent contractor of the Issuer and has not entered into either a non-competition or non-disclosure agreement with the Issuer.

Raphael Yeung, Director (Age 31)

Raphael Yeung will be allocating approximately 10% of his time to the Issuer. Mr. Yeung has over 10 years of capital markets experience as a passionate supporter of exceptional Canadian growth stage companies across both private and public markets. Mr. Yeung has prior Investment Banking experience at BMO Capital Markets specializing in transactions in metals & mining, technology, and diversified industries totaling in excess of \$2 billion in aggregate closed value.

Mr. Yeung also serves on the Executive Team for the Young Canadians in Finance (YCIF)s Vancouver Chapter, a unique national finance network founded by Paul Desmarais III in 2006. Mr. Yeung was also nominated for the Investment Industry Association of Canada (IIAC) Top 40 Under 40 Award in 2019, recognizing professionals whose accomplishments have brought distinction to the investment/financial industry. Mr. Yeung received a Bachelor of Commerce degree with a major in Finance and minor in Economics from the University of British Columbia and also holds the Chartered Financial Analyst (CFA) designation. Mr. Yeung has completed the Partners, Directors and Senior Officers Course through the Canadian Securities Institute.

Mr. Yeung has held the following positions in the last 5 years:

- Senior Vice President, Global Investment Banking of the Lead Agent (2021 – Present).
- Vice President, Global Investment Banking of the Lead Agent (2018 – 2021).
- Senior Investment Banking Associate, Global Investment Banking of the Lead Agent (2016 – 2018).
- Investment and Corporate Banking Analyst, BMO Capital Markets (2012 – 2015).

Mr. Yeung is an independent contractor of the Issuer and has not entered into either a non-competition or non-disclosure agreement with the Issuer.

Mahdi Shams, Director (Age 38)

Mahdi Shams will be allocating approximately 5% of his time to the Issuer. Mr. Shams has significant experience in all areas of corporate law including securities, mergers and acquisitions and corporate commercial law. Mr. Shams acts for both public and private companies and has worked on a broad range of domestic and international transactions, including public offerings, public and private mergers and acquisitions, commercial sale agreements, debt and equity financings, private placements, and corporate reorganizations.

Mr. Shams holds a JD/MBA from Dalhousie University and a Bachelor of Arts from the University of British Columbia. Mr. Shams was recognized as one of *Expert* magazine's Rising Stars: Canada's Leading Lawyers Under 40 in 2019 and is

leading practitioner in Corporate Finance, *Canadian Legal Lexpert Directory 2020*. He was called to the bar in British Columbia in 2010 and New York Bar in 2011.

Mr. Shams has held the following positions in the last 5 years:

- Partner, MLT Aikins LLP (2018 – Present).
- Associate, MLT Aikins LLP (2015 – 2017).

Mr. Shams is an independent contractor of the Issuer and has not entered into either a non-competition or non-disclosure agreement with the Issuer.

Justin Kates, Corporate Secretary (Age 38)

Justin Kates will be allocating approximately 5% of this time to the Issuer. Mr. Kates has significant experience with securities, corporate finance, mergers and acquisitions and corporate and commercial law. Mr. Kates advises clients from all stages of development ranging from early stage to large public companies. His practice includes advising these clients on a range of matters, including equity and debt financings, stock exchange listings, mergers and acquisitions, reorganizations, and general corporate/commercial matters.

Mr. Kates was recognized as one of *Lexpert* magazine's Rising Stars: Canada's Leading Lawyers Under 40 in 2019 and is a leading practitioner in corporate finance. He received his JD from Western University in 2008 and his Bachelor of Business Administration from Western Michigan University in 2004. He was called to the bar in British Columbia in 2009.

Mr. Kates has held the following positions in the last 5 years:

- Partner, DuMoulin Black LLP, (2016– Present).
- Associate, DuMoulin Black LLP, (2011– 2015).

Mr. Kates is an independent contractor of the Issuer and has not entered into either a non-competition or non-disclosure agreement with the Issuer.

Other Reporting Issuer Experience

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

Name	Name of Reporting Issuer	Name of Exchange or Market	Position	From (MM/YY)	To (MM/YY)
Mahdi Shams	Aphelion Capital Corp.	Exchange	Director	October 20, 2019	Present
	Gravitas One Capital Corp.	Exchange	Director	September 25, 2020	Present
	Mednow Inc.	Exchange	Director	February 23, 2021	Present
Nima Besharat	Gravitas One Capital Corp.	Exchange	Chief Executive Officer, Chief Financial Officer, a Director and a Promoter	July 6, 2020	Present
	EMERGE Commerce Ltd.	Exchange	Director	April 24, 2017	Present
			Secretary	January 1, 2016	Present
Kia Besharat	Gravitas One Capital Corp.	Exchange	Director	July 6, 2020	Present

	EMERGE Commerce Ltd.	Exchange	Director	October 27, 2015	Present
			President and Chief Executive Officer	October 27, 2015	July 22, 2016
	Mednow Inc.	Exchange	Director	May 26, 2020	Present
Raphael Yeung	Gravitas One Capital Corp.	Exchange	Director	July 6, 2020	Present
Justin Kates	Permex Petroleum Issuer	Canadian Securities Exchange	Director	March 7, 2018	March 6, 2020
	Global Gardens Group Inc.	Canadian Securities Exchange	Director	December 7, 2016	December 1, 2018
	GSP Resource Corp.	Exchange	Director	February 19, 2018	Present
	Sproutly Canada, Inc.	Canadian Securities Exchange	Director	July 6, 2018	June 22, 2020
	Gravitas One Capital Corp.	Exchange	Corporate Secretary	July 6, 2020	Present
	Gravitas One Capital Corp.	Exchange	Director	July 6, 2020	October 9, 2020
Drew Green	American Aires Inc.	CSE	Director, Chairman	November, 2019	Present
	EMERGE Commerce Ltd.	Exchange	Director, Chairman	June, 2016	Present
	Real Luck Group Ltd.	Exchange	Director, Chairman	October, 2020	Present

Cease Trade Orders

No director, officer, Insider or Promoter of the Issuer or shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer is or has, within the last 10 years, been a director, officer, Insider or Promoter of any Issuer that:

- (a) was subject to a cease trade or similar order, or an order that denied the other issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued while the director, officer, Insider, promoter or shareholder was acting in the capacity as director, officer, Insider or promoter; or
- (b) was subject to a cease trade or similar order or an order that denied the other issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued after the director, officer, Insider, promoter or shareholder ceased to be a director, officer, Insider or promoter and which resulted from an event that occurred while that person was acting in the capacity as director, officer, Insider or promoter.

Penalties or Sanctions

None of the directors, officers, Insiders or Promoters of the Issuer or shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer or a personal holding company of such persons is or has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) 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.

Individual Bankruptcies

None of the directors, officers, Insiders or Promoters of the Issuer or shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer or a personal holding company of such persons:

- (a) is, as at the date of this prospectus, or has been within the 10 years before the date of this prospectus, a director, officer, Insider or promoter of any company (including the Issuer) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, 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; or
- (b) has, within the 10 years before the date of this prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, officer, Insider, promoter or shareholder.

Indebtedness of Directors and Officers

None of the directors, officers or Promoters of the Issuer or any of their respective Associates or Affiliates has been indebted to the Issuer since the date of the Issuer's incorporation.

Conflicts of Interest

There are potential conflicts of interest to which some of the directors, officers, Insiders and Promoters of the Issuer will be subject in connection with the operations of the Issuer. Some 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 Issuer for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where some or all of the directors, officers, Insiders and Promoters will be in direct competition with the Issuer. Conflicts, if any, will be subject to the procedures and remedies as provided under the *Business Corporations Act* (British Columbia).

See "*Plan of Distribution – Underwriting Conflicts*" and "*Relationship Between the Issuer and the Agents*".

Audit Committee

The Issuer has formed an Audit Committee (the "**Audit Committee**") on April 29, 2021. The Audit Committee is comprised of Mahdi Shams (Chairman), Nima Besharat and Raphael Yeung, all of whom are financially literate as such term is defined in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). Mahdi Shams and Raphael Yeung are considered independent. Nima Besharat is not considered to be independent by virtue of his position as Chief Executive Officer and Chief Financial Officer of the Issuer. A description of the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member may be found above under the heading "*Directors, Officers and Promoters*".

The Audit Committee will be responsible for reviewing the Issuer's financial reporting procedures, internal controls and the performance of the financial management and external auditors of the Issuer. The Audit Committee will also review the annual audited financial statements and make recommendations to the Issuer's board of directors. The Issuer is relying on the exemption set out in section 6.1 of NI 52-110.

Audit Committee Charter

The full text of the Issuer's audit committee charter is attached hereto as Schedule "B".

Audit Committee Oversight

Since the commencement of the Issuer's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Issuer's board of directors.

Pre-Approval Policies and Procedures

The Audit Committee will have authority and responsibility for pre-approval of all non-audit services to be provided to the Issuer or its subsidiary entities by the external auditors or the external auditors of the Issuer's subsidiary entities, unless such pre-approval is otherwise appropriately delegated or if appropriate specific policies and procedures for the engagement of non-audit services have been adopted by the Audit Committee.

Reliance on Certain Exemptions

The Issuer has not relied on exemption any exemptions in NI 52-110, except for those in section 6.1 of NI 52-110, which exempts the Issuer from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

External Auditor Service Fees by Category

Although the Issuer has incurred auditor service fees, the Issuer's auditor has not yet billed the Issuer for any audit fees, audit related fees, tax fees or any other associated fees.

EXECUTIVE COMPENSATION

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

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

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

DILUTION

Purchasers of Common Shares under this prospectus will suffer an immediate dilution of 9.09% or \$0.018 in the event of

the Maximum Offering, on the basis of there being 55,000,000 Common Shares issued and outstanding following completion of the Offering (33.33% or \$0.067 per Common Share in the event of the Minimum Offering, on the basis of there being 15,000,000 Common Shares issued and outstanding following completion of the 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 the Agents' Commission or related expenses incurred by the Issuer, as set forth below:

	Maximum Offering	Minimum Offering
Gross proceeds of prior Common Share issuances	\$1,000,000	\$1,000,000
Gross proceeds of the Offering	\$9,000,000	\$1,000,000
Total gross proceeds after the Offering	\$10,000,000	\$2,000,000
Offering price per Common Share	\$0.20	\$0.20
Gross proceeds per Common Share after the Offering	\$0.182	\$0.133
Dilution per Common Share to purchaser	\$0.018	\$0.067
Percentage of dilution in relation to the Offering price	9.09%	33.33%

ELIGIBILITY FOR INVESTMENT

In the opinion of Harper Grey LLP, special counsel to the Issuer, based on the provisions of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "**Tax Act**") in force on the date hereof, provided the Common Shares are unconditionally listed on a "designated stock exchange" (as such term is defined in the Tax Act and which currently includes the Exchange) or the Issuer is otherwise a "public corporation" (as that term is defined in the Tax Act) at the particular time, the Common Shares will at that time be a "qualified investment" under the Tax Act 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**"), "registered disability savings plan" ("**RDSP**" and collectively with an RRSP, RRIF, TFSA, and RESP, a "**Registered Plan**"), and a "deferred profit sharing plan" ("**DPSP**"), as those terms are defined in the Tax Act. **Holders who intend to hold Common Shares in a Registered Plan or a DPSP should consult their own tax advisors regarding whether such securities are a "qualified investment" at the relevant time for such Registered Plan.**

The Common Shares are not currently listed on a "designated stock exchange" and the Issuer is not currently a "public corporation", as those terms are defined in the Tax Act. It is the special counsel's understanding that the Issuer has applied to list the Common Shares on the Exchange as of the day of or the day before the Closing Date, followed by an immediate halt in trading of the Common Shares in order to allow the Issuer to satisfy the conditions of the Exchange and to have the Common Shares listed and posted for trading prior to the issuance of the Common Shares on the Closing Date. The Issuer must rely on the Exchange to list the Common Shares on the Exchange and have them posted for trading prior to the issuance of the Common Shares on the Closing Date and to otherwise proceed in such manner as may be required to result in the Common Shares being listed on the Exchange at the time of their issuance on the Closing Date. If the Common Shares are not unconditionally listed on a "designated stock exchange" (which currently includes the Exchange) at the time of their issuance on the Closing Date and the Issuer is not otherwise a "public corporation" at that time, the Common Shares will not be "qualified investments" for the Registered Plans or a DPSP at that time, and any Common Shares held in a Registered Plan or a DPSP at such time will result in adverse tax consequences.

Notwithstanding that the Common Shares may be a qualified investment for a Registered Plan, the holder of the TFSA or

the RDSP, the subscriber of the RESP, the annuitant of the RRSP or the RRIF, as the case may be (collectively, the “**Controlling Individual**”), 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 Controlling Individual does not deal at arm’s length with the Issuer for the purposes of the Tax Act or has a “significant interest”, as defined in the Tax Act, in the Issuer. In addition, the Common Shares generally will not be a prohibited investment if the Common Shares are “excluded property”, as defined in the Tax Act, for a Registered Plan. **Controlling Individuals who intend to hold Common Shares in a Registered Plan should consult their own tax advisors in regard to the application of these rules in their particular circumstances.**

RISK FACTORS

A purchase of Common Shares will be highly speculative and the purchaser’s investment and the Issuer are subject to substantial risks, including the following, which list is not exhaustive:

- (a) the Issuer has a limited operating history, has not commenced commercial operations and has no assets other than cash. It has no history of earnings, and will 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 Issuer’s business and its present stage of development;
- (c) the directors and officers of the Issuer will only devote a portion of their time to the business and affairs of the Issuer and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time. See “*Directors, Officers and Promoters – Conflicts of Interest*”;
- (d) assuming completion of the Offering, a purchaser will suffer an immediate dilution of 9.09% or \$0.018 in the case of the Maximum Offering (33.33% or \$0.067 in the case of the Minimum Offering) as set forth under “*Dilution*” above;
- (e) there can be no assurance that an active and liquid market for the Common Shares will develop and a purchaser may find it difficult to resell its Common Shares;
- (f) until Completion of a Qualifying Transaction, the Issuer is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;
- (g) the Issuer has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Issuer will be able to identify a suitable Qualifying Transaction;
- (h) even if a proposed Qualifying Transaction is identified, there can be no assurance that the Issuer will be able to successfully complete the transaction;
- (i) Completion of the Qualifying Transaction is subject to a number of conditions including acceptance by the Exchange and, in the case of a Non-Arm’s Length Qualifying Transaction, Majority of the Minority Approval;
- (j) unless a shareholder has the right to dissent and be paid fair value in accordance with applicable corporate or other law, a shareholder who votes against a proposed Non-Arm’s Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Issuer of fair value for the Common Shares;

- (k) upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained (if required) and certain preliminary reviews have been conducted. The Common Shares may be reinstated to trading before the Exchange has reviewed the transaction and before the Sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Issuer completing the proposed Qualifying Transaction;
- (l) trading in the Common Shares may be halted at other times for other reasons, including for failure by the Issuer to submit documents to the Exchange in the time periods required;
- (m) neither the Exchange nor any securities regulatory authority passes upon the merits of any proposed Qualifying Transaction;
- (n) in the event that management of the Issuer resides outside of Canada or the Issuer identifies a foreign business as a proposed Qualifying Transaction, purchasers 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;
- (o) the Qualifying Transaction may be financed in all or part by the issuance of additional securities by the Issuer and this may result in further dilution to the purchaser, which dilution may be significant and which may also result in a change of control of the Issuer;
- (p) subject to prior Exchange acceptance, the Issuer may be permitted to loan or advance up to the greater of \$250,000 and 20% of its working capital to a target business without shareholder approval and there can be no assurance that the Issuer will be able to recover that loan; and
- (q) if the Issuer does not list the Common Shares on the Exchange as contemplated herein under the heading “*Eligibility for Investment*”, adverse tax consequences may arise with respect to Common Shares held in Registered Plans and DPSPs.

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

LEGAL PROCEEDINGS

The Issuer is not currently, and has never been, a party to any actual or pending material legal proceedings to which the Issuer is or is likely to be a party or of which any of its assets are or are likely to be subject. Management of the Issuer is currently not aware of any legal proceedings contemplated against the Issuer.

RELATIONSHIP BETWEEN THE ISSUER AND THE AGENTS

The Issuer is a “related issuer” and may also be considered a “connected issuer” of the Lead Agent (as such term is defined in NI 33-105). See “*Plan of Distribution – Underwriting Conflicts*”.

RELATIONSHIP BETWEEN THE ISSUER AND PROFESSIONAL PERSONS

Except as disclosed below, as of the date hereof, no “professional person” (including the Issuer’s auditor, a responsible solicitor or any partner of a responsible solicitor’s firm nor any such person) holds any beneficial interest, direct or

indirect, in any securities or properties of the Issuer or an Associate or Affiliate of the Issuer. In addition, no “professional person” is or is expected to be elected, appointed or employed as a director, senior officer or employee of the Issuer or of an Associate or Affiliate of the Issuer, or a promoter of the Issuer or of an Associate or Affiliate of the Issuer.

Justin Kates, corporate secretary of the Issuer, is a partner of DuMoulin Black LLP, legal counsel to the Issuer. Mr. Kates beneficially holds 500,000 Common Shares or 5% of the currently issued and outstanding Common Shares, through a company controlled by Mr. Kates. See “*Escrowed Securities*”.

PROMOTER

The Promoter of the Issuer is set out in the table below. See “*Directors, Officers and Promoters*”, “*Prior Sales*”, “*Executive Compensation*” and “*Options to Purchase Securities*” for further information on the Promoter.

Name	Position with Issuer	Number of Common Shares ⁽¹⁾	Percentage of Common Shares Owned Before Offering	Number of CPC Stock Options ⁽²⁾	Common Shares Owned After the Offering			
					Undiluted Percentage ⁽³⁾		Fully-Diluted Percentage Assuming Exercise of all Options ⁽⁴⁾	
					Minimum Offering	Maximum Offering	Minimum Offering	Maximum Offering
Nima Besharat	Chief Executive Officer, Chief Financial Officer and a Director	250,000	2.5%	150,000	1.67%	0.45%	2.44%	0.67%

Notes:

- (1) These Common Shares will be held in escrow pursuant to the CPC Escrow Agreement. See “*Escrowed Securities*”.
- (2) These CPC Stock Options will be held in escrow pursuant to the CPC Escrow Agreement. See “*Escrowed Securities*”.
- (3) Before giving effect to the exercise of the Agents’ Option and the CPC Stock Options, and assuming that the above shareholder does not acquire any additional Common Shares under the Offering.
- (4) The figures given in this column assume that the Agents’ Option to purchase up to 3,600,000 Agents’ Option Shares in the event of the Maximum Offering (400,000 Agents’ Option Shares in the event of the Minimum Offering) has been fully exercised and the CPC Stock Options to purchase up to 1,000,000 Common Shares have been fully exercised, which together would result in the issued and outstanding Common Shares being increased to 59,600,000 Common Shares in the event of the Maximum Offering (16,400,000 Common Shares in the event of the Minimum Offering).
- (5) 250,000 Common Shares held indirectly through Break Point Ventures Ltd., a company of which Nima Besharat owns 100% of the issued and outstanding shares.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The directors and officers have acquired a total of 5,000,000 Common Shares. See “*Prior Sales*” and “*Directors, Officers and Promoters*”.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Issuer are MNP LLP, Suite 2200, MNP Tower, 1021 West Hastings Street, Vancouver, British Columbia V6E 0C3.

The transfer agent and registrar of the Issuer is TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1.

MATERIAL CONTRACTS

The Issuer has not entered into any contracts, other than contracts entered into in the ordinary course of business, which may reasonably be considered material to purchasers of Common Shares since incorporation other than:

- (a) the Agency Agreement referred to under "*Plan of Distribution*";
- (b) the Transfer Agency Service Agreement dated April 21, 2021 between the Issuer and TSX Trust Company; and
- (c) the CPC Escrow Agreement described above to under "*Escrowed Securities*".

Copies of these agreements will be available for inspection at the offices of legal counsel to the Issuer, 10th Floor, 595 Howe Street, Vancouver, British Columbia V6C 2T5, during ordinary business hours while the Common Shares offered by this prospectus are in the course of distribution and for a period of 30 days thereafter. Copies of these agreements are also available under the Issuer's profile on SEDAR at www.sedar.com.

OTHER MATERIAL FACTS

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

DIVIDEND POLICY

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

PURCHASER'S STATUTORY RIGHTS

Securities legislation in the provinces of British Columbia, Alberta and Ontario provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation further provides a purchaser with remedies for rescission 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.

SCHEDULE "A" - FINANCIAL STATEMENTS

See attached.

Gravitas II Capital Corp.
(A Capital Pool Company)

Financial Statements

**For the Period from the Date of Incorporation
(January 18, 2021) to March 31, 2021**

(In Canadian Dollars)

Independent Auditor's Report

To the Board of Directors of Gravitass II Capital Corp.:

Opinion

We have audited the financial statements of Gravitass II Capital Corp. (the "Corporation"), which comprise the statement of financial position as at March 31, 2021, and the statements of loss and comprehensive loss, changes in shareholders' equity and changes in cash flows for the period from January 18, 2021 (date of incorporation) to March 31, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2021, and its financial performance and its cash flows for the period from January 18, 2021 to March 31, 2021 in accordance with International Financial Reporting Standards.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Toronto, Ontario
-, 2021

**Chartered Professional Accountants
Licensed Public Accountants**

Gravitas II Capital Corp.
Statement of Financial Position
As at March 31, 2021
(in Canadian Dollars)

Assets

Cash	\$	1,000,056
	\$	1,000,056

Liabilities

Accrued liabilities	\$	29,000
---------------------	----	--------

Shareholders' Equity

Share capital (Note 3)	990,000	
Accumulated Deficit	(18,944)	
	971,056	
	\$	1,000,056

Subsequent Events (Note 7)

Approved by the Board Nima Besharat
CEO (Signed)

 Mahdi Shams
Director (Signed)

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

Gravitas II Capital Corp.
Statement of Loss and Comprehensive Loss
For the Period from the Date of Incorporation (January 18, 2021) to March 31, 2021
(in Canadian Dollars)

Expenses		
Professional fees	\$	19,000
Interest income		(56)
Net loss and comprehensive loss for the period		(18,944)
Net loss per share – basic and diluted	\$	-
Weighted average shares outstanding - basic and diluted		-

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

Gravitas II Capital Corp.
Statement of Changes in Cash Flows
For the Period from the Date of Incorporation (January 18, 2021) to March 31, 2021
(in Canadian Dollars)

Cash provided by (used in)

Operating

Net loss for the period	\$ (18,944)
Change in accrued liabilities	29,000
Cash provided by operating activities	10,056

Financing

Share subscription, net of issuance costs	990,000
Cash provided by financing activities	990,000

Net change in cash	1,000,056
---------------------------	------------------

Cash, end of period	\$ 1,000,056
----------------------------	---------------------

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

Gravitas II Capital Corp.
Statement of Changes in Shareholders' Equity
For the Period from the Date of Incorporation (January 18, 2021) to March 31, 2021
(in Canadian Dollars)

	Number of Shares	Share Capital	Accumulated Deficit	Shareholders' Equity
Share subscription (Note 3)	10,000,000	\$ 1,000,000	\$ -	\$ 1,000,000
Share issuance costs	-	(10,000)	-	(10,000)
Net loss for the period	-	-	(18,944)	(18,944)
Balance, March 31, 2021	10,000,000	\$ 990,000	\$ (18,944)	\$ 971,056

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

1. INCORPORATION AND NATURE OF BUSINESS

Gravitas II Capital Corp. (the "Corporation") was incorporated under the *Business Corporations Act* (British Columbia) on January 18, 2021 and is in the process of applying for status as a Capital Pool Company as defined in the Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT"), as defined under the policies of the Exchange. The Corporation has not commenced commercial operations and has no assets other than cash. Given the nature of the activities, no separate segmented information is reported. The Corporation's continuing operations, as intended, are dependent on its ability to secure equity financing with which it intends to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT by the Corporation as defined under the policies of the Exchange.

The head office of the Corporation is located at MNP Tower, Suite 2880, 1021 West Hastings Street, Vancouver, British Columbia V6E 0C3, and the registered office of the Corporation is located at 10th Floor, 595 Howe Street, Vancouver, British Columbia V6C 2T5.

On April 1, 2021 the Board of Directors approved the financial statements for the period from the date of incorporation (January 18, 2021) to March 31, 2021.

The global outbreak of COVID-19 (coronavirus) has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 pandemic may have on the Corporation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

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

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Use of Estimates and Judgements

The preparation of these financial statements in conformity with IFRS requires management to make certain estimates, judgements and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

Basis of Presentation

The financial statements are presented in Canadian dollars ("CAD"), which is the Corporation's functional and presentation currency. The financial statements are prepared on a historical cost basis except for certain financial instruments classified as fair value through profit or loss ("FVPTL"), which are stated at their fair value. The accounting policies have been applied consistently throughout the entire period presented in these financial statements.

Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

Basic and Diluted Loss per Share

Basic loss per share is computed by dividing the net loss applicable to common shares by the weighted average number of common shares outstanding for the relevant period. Common shares escrowed pursuant to the requirements of the Exchange are excluded from the number of outstanding common shares.

Diluted loss per share is computed by dividing the net 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.

Financial Instruments

Recognition

The Corporation recognizes financial assets and financial liabilities on the date the Corporation becomes a party to the contractual provisions of the instruments.

Classification

The Corporation classifies its financial assets and financial liabilities in the following measurement categories: i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss, and ii) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition).

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Financial Instruments – continued

For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income.

The Corporation reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

The Corporation has implemented the following classifications:

Cash is classified as an asset at fair value and any period change in fair value is recorded in profit or loss.

Accrued liabilities are classified as other financial liabilities and measured at amortized cost using the effective interest rate method.

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments or principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income (irrevocable election at the time of recognition).

Additional fair value measurement disclosure includes classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements which are as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

Cash is a level 1 financial instrument measured at fair value on the statement of financial position.

Gravitas II Capital Corp.
Notes to the Financial Statements
For the Period from the Date of Incorporation (January 18, 2021) to March 31, 2021
(in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Income Taxes

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income. Current income tax assets and liabilities 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 by the end of the reporting period. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the intention is to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences and deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to be recovered or settled. Deferred tax assets are recognized to the extent that realization of such benefits is probable.

3. SHARE CAPITAL

Authorized - Unlimited common shares

Issued	#	\$
Balance, January 18, 2021	-	\$ -
Common shares issued	10,000,000	\$ 1,000,000
Cost of issuance	-	(10,000)
Balance, March 31, 2021	10,000,000	\$ 990,000

Private Placements

As at March 31, 2021, the Corporation had issued a total of 10,000,000 common shares of which gross proceeds of \$1,000,000 has been collected. Share issuance costs of \$10,000 were associated with these subscriptions.

3. SHARE CAPITAL - continued

Escrowed Shares

Upon completion of the Corporation's initial public offering, the 10,000,000 currently issued and outstanding common shares will be held in escrow pursuant to the requirements of the Exchange. 25% of the escrowed common shares will be released from escrow on the issuance of the Final Exchange Bulletin (as defined in the policies of the Exchange) (the "Initial Release") and an additional 25% will be released on each of the dates which are 6 months, 12 months, and 18 months following the Initial Release.

All common shares acquired on exercise of stock options granted to directors and officers of the Corporation prior to completion of the QT, must also be deposited in escrow until the Final Exchange Bulletin is issued.

All common shares acquired in the secondary market prior to the completion of a QT by a Control Person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the resulting issuer will also be subject to escrow.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Corporation includes equity, comprised of share capital, and accumulated deficit, in the definition of capital.

The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT by the Corporation as defined under the policies of the Exchange.

Risk Disclosures and Fair Values

The Corporation's financial instruments, consisting of cash and accrued liabilities approximate fair value due to the relatively short-term maturity of the instruments. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Gravitas II Capital Corp.
Notes to the Financial Statements
For the Period from the Date of Incorporation (January 18, 2021) to March 31, 2021
(in Canadian Dollars)

5. RELATED PARTY TRANSACTIONS

During the period ended March 31, 2021, 5,000,000 common shares were issued at a price of \$0.10 per share to directors, officers and companies related to directors or officers of the Corporation.

Legal fees of \$19,000 were accrued to a law firm of which a partner is corporate secretary and a shareholder of the Corporation through a holding company as at period end. \$10,000 was capitalized as share issuance costs and \$9,000 expensed to professional fees.

There was no remuneration paid to key management personnel and no other related party transactions during the period ended March 31, 2021.

6. INCOME TAXES

A reconciliation of combined federal and provincial corporate income taxes of statutory rates of 26.5% and the Corporation's effective income tax expense is as follows:

		2021
Net loss for the period	\$	18,944
Expected income tax recovery		(5,020)
Share issuance costs		(2,650)
Deferred tax assets not recognized		7,670
Income taxes recovery	\$	-

At March 31, 2021, the Corporation had non – capital losses for income tax purposes of approximately \$19,444 which can be carried forward to be applied against future taxable income. These losses expire to the extent unutilized against future taxable income in 2041. The Corporation also had approximately \$9,500 in undeducted share issuance costs, which will be expensed for tax purposes over the next five years.

The Corporation has not recorded deferred tax assets related to these unused carry forward losses as it is not probable that future taxable profits will be available against which these can be deducted.

7. SUBSEQUENT EVENTS

Filing of Prospectus and Initial Public Offering

The Corporation intends to file a prospectus to offer to sell and issue a minimum of 5,000,000 common shares and a maximum of 45,000,000 common shares of the Corporation (the "Offering") at a price of \$0.20 per Common Share (the "Offering Price") for total gross proceeds to the Corporation of a minimum of \$1,000,000 and a maximum of \$9,000,000.

The Corporation has entered into an agency agreement with Gravitas Securities Inc. (the "Lead Agent") and Research Capital Corporation (the "Co-Lead Agent" and, together with the Lead Agent, the "Agents") to raise gross proceeds of a minimum of \$1,000,000 and a maximum of \$9,000,000 in connection with Offering. Gravitas Securities Inc. is related to the Corporation through common directors and executives. Additionally, certain directors, executives and employees of Gravitas Securities Inc. are shareholders of the Corporation. The Corporation will pay a commission of 8% of gross proceeds to the Agents and will grant the Agents the option to purchase common shares equal to 8% of the total number of common shares sold as part of the Offering at an exercise price of \$0.20 per share for a period ending 5 years from the date of the listing of the common shares on the TSX Venture Exchange. The Corporation will pay to the Lead Agent a corporate finance fee of 2% of the gross proceeds of the Offering plus GST and will reimburse the Agents for legal fees and other reasonable expenses incurred pursuant to the Offering.

The Corporation intends to grant incentive stock options to its directors and officers to purchase an aggregate of up to 10% of the issued and outstanding common shares after giving effect of the Offering. The Corporation has granted to certain directors and officers a total of 1,000,000 incentive stock options at a price of \$0.10 per common share for a period 10 years from the date of grant.

SCHEDULE "B" – AUDIT COMMITTEE CHARTER
See attached.

GRAVITAS II CAPITAL CORP.
(the "Company")

AUDIT COMMITTEE CHARTER

Mandate

The primary function of the Audit Committee is to assist the Company's board of directors (the "**Board of Directors**") in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting, and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Audit Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

Composition

The Audit Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee.

At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Audit Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Audit Committee may designate a Chair by a majority vote of the full Audit Committee membership.

Meetings

The Audit Committee shall meet a least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit Committee shall:

Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Audit Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - iii. such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee.

Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.

- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

Review any related-party transactions.

CERTIFICATE OF THE ISSUER

Dated: 29th of April, 2021

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

"Nima Besharat"

Nima Besharat

Chief Executive Officer & Chief Financial Officer

"Justin Kates"

Justin Kates

Corporate Secretary

ON BEHALF OF THE BOARD OF DIRECTORS

"Mahdi Shams"

Mahdi Shams

Director

"Raphael Yeung"

Raphael Yeung

Director

CERTIFICATE OF THE PROMOTER

Dated: 29th of April, 2021

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

"Nima Besharat"

Nima Besharat