

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.

PROSPECTUS

INITIAL PUBLIC OFFERING

MARCH 31, 2022

PROTON CAPITAL CORP.

(A Capital Pool Company)

\$2,000,000

20,000,000 Common Shares

PRICE: \$0.10 per Common Share

Proton Capital Corp. (the “**Issuer**”) hereby qualifies for distribution, through its agent, iA Private Wealth Inc. (the “**Agent**”), 20,000,000 Common Shares in the share capital of the Issuer (each a “**Common Share**” and collectively, the “**Common Shares**”) for aggregate gross proceeds of \$2,000,000 (the “**Offering**”). The purpose of this 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 (as defined below). Any proposed Qualifying Transaction must be approved by the TSX Venture Exchange Inc. (the “**Exchange**”) and in the case of a Non-Arm’s Length Qualifying Transaction (as defined below), must also receive Majority of the Minority Approval (as defined below), in accordance with Exchange Policy 2.4 - *Capital Pool Companies* (the “**CPC Policy**”). The Issuer is a CPC (as defined below). 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 defined below), the Issuer will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a proposed Qualifying Transaction. See “*Business of the Issuer*” and “*Use of Proceeds*”.

	<u>Number of Common Shares</u>	<u>Price to the Public</u>	<u>Agent’s Commission⁽¹⁾</u>	<u>Proceeds to the Issuer⁽²⁾</u>
Per Common Share	1	\$0.10	\$0.0075	\$0.0925
Total Offering ⁽³⁾	20,000,000	\$2,000,000	\$150,000	\$1,850,000

Notes:

- (1) Pursuant to the Agency Agreement (as defined below), at Closing (as defined below) the Agent, iA Private Wealth Inc. will receive a cash commission equal to 7.5% of the gross proceeds of the Offering, being \$150,000 (the “**Agent’s Commission**”). The Agent’s Commission will be reduced to 4% for any “**President’s List Subscriptions**” (defined as all purchasers participating in the Offering that are identified by the Issuer to the Agent). The above amounts assumes no President’s List Subscriptions. In addition, the Agent will receive a non-refundable work fee of \$10,000 plus applicable taxes (the “**Agent’s Work Fee**”) and will be reimbursed for its reasonable expenses incurred pursuant to the Offering, including legal fees up to an amount of \$15,000. The Issuer will also grant to the Agent, or any sub-agents, the Agent’s Warrants (as defined below). See “*Plan of Distribution*”.
- (2) Before deducting the costs of the Offering estimated at \$105,000 plus G.S.T. (exclusive of the Agent’s Commission), which amount includes legal and audit fees and other expenses of the Issuer, the Agent’s Work Fee and legal fees of the Agent, the listing fee payable to the Exchange and filing fees payable to the Commissions. See “*Use of Proceeds*”. As of the date hereof, the Agent has received the \$10,000 representing the Agent’s Work Fee, as well as a \$10,000 retainer for the Agent’s legal fees.
- (3) A total of 20,000,000 Common Shares, are offered hereunder, not including the Agent’s Warrants (as defined below) or the CPC Stock Options (as defined below). See “*Plan of Distribution*” and “*CPC Stock Options*”. This prospectus qualifies the offering of 20,000,000 Common Shares, as well as the CPC Stock Options and the Agent’s Warrants.

The Issuer has entered into an agreement (the “**Agency Agreement**”) dated March 31, 2022 with the Agent to act as agent for the Issuer for the sale of 20,000,000 Common Shares under this prospectus on a “best efforts” basis for total gross proceeds to the Issuer of \$2,000,000. The offering price of the Common Shares was determined by negotiation between the Issuer and the Agent. All funds received from subscriptions for Common Shares will be

held by the Agent pursuant to the terms of the Agency Agreement. If the minimum subscription is not completed within 90 days of the issuance of a receipt for the final prospectus or such other time as may be agreed to by the Agent and consented to by the regulatory authorities and persons or companies who subscribed for Common Shares within that period, all subscription funds will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent. See “*Plan of Distribution*”.

Members of the Agent’s Pro Group own and control, as of the date hereof, 400,000 Common Shares, representing 2% of the issued and outstanding Common Shares. Consequently, the Issuer may be considered a “connected issuer” of the Agent, as such term is defined in NI 33-105, in connection with the Offering. See “*Relationship Between the Issuer and the Agent*”.

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 Canada and the United States of America.

Pursuant to the Agency Agreement, the Issuer will grant compensation warrants to the Agent equal to 10% of the aggregate number of Common Shares sold pursuant to the offering, being a maximum of 2,000,000 total Common Share purchase warrants (the “**Agent’s Warrants**”). The Agent’s Warrants entitle the Agents to purchase Common Shares of the Issuer at a price of \$0.10 per Common Share, and shall expire on the date that is 2 years from the Closing of the Offering. The Agent’s Warrants are qualified for distribution by this prospectus. In addition, the Issuer will grant CPC Stock Options (the “**CPC Stock Options**”) to the directors and officers of the Issuer to purchase, in aggregate, 4,000,000 Common Shares at a price of \$0.10 per Common Share, exercisable for a period of 10 years from the date of grant, which CPC Stock Options are qualified under this prospectus. See “*CPC Stock Options*”.

Market for Securities

The Exchange has conditionally accepted the listing of the Issuer’s Common Shares. Listing will be subject to the Issuer fulfilling all of the listing requirements of the Exchange and the approval of the Exchange.

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

As at the date of the prospectus, the Issuer does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside 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).

Other than the initial distribution of the Common Shares pursuant to this prospectus, the grant of the Agent’s Warrants and the CPC Stock Options, trading in all securities of the Issuer is prohibited during the period between the date a receipt for this prospectus is issued by the applicable securities regulatory authority and the time the Common Shares are listed for trading except, subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities regulatory authority grants a discretionary order. See “*Plan of Distribution*”.

Risk Factors

Investment in the Common Shares offered by this prospectus is highly speculative due to the nature of the Issuer’s business and its present stage of development. This Offering is suitable only to those investors who are prepared to risk the loss of their entire investment. The Issuer was only recently formed, 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 the Completion of the Qualifying Transaction. Until Completion of the Qualifying Transaction (as defined herein), the Issuer is not permitted to carry on any business other than the

identification and evaluation of potential Qualifying Transactions. There can be no assurance that an active and liquid market for the Common Shares will develop and an investor may find it difficult to resell its Common Shares. See “*Corporate Structure*”, “*Business of the Issuer*” and “*Use of Proceeds*”. 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*”. Investors acquiring the Common Shares offered by this prospectus will suffer an immediate dilution of approximately 25% or \$0.025 per Common Share, before the deduction of selling commissions and related expenses incurred by the Issuer. See “*Dilution*”. 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. Further, even if a proposed Qualifying Transaction is identified, there can be no assurance that the Issuer will be able to complete the transaction. The Qualifying Transaction may be financed in whole, or in part, by the issuance of additional securities by the Issuer and this may result in further dilution to investors. See “*Use of Proceeds*”. The business objective of the Issuer is to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction; however, there can be no assurance that the Issuer will successfully complete a Qualifying Transaction. Although the Issuer has commenced the process of identifying potential acquisitions, to date, the Issuer has not identified any potential acquisitions and may determine that current markets, terms of acquisition, or pricing conditions make such potential acquisitions uneconomic. The 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. 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. The 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. The Commissions may issue a cease trade order if the Issuer is delisted from the Exchange. In addition, delisting of the Common Shares may result in the cancellation of all or some of the Common Shares of the Issuer owned by Insiders (as defined below) issued prior to this Offering. Neither the Exchange nor any securities regulatory authority passes upon the merits of the proposed Qualifying Transaction. Investors must rely solely on the expertise of the Issuer’s Promoters (as defined below), directors and officers for any possible return on their investment. If the Issuer does not list the Common Shares on the Exchange prior to the time of Closing, adverse tax consequences may arise with respect to any Common Shares held in RRSPs, RRIFs, DPSPs, TFSAs, RDSPs and RESPs. The global pandemic caused by COVID-19 may result in additional expenses and delays to the Issuer, the impact of which is uncertain on the Issuer at this time. **As a result of these factors, the Offering is suitable only to investors who are willing to rely solely on the directors and management of the Issuer and who can afford to lose their entire investment. Those investors who are not prepared to do so should not invest in the Common Shares.** See “*Corporate Structure*”, “*Business of the Issuer*”, “*Use of Proceeds*”, “*Directors, Officers and Promoters*”, “*Dilution*”, and “*Risk Factors*”.

Maximum Investment

Pursuant to the CPC Policy, 75%, or 15,000,000, of the total number of Common Shares offered under this prospectus 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 400,000 Common Shares (\$40,000); and
- (b) the maximum number of Common Shares that may directly or indirectly be purchased by any one purchaser, together with any Associates and Affiliates of that purchaser, pursuant to the Offering is 4% of the total number of Common Shares offered under this prospectus, being 800,000 Common Shares (\$80,000).

The Common Shares are conditionally offered, subject to prior sale, if, as and when issued and delivered by the Issuer, and accepted in accordance with the conditions contained in the Agency Agreement referred to under “**Plan of Distribution**” and subject to approval of certain legal matters by DLA Piper (Canada) LLP, on behalf of the Issuer and by McDougall Gauley LLP, on behalf of the Agent.

Subscriptions will be received subject to rejection or allotment in whole or in part by the Issuer 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 on the Closing unless the Agent elects for delivery in electronic book entry form through CDS Clearing and Depository Services Inc. (“CDS”) or its nominee. If delivered in electronic book entry form, purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Common Shares were purchased.

Agent for the Offering:

IA PRIVATE WEALTH INC.
200 – 227 21st Street East
Saskatoon, SK S7K 0B7
Telephone: (306) 385-6250

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GLOSSARY

In this prospectus, the following terms have the meanings set forth below unless otherwise indicated.

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

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

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

A Company is “controlled” by a Person if:

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

A Person beneficially owns securities that are beneficially owned by:

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

“Agency Agreement” means the agency agreement dated March 31, 2022 between the Issuer and the Agent.

“Agent” means iA Private Wealth Inc.

“Agent’s Commission” had the meaning specified on face page i of this prospectus.

“Agent’s Warrants” mean the common share purchase warrants granted to the Agent as compensation for the Offering, representing 10% of the aggregate number of Common Shares sold pursuant to the Offering. The Agent’s Warrants entitle the Agents to purchase Common Shares of the Issuer at a price of \$0.10 per Common Share, and shall expire on the date that is 2 years from the Closing of the Offering.

“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.

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

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

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

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

- (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling such Person 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; and
- (d) in the case of a Person who is an individual,
 - (i) that Person's spouse or child, or
 - (ii) any relative of that Person or of his or her spouse who has the same residence as that Person;
 but
- (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D of the TSX Venture Exchange Rule Book with respect to that Member firm, Member corporation or holding company.

“Audit Committee” means the audit committee of the Issuer.

“Black-out Period” means the period during which the relevant participant under the Option Plan is prohibited from exercising an Options due to trading restrictions imposed by the Issuer pursuant to any policy of the Issuer respecting restrictions on trading that is in effect at that time.

“Closing” means the completion of the Offering.

“Commissions” means, collectively, the securities commissions of the provinces of Alberta, British Columbia and Saskatchewan.

“Common Shares” means the common shares in the share 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” has the meaning ascribed to that phrase in section 9.5 of the CPC Policy.

“Conditional Acceptance Documents” has the meaning ascribed to that phrase in section 11.5 of the CPC Policy.

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

“CPC” means a corporation:

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

“CPC Escrow Agreement” means the Exchange Form 2F escrow agreement dated March 31, 2022 among the Issuer, the Escrow Agent and the initial 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’s Corporate Finance Manual.

“CPC Stock Options” 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.

“Exchange” means the TSX Venture Exchange Inc.

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

“Initial Public Offering” or **“IPO”** means a transaction that involves an issuer issuing securities from its treasury pursuant to its first prospectus.

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

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

“Investor Relations Activities” means any activities, by or on behalf of the Issuer or shareholder of the Issuer, that promote or reasonably could be expected to promote the purchase or sale of securities of the Issuer, but does not include:

- (a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Issuer:
 - (i) to promote the sale of products or services of the Issuer, or
 - (ii) (to raise public awareness of the Issuer,that cannot reasonably be considered to promote the purchase or sale of securities of the Issuer;
- (b) activities or communications necessary to comply with the requirements of:
 - (i) applicable securities laws;
 - (ii) Exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Issuer;

- (c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
 - (i) the communication is only through the newspaper, magazine or publication, and
 - (ii) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (d) activities or communications that may be otherwise specified by the Exchange.

“Listed Share” means a share or other security that is listed 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 common shares of the CPC, provided that the votes attached to the common shares of the CPC held by the following Persons and their Associates and Affiliates are excluded from the calculation of any such approval or written consent:

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

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

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

“Non-Arm’s Length Party” means in relation to a Company, a promoter, officer, director, other Insider or Control Person of that Company (including an issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means any Associate of the individual or any Company of which the individual is a promoter, officer, director, Insider or Control Person.

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

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

“Option Plan” means the Stock Option plan of the Issuer, as approved by the board of directors of the Issuer on September 1, 2021. See *“CPC Stock Options”*.

“Person” means a Company or an 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 Exchange Bulletin confirming final acceptance of a transaction (**“Final Exchange Bulletin”**);

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

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

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

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

“Pro Group” means:

- (a) Subject to subparagraphs (b), (c), (d) and (e) “Pro Group” shall include, either individually or as a group:
 - (i) the Member;
 - (ii) employees of the Member;
 - (iii) partners, officers and directors of the Member;
 - (iv) Affiliates of the Member; and
 - (v) Associates of any parties referred to in subparagraphs (i) through (iv) above;
- (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 a Non-Arm’s Length Party 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; and
- (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.

“Professional Person” means a Person whose profession gives authority to a statement made by the Person in this prospectus, in the person’s professional capacity and includes a barrister and solicitor, a public accountant, an appraiser, an auditor, an engineer and a geologist.

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

“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.

“Responsible Solicitor” means the solicitor who is primarily responsible for the preparation of or for providing advice to the Issuer or Agent with respect to the contents of the prospectus.

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

“SEDAR” means the filing system referred to in National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)* or its successor legislation (or its successor system).

“Share Compensation Arrangement” means any share option, share option plan, employee stock purchase plan, restricted share unit plan, deferred share unit plan, equity compensation plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to directors, executive officers, employees or consultants of the Issuer.

“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 2.2 – *Sponsorship and Sponsorship Requirements*.

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

“Transfer Agent” means TSX Trust Company.

“Vendors” means one or all of the beneficial owners of the Significant Assets and/or Target Company.

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:** Proton Capital Corp.
- Business of the Issuer** The Issuer is a CPC. 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. The Issuer has commenced the process of identifying potential acquisitions. To date, the Issuer has not yet identified a company or assets for a potential Qualifying Transaction. Furthermore, the Issuer has not entered into an Agreement in Principle. See “*Business of the Issuer*”.
- Offering:** A total of 20,000,000 Common Shares are being offered under this prospectus at a price of \$0.10 per Common Share in the provinces of Alberta, British Columbia and Saskatchewan. In addition, pursuant to the Agency Agreement, the Issuer will grant the Agent’s Warrants to the Agent, or any sub agents, to purchase an aggregate of 2,000,000 Common Shares at a price of \$0.10 per Common Share, exercisable for a period of 2 years from Closing of the Offering, which Agent’s Warrants are qualified for distribution by this prospectus. The CPC Stock Options to be granted to the directors and officers of the Issuer to purchase, in aggregate, 4,000,000 Common Shares at a price of \$0.10 per Common Share, exercisable for a period of 10 years from the date of grant, are also qualified under this prospectus. See “*Use of Proceeds*”, “*Plan of Distribution*” and “*CPC Stock Options*”.
- Use of Proceeds:** The net proceeds to the Issuer following the Offering after payment of the Agent’s Commission and all other estimated costs and expenses related to the Offering are estimated to be approximately \$1,765,000. The net proceeds of the Offering will be used to provide the Issuer with a minimum of funds with which to identify and evaluate assets or businesses for acquisition with a view to completing a Qualifying Transaction. The Issuer may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. See “*Use of Proceeds*” for details of the restrictions and prohibitions on the Issuer’s use of funds.
- Directors and Officers:** Alan Simpson - President, Chief Executive Officer, Chief Financial Officer
Corporate Secretary, Director and Promoter
Kimberly Carroll - Director
Glenn Fradette - Director and Promoter

See “*Directors, Officers and Promoters*”.
- Escrowed Securities:** All of the currently issued and outstanding securities of the Issuer, being 20,000,000 Common Shares, and all of the CPC Stock Options, being 4,000,000 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 was only recently incorporated and has no active business or assets other than cash. The Issuer does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. The Offering is only suitable to investors who are prepared to rely entirely on the directors and management of the Issuer and can afford to risk the loss of their entire investment. The directors and officers of the Issuer will only devote part of their time and attention to the affairs

of the Issuer and there are potential conflicts of interest to which some of the directors and officers of the Issuer will be subject in connection with the operations of the Issuer. Assuming completion of the Offering, an investor will suffer an immediate dilution on investment (based on the gross proceeds from this and prior issuances without deduction of selling and related expenses) per Common Share of \$0.025 per Common Share or 25%. There can be no assurance that an active and liquid market for the Issuer's Common Shares will develop and an investor may find it difficult to resell the Common Shares. Until Completion of the Qualifying Transaction, the Issuer will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Issuer has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Issuer will be able to identify or complete a suitable Qualifying Transaction.

The Qualifying Transaction may involve the acquisition of a business or assets located outside of Canada. It may therefore be difficult or impossible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and it may not be possible to enforce against such persons or companies judgments obtained in Canadian courts predicated upon the civil liability provisions applicable to securities laws in Canada. See "*Business of the Issuer*", "*Directors, Officers and Promoters – Conflicts of Interest*", "*Capitalization*", "*Dilution*" and "*Risk Factors*".

CORPORATE STRUCTURE

The Issuer was incorporated on September 1, 2021 by Certificate and Articles of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (Alberta) under the name Proton Capital Corp. On January 21, 2022, the Articles of Incorporation were amended and restated to remove the private company restrictions set forth therein.

The head office is located at 3603 Selinger Crescent Regina, Saskatchewan, Canada, S4V 2H7. The registered and records office of the Corporation is located at 1000, 250 2nd Street S.W., Calgary, Alberta, T2P 0C1.

BUSINESS OF THE ISSUER

Preliminary Expenses

The Issuer accrued approximately \$26,533 of expenses for the organization and incorporation of the Issuer and the issuance of the Common Shares prior to the date of this prospectus. Additionally, the Issuer will pay the amount of \$10,000 (plus applicable taxes) to the Agent representing the Agent's Work Fee. A cash retainer of \$10,000 has been advanced to the Agent for the Agent's legal fees. The Issuer has also paid \$5,000 (plus applicable taxes) to the Exchange as part of its listing fees and paid approximately \$5,750 with respect to filing fees to the Commissions incurred in connection with filing the prospectus. Certain of the Offering proceeds may be utilized to satisfy the obligations of the Issuer related to the Offering, including the expenses of its auditor and legal fees, the fees of the Exchange, the Agent's Commission, legal fees and expenses and the fees of the Commissions. See "*Use of Proceeds*".

Proposed Operations until Completion of a Qualifying Transaction

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

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 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 used 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 the Qualifying Transaction, the Issuer has not yet entered into an Agreement in Principle.

Method of Financing Participation or Acquisitions

The Issuer may use either cash, secured or unsecured debt, the issuance of treasury shares, public financing of debt or equity, or a combination of these, for the purpose of financing its proposed Qualifying Transaction. **A Qualifying Transaction financed by the issue of treasury shares could result in a change in the control of the 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 Issuer will consider acquisitions of assets or businesses operated or located both inside and outside of Canada as permitted by the CPC Policy.

The acquisition of, or participation in, companies, assets or businesses may arise in numerous ways. The Issuer has not established pre-determined criteria for such acquisitions or participations other than sound business fundamentals. Such fundamentals include but are not limited to: (a) the ratio of risk to reward; (b) the cost effectiveness of the participation or acquisition; (c) the length of the payout period; and (d) the rate of return.

REGULATORY AND SHAREHOLDER APPROVAL

Filings and Shareholder Approval of a Qualifying Transaction

Unless otherwise defined in this prospectus, capitalized terms in this section “*Filings and Shareholder Approval of a Qualifying Transaction*” have the meaning ascribed to them in Exchange Policy 2.4 – *Capital Pool Companies*.

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 of the Issuer’s Common Shares until the filing requirements of the Exchange have been satisfied as set forth under “*Trading Halts, Suspensions and Delisting*”. Within 75 days after issuance of such news release, the Issuer shall be required to submit for review to the Exchange a Disclosure Document that complies with Exchange requirements containing prospectus level disclosure of the Significant Assets and the Issuer, assuming Completion of the Qualifying Transaction. Where the proposed Qualifying Transaction is a Non-Arm’s Length Qualifying Transaction, the Exchange will require the Issuer to obtain Majority of the Minority Approval of the Qualifying Transaction. If the Qualifying Transaction is not a Non-Arm’s Length Qualifying Transaction, the Issuer is not required to obtain shareholder approval of the Qualifying Transaction provided that it files a 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 will 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, 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, Suspensions and Delisting

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

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

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

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

In the event that the Common Shares of the Issuer are delisted by the Exchange, within 90 days from the date of such delisting, the Issuer shall wind-up and shall make a *pro rata* distribution of its remaining assets to its shareholders, unless shareholders, pursuant to a majority vote exclusive of the votes of Non-Arm's Length Parties to the Issuer, determine to deal with the Issuer or its remaining assets in some other manner. See "*Shareholder Approval of a Non-Arm's Length Qualifying Transaction*" 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 gross proceeds to be received by the Issuer from the sale of all the Common Shares offered by this prospectus (not including Common Shares issued upon exercise of the Agent's Warrants or CPC Stock Options) will be \$2,000,000. The gross proceeds received by the Issuer from the sale of Common Shares prior to the date of this prospectus was \$1,000,000. Approximately \$26,533 of expenses were accrued for the organization and incorporation of the Issuer and the issuance of the Common Shares prior to the date of this prospectus. From these aggregate gross proceeds of \$3,000,000, the expenses and costs of the Offering will be deducted, including legal, accounting, printing, regulatory fees and the Agent's Commission, estimated in the aggregate to be approximately \$105,000 (exclusive of G.S.T.).

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

Cash proceeds raised prior to the Offering ⁽¹⁾	\$1,000,000
Expenses and costs incurred by the Issuer relating to organizational and incorporation costs and prior issuances of Common Shares ⁽²⁾	(\$26,533)
Cash proceeds to be raised pursuant to the Offering ⁽³⁾	\$2,000,000
Agent's Commission ⁽⁴⁾	(\$150,000)
Estimated expenses and costs relating to the Offering ⁽⁵⁾	(\$105,000)
Estimated funds available (on completion of Offering)	\$2,718,467
Funds available for identifying and evaluating assets or business prospects ⁽⁶⁾	\$2,658,467
Estimated general and administrative expenses until Completion of a Qualifying Transaction	(\$60,000)
Total net proceeds	\$2,718,467

Notes:

- (1) See "Prior Sales".
- (2) For the period from incorporation (September 1, 2021) to December 31, 2021.
- (3) In the event the Agent exercises the Agent's Warrants in full, there will be available to the Issuer an additional \$200,000, which will be added to the working capital of the Issuer. In the event that all 4,000,000 CPC Stock Options are exercised, there will be available to the Issuer an additional \$400,000, which will be added to the working capital of the Issuer. There is no assurance that all, or part of, the Agent's Warrants or CPC Stock Options will be exercised.
- (4) Assumes there are no President's List Subscriptions.
- (5) The expenses and costs of the Offering (not including the Agent's Commission) are estimated in the aggregate to be \$105,000 plus G.S.T., which includes the Agent's Work Fee of \$10,000 plus applicable taxes., legal fees of the Agent which are estimated at \$15,000, plus disbursements and G.S.T., legal and auditor's fees of the Issuer estimated at \$45,000 plus disbursements and G.S.T., Exchange listing fee of \$15,000 plus G.S.T, filing fees of approximately \$5,750 and other fees and costs (printing, transfer agent, CDS, etc.) of approximately \$14,250.
- (6) In the event that the Issuer enters into a Qualifying Transaction Agreement prior to spending the entire \$2,658,467 on identifying and evaluating assets or businesses, the remaining funds may be used to finance or partly finance the acquisition of, or participation in, the Significant Assets or for working capital after Completion of the Qualifying Transaction.

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

The proceeds from the Offering and the 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.

Permitted Use of Proceeds

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

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

- (a) the Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction;
- (b) the Qualifying Transaction has been announced in a comprehensive news release;
- (c) due diligence with respect to the Qualifying Transaction is well underway;
- (d) if applicable, a Sponsor has been engaged or the sponsorship requirement has been waived;
- (e) the loan has been announced in a new release at least 15 days prior to the date of any such loan; and

- (f) 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 “*CPC Stock Options*” and “*Permitted Use of Proceeds*”, 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 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, 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 Proceeds*”.

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 Warrants. Subject to certain limited exceptions, any Common Shares issued pursuant to a 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

Agent, Agency Agreement and Agent's Compensation

Pursuant to the Agency Agreement, the Issuer will appoint iA Private Wealth Inc. as its agent to offer for sale to the public in Alberta, British Columbia and Saskatchewan, on a best efforts basis, a total of 20,000,000 Common Shares at a price of \$0.10 per Common Share for total gross proceeds to the Issuer of \$2,000,000, subject to the terms and conditions in the Agency Agreement. The Agent will receive a cash commission equal to 7.5% of the gross proceeds of the Offering, being an amount equal to \$150,000. In addition, the Issuer will pay to the Agent the non-refundable Agent's Work Fee of \$10,000 plus applicable taxes and the Agent's reasonable expenses incurred pursuant to the Offering, including legal fees, estimated to be \$15,000 plus disbursements and G.S.T.

The Issuer has also agreed to grant to the Agent, or any sub-agents, the Agent's Warrants to purchase an aggregate of 2,000,000 Common Shares at a price of \$0.10 per Common Share, which may be exercised for a period of 2 years from the Closing Date. The Agent's Warrants are qualified under this prospectus. Not more than 50% of the Common Shares received on the exercise of the Agent's Warrants may be sold by the Agent prior to the Completion of the Qualifying Transaction. The remaining 50% may be sold after the Completion of the Qualifying Transaction. The Agent has agreed to use best efforts to secure subscriptions for the Common Shares offered hereunder on behalf of the Issuer and may make co-brokerage arrangements with other investment dealers at no additional cost to the Issuer. The obligations of the Agent under the Agency Agreement may be terminated at its discretion on the basis of its assessment of the state of financial markets and may also be terminated on the occurrence of certain events as stated in the Agency Agreement.

Best Efforts Offering and Minimum Distribution

The total Offering is for 20,000,000 Common Shares at a price of \$0.10 per Common Share for total gross proceeds of \$2,000,000. Pursuant to the CPC Policy, 75%, or 15,000,000, of the total number of Common Shares offered under this prospectus 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, or 400,000 Common Shares (\$40,000); 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, or 800,000 Common Shares (\$80,000).

The funds received from the Offering will be deposited with the Agent, and will not be released until proceeds of \$2,000,000 have been deposited. The total subscription must be completed within 90 days of the date a receipt for the prospectus is issued, or such other time as agreed to by the Agent and consented to by the regulatory authorities and persons or companies who subscribed for Common Shares within that period, failing which the Agent will remit the funds collected to the original subscribers without interest or deduction, unless subscribers have otherwise instructed the Agent.

Other Securities to be Distributed

The Issuer also proposes to grant the CPC Stock Options to purchase, in aggregate, 4,000,000 Common Shares to directors and officers of the Issuer in accordance with the policies of the Exchange, which CPC Stock Options are qualified for distribution under this prospectus. See "*CPC Stock Options*".

Determination of Price

The price of the Common Shares offered pursuant to the Offering was determined by negotiation between the Issuer and the Agent and in accordance with the CPC Policy.

Listing Application

The Exchange has conditionally accepted the listing of the Issuer's Common Shares. Listing will be subject to the Issuer fulfilling all of the listing requirements of the Exchange and the approval of the Exchange.

Venture Issuers

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

Restrictions on Trading

Other than the initial distribution of the Common Shares pursuant to this prospectus and the grant of the Agent's Warrants and CPC Stock Options, no securities of the Issuer will be permitted to be issued during the period between the date a receipt for the preliminary prospectus is issued by the applicable securities regulatory authority 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 SHARE CAPITAL

The Issuer is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares ("**Preferred shares**"), issuable in series, of which, as of the date hereof, 20,000,000 Common Shares and no Preferred shares are issued and outstanding as fully-paid and non-assessable.

Common Shares

The holders of Common Shares are entitled to receive dividends, if, as and when declared by the board of directors, to notice of and to attend all meetings of the shareholders of the Issuer and are entitled to one vote in respect of each Common Share held at such meetings. In the event of liquidation, dissolution or winding-up of the Issuer, the holders of Common Shares are entitled to share rateably the remaining property or assets of the Issuer.

In addition, 2,000,000 Common Shares are reserved for issuance upon the exercise of the Agent's Warrants and 4,000,000 Common Shares are reserved for issuance upon the exercise of the CPC Stock Options. See "*Plan of Distribution*" and "*CPC Stock Options*".

Preferred shares

The Issuer is authorized to issue an unlimited number of preferred shares (the "**Preferred Shares**"), none of which are issued and outstanding as of the date hereof.

The Preferred Shares may be issued from time to time in one or more series, each series consisting of the number of shares and having the designation, rights, privileges, restrictions and conditions which the board of directors of the Issuer determines in accordance with the articles of the Issuer prior to the issue thereof.

CAPITALIZATION

The following table sets forth the information respecting the capitalization of the Issuer as at December 31, 2021 and the date hereof before and after giving effect to the Offering.

<u>Capital</u>	<u>Authorized</u>	<u>Amount outstanding as of December 31, 2021 (date of balance sheet)⁽¹⁾⁽²⁾⁽⁴⁾</u>	<u>Amount outstanding as of date of hereof⁽¹⁾⁽²⁾</u>	<u>Amount to be outstanding following the completion of the Offering⁽¹⁾⁽²⁾⁽³⁾</u>
Common Shares	Unlimited	\$1,000,000 (20,000,000 Common Shares)	\$1,000,000 (20,000,000 Common Shares)	\$3,000,000 (40,000,000 Common Shares)

<u>Capital</u>	<u>Authorized</u>	<u>Amount outstanding as of December 31, 2021 (date of balance sheet)⁽¹⁾⁽²⁾⁽⁴⁾</u>	<u>Amount outstanding as of date of hereof⁽¹⁾⁽²⁾</u>	<u>Amount to be outstanding following the completion of the Offering⁽¹⁾⁽²⁾⁽³⁾</u>
Preferred Shares	Unlimited	Nil	Nil	Nil

Notes:

- (1) The Issuer has reserved 2,000,000 Common Shares for issuance upon the exercise of the Agent's Warrants. See "*Plan of Distribution*".
- (2) The Issuer has reserved 4,000,000 Common Shares for issuance upon exercise of the CPC Stock Options. See "*CPC Stock Options*".
- (3) Before deducting the Agent's Commission (estimated at \$150,000), the costs and expenses of the Offering (estimated at \$105,000), and the costs and expenses in connection with the organization and incorporation of the Issuer and the issuance of the Common Shares prior to the date of this prospectus (\$26,533), which in the aggregate are estimated to be \$281,533 (exclusive of G.S.T.). See "*Use of Proceeds*".
- (4) As of the date hereof the Issuer had not yet commenced commercial operations.

OPTIONS TO PURCHASE SECURITIES

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 Option Plan and Exchange requirements, grant to directors, senior officers, employees and consultants, non-transferable and non-assignable options ("**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 Options.

The number of Common Shares reserved for issuance under the Option Plan are subject to the following limitations:

- (a) the aggregate number of Options granted to any one Person (and companies wholly owned by that Person) in a 12 month period must not exceed 5% of the issued Common Shares, calculated on the date an Option is granted to the Person (unless the Issuer has obtained the requisite disinterested shareholder approval), including the aggregate number of Common Shares reserved for issuance to such Person under any other Share Compensation Arrangement;
- (b) the aggregate number of Common Shares reserved for issuance under Options granted to Insiders (as a group) at any point in time must not exceed 10% of the issued Common Shares, including the aggregate number of Common Shares reserved for issuance to Insiders under any other Share Compensation Arrangement;
- (c) the grant to Insiders (as a group), within a 12 month period, of an aggregate number of Options must not exceed 10% of the issued Common Shares, calculated at the date an Option is granted to any Insider, including the aggregate number of Common Shares reserved for issuance to Insiders under any other Share Compensation Arrangement;
- (d) the aggregate number of Options granted to any one consultant in a 12 month period must not exceed 2% of the issued Common Shares, calculated at the date an Option is granted to the consultant, including the aggregate number of Common Shares reserved for issuance to such consultant under any other Share Compensation Arrangement; and
- (e) when the Issuer is no longer a CPC, the aggregate number of Options granted to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued Common Shares in any 12 month period, calculated at the date an Option is granted to any such Person, including the aggregate number of Common Shares reserved for issuance to such Person under any other Share Compensation Arrangement. Options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than 1/4 of the Options vesting in any three month period.

The term of the Options shall be decided by the board of directors, is subject to earlier termination if the optionee ceases to be a director, officer or consultant of the Issuer, or by death of the optionee. Pursuant to Exchange requirements, the term of the Options may not exceed 10 years. Should the expiry date of an Option fall within a Black-out Period or within nine business days following the expiration of a Black-out Period, such expiry date of the Option shall be automatically extended without any further act or formality to that date which is the 10th business

day after the end of the Black-out Period, such 10th business day to be considered the expiry date for such Option for all purposes under the Option Plan.

Subject to extension at the discretion of the board of directors of the Corporation, the term of an Option will expire not later than 90 days after the optionee ceases to be a director, officer, employee or consultant of the Issuer, or of the Resulting Issuer, as the case may be, subject to any earlier expiry date of such stock option. Notwithstanding the foregoing, the term of CPC Stock Options 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 Options.

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 CPC Stock Options.

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. See “*Escrow Securities*”.

Subject to regulatory approval, CPC Stock Options to purchase 4,000,000 Common Shares are to be granted on closing of the Offering to directors and officers and such options are qualified for distribution pursuant to this prospectus. The table below outlines the options to be granted to directors and officers of the Issuer as well as the Common Shares to be issued upon exercise of the CPC Stock Options:

<u>Name and Position</u>	<u>Number of Common Shares Reserved Under Option under the Offering</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
Alan Simpson, President, Chief Executive Officer, Chief Financial Officer Corporate Secretary, Director and Promoter	2,175,000	\$0.10	Ten (10) years from date of grant
Glenn Fradette, Director and Promoter	500,000	\$0.10	Ten (10) years from date of grant
Kimberly Carroll, Director	1,325,000	\$0.10	Ten (10) years from date of grant
Total	4,000,000		

The CPC Stock Options to purchase, in aggregate, 4,000,000 Common Shares issued to directors and officers of the Issuer are qualified for distribution under this prospectus.

PRIOR SALES

Since the date of incorporation of the Issuer, 20,000,000 Common Shares have been issued and are outstanding as follows:

<u>Date</u>	<u>Number of Shares</u>	<u>Issue Price per Share</u>	<u>Aggregate Issue Price</u>	<u>Consideration Received</u>
September 1, 2021	12,000,000 ⁽¹⁾	\$0.05	\$600,000	Cash
October 29, 2021	8,000,000 ⁽²⁾	\$0.05	\$400,000	Cash

Note:

- (1) All of the 12,000,000 Common Shares issued on September 1, 2021 at a price of \$0.05 will be held in escrow. See “*Escrowed Securities*”.
- (2) All of the 8,000,000 Common Shares issued on October 29, 2021 at a price of \$0.05 will be held in escrow. See “*Escrowed Securities*”.

ESCROWED SECURITIES

Securities Escrowed Prior to the Completion of Qualifying Transaction

All of the 20,000,000 Common Shares issued prior to the Offering at a price of \$0.05 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 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 securities of the Issuer, which are currently held in escrow.

Name and Municipality of Residence of Shareholder	Common Shares	Number of Common Shares Held in Escrow	Percentage of Common Shares Prior to Completion of the Offering	Percentage of Common Shares Following Completion of the Offering	Number of CPC Stock Options to be Held in Escrow
Noah Waters Holdings Inc.⁽¹⁾ Regina, SK	4,500,000	4,500,000	22.5%	11.25%	Nil
Glenn Fradette Foothills, AB	1,000,000	1,000,000	5%	2.5%	500,000
Carroll Family Trust⁽²⁾ Regina, SK	2,000,000	2,000,000	10%	5%	Nil
Kimberly Carroll Regina, SK	Nil	Nil	Nil	Nil	1,325,000
Dwayne Anderson Regina, SK	4,500,000	4,500,000	22.5%	11.25%	Nil
Alan Simpson Regina, SK	Nil	Nil	Nil	Nil	2,175,000
Jeret Bode Saskatoon, SK	200,000	200,000	1%	0.5%	Nil
Veronica Fradette Foothills, AB	1,000,000	1,000,000	5%	2.5%	Nil
Alan Cruickshank Corman Park, SK	500,000	500,000	2.5%	1.25%	Nil
Kevin Thompson Saskatoon, SK	200,000	200,000	1%	0.5%	Nil
Carol Miller Regina, SK	100,000	100,000	0.5%	0.025%	Nil
Dustin Coupal Regina, SK	400,000	400,000	2%	1%	Nil

Paul G. Smith Toronto, ON	1,000,000	1,000,000	5%	2.5%	Nil
Access Results Management Services Inc. ⁽³⁾ Scarborough, ON	4,000,000	4,000,000	20%	10%	Nil
Derrick Auch Calgary, AB	400,000	400,000	2%	1%	Nil
Joe Both Saskatoon, SK	200,000	200,000	1%	0.5%	Nil
TOTAL	20,000,000	20,000,000	100%	50%	4,000,000

Notes:

- (1) Noah Waters Holdings Inc. is a company wholly owned and controlled by Alan Simpson.
- (2) Kimberly Carroll and Curt Carroll are the trustees of the Carroll Family Trust, and its beneficiaries are herself and her immediate family and grandchildren.
- (3) Access Results Management Services Inc. is a company controlled by Steven Scott and Iqbal Khan.

Where the securities of the Issuer 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 any issuance of securities or transfer of securities could reasonably result in a change of control of the holding company. In addition, the Exchange may require an undertaking from any control person of the holding company not to transfer the shares of that company.

Under the 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 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:

<u>Release Dates</u>	<u>Percentage to be Released</u>
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 Common Shares of the Issuer, the Escrow Agent is irrevocably authorized to:

- (a) immediately cancel all of the escrowed Common Shares held by each Non-Arm’s Length Party to the Issuer that were issued at a price below the Offering price under this prospectus and all CPC Stock Options and Option Shares held by such persons; and

- (b) cancel all of the escrowed securities on a date that is 10 years from the date of such Exchange Bulletin.

Escrowed Securities on Qualifying Transaction

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

PRINCIPAL SHAREHOLDERS

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

Name and Municipality of Residence	Type of Ownership	Number of Common Shares	Percentage Owned Prior to Completion of Offering	Percentage to be Owned Following Completion of Offering⁽¹⁾
Noah Waters Holdings Inc. ⁽²⁾ Regina, SK	Direct	4,500,000	22.5%	11.25%
Carroll Family Trust ⁽³⁾ Regina, SK	Direct	2,000,000	10%	5%
Dwayne Anderson Regina, SK	Direct	4,500,000	22.5%	11.25%
Access Results Management Services Inc. ⁽⁴⁾ Scarborough, ON	Direct	4,000,000	20%	10%

Notes:

- (1) Following the completion of the Offering, the issued and outstanding share capital of the Issuer will be 40,000,000 Common Shares. Pursuant to the Agent's Warrants, 2,000,000 Common Shares are reserved for issuance. In addition, 4,000,000 Common Shares are reserved for issuance upon the exercise of the CPC Stock Options. Following the completion of the Offering, the fully-diluted share capital of the Issuer will be 46,000,000 Common Shares.
- (2) Noah Waters Holdings Inc. is a company wholly owned and controlled by Alan Simpson. The holdings of Noah Waters Holdings Inc. and Alan Simpson, on a fully-diluted basis will be 6,675,000 Common Shares (or approximately 14.51%), assuming that Noah Waters Holdings Inc. or Mr. Simpson purchases no Common Shares under the Offering and all CPC Stock Options and Agent's Warrants are exercised.
- (3) Kimberly Carroll and Curt Carroll are the trustees of the Carroll Family Trust, and its beneficiaries are herself and her immediate family and grandchildren. The holdings of Carroll Family Trust and Kimberly Carroll, on a fully-diluted basis will be 3,325,000 Common Shares (or approximately 7.23%), assuming that Mrs. Carroll purchases no Common Shares under the Offering and all CPC Stock Options and Agent's Warrants are exercised.
- (4) Access Results Management Services Inc. is a company controlled by Steven Scott and Iqbal Khan.

DIRECTORS, OFFICERS AND PROMOTERS

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

The following table sets out, for each of the Issuer's directors, officers and promoters, the person's name, municipality of residence, positions with the Issuer, principal occupation and, if a director, the date on which the person became a director.

Name and Municipality of Residence	Position(s) with the Issuer	Principal Occupation	Number of Common Shares	Percentage Owned Prior to Completion of Offering	Percentage to be Owned Following Completion of Offering
Alan Simpson ⁽¹⁾ Regina, SK	President Chief Executive Officer, Chief Financial Officer Corporate Secretary Director ⁽²⁾ Promoter	Co-Founder and director of StorageVault Canada Inc. Founder of Living Sky Sports and Entertainment Inc.	4,500,000 ⁽³⁾	22.5%	11.25%

<u>Name and Municipality of Residence</u>	<u>Position(s) with the Issuer</u>	<u>Principal Occupation</u>	<u>Number of Common Shares</u>	<u>Percentage Owned Prior to Completion of Offering</u>	<u>Percentage to be Owned Following Completion of Offering</u>
Kimberly Carroll ⁽¹⁾ Regina, SK	Director	Independent Financial Consultant	2,000,000 ⁽⁴⁾	10%	5%
Glenn Fradette ⁽¹⁾ Foothills, AB	Director ⁽²⁾ Promoter	Retired Business Person	1,000,000	5%	2.5%
Dwayne Anderson Regina, SK	Promoter	Founder of Anderson Law Firm Prof. Corp., corporate commercial lawyer	4,500,000	22.5%	11.25%

Note:

- (1) Member of the Audit Committee of the Issuer.
- (2) All Directors of the Issuer were appointed on September 1, 2021, other than Kimberly Carroll, who was appointed on December 15, 2021.
- (3) These Common Shares are held by Noah Waters Holdings Inc., a company that is wholly owned and controlled by Alan Simpson.
- (4) These Common Shares are held by held by Carroll Family Trust, of which Kimberly Carroll and Curt Carroll are the trustees and the beneficiaries are herself and the immediate family and grandchildren of Kimberly Carroll.

Prior to the completion of the Offering, the directors and officers of the Issuer directly or indirectly collectively hold 12,000,000 Common Shares or 60% of the issued and outstanding Common Shares of the Issuer. Following the completion of the Offering, the directors and officers of the Issuer will collectively hold 12,000,000 Common Shares or 30% of the issued and outstanding Common Shares of the Issuer (approximately 26.09% on a fully diluted basis), assuming the directors and officers purchase no Common Shares under the Offering. In addition, following completion of the Offering, the directors and officers will collectively hold 4,000,000 CPC Stock Options.

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

With the exception of Glenn Fradette, who is a retired businessperson, all of the directors of the Issuer currently have employment outside the Issuer. Each of the directors of the Issuer has agreed to devote as much of his or her time to the business and affairs of the Issuer as necessary to complete the Issuer's Qualifying Transaction. See "*Management of the Issuer*" below.

Management of the Issuer

Set forth below is a description of the background of the directors and officers of the Issuer, including a description of each individual's principal occupation(s) within the past five years. For further information, see "*Reporting Issuer Experience of the Directors and Officers of the Issuer*".

Alan Simpson - President, Chief Executive Officer, Chief Financial Officer, Corporate Secretary, Director and Promoter

In 2007, Mr. Simpson co-founded StorageVault Canada Inc. ("**StorageVault**") and was President and Chief Executive Officer of StorageVault until April 2015. StorageVault has grown from a CPC to a company with a market capitalization of approximately \$2.4 billion. StorageVault has been recognized as a TSX Venture Exchange "Venture 50" company and recently graduated to the Toronto Stock Exchange. He now serves StorageVault Canada Inc. as a director and Acquisition Committee Chair. Since, April 2015, the Acquisition Committee of StorageVault has reviewed and approved over \$1.8 billion of acquisitions by StorageVault. In 2000, Mr. Simpson co-founded Hospitality Network Canada now operating as HealthHub Patient Engagement Solutions Inc. He was President and Chief Executive Officer until 2005 and Chair from 2011 to 2017. Recently, Mr. Simpson founded Living Sky Sports and Entertainment Inc. in 2020. Mr. Simpson holds a PgD Business Administration from Edinburgh Business School.

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

Kimberly Carroll - Director

From 1997 to 2007 Kimberly Carroll held several finance management roles with SaskTel. From 2007 until 2021, she was the Chief Financial Officer and Chief Privacy Officer with HealthHub Patient Engagement Solutions Inc. (formerly Hospitality Network Canada Inc.). Kim is currently an independent accounting management consultant and a partner in Regina's Pet Depot. Kim also serves on the Board of Directors and Audit Committee with the Regina Humane Society. Kim earned her CPA, CMA designation in 2001.

Mrs. Carroll is an employee of the Issuer and has not entered into either a non-competition or non-disclosure agreement with the Issuer.

Glenn Fradette - Director and Promoter

Glenn Fradette earned his Bachelor of Commerce Degree from the University of Saskatchewan in 1987 and his CPA (Chartered Accountant) designation in 1990. Glenn has dedicated much of his career to managing the financial health of new and growing Saskatchewan based companies. From 1990 through 1998, Glenn was the Corporate Accountant for Partner Technologies Inc., a manufacturer and exporter of electrical transformers. From 1999 through 2005, he served as Chief Financial Officer of Hospitality Network Canada Inc., a subsidiary of SaskTel which provided patient entertainment services to hospitals across Canada. He then held the roles as Chief Financial Officer, Director and Co-founder of StorageVault Canada Inc., a publically traded company providing products and services in the self-storage and portable storage industry, from 2006 to 2015. StorageVault has grown from a CPC to a company with a market capitalization of approximately \$2.4 billion. StorageVault has been recognized as a TSX Venture Exchange "Venture 50" company and recently graduated to the Toronto Stock Exchange. Mr. Fradette continues to act as a member of StorageVault's Acquisition Committee. Since, April 2015, the Acquisition Committee of StorageVault has reviewed and approved over \$1.8 billion of acquisitions by StorageVault. Since 2015, he has worked in consulting and in the solar energy industry. Glenn is also a past member on the Board of Directors of the Regina Humane Society and the Regina Food Bank.

Mr. Fradette is an employee 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 and officers of the Issuer that are, or have been within the last five years, directors and officers of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name of Director, Officer or Promoter	Name of Reporting Issuer	Exchange	Position	Term
Alan Simpson	StorageVault Canada Inc.	TSX	Director	May 31, 2007 to present

Cease Trade Orders

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

- (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

Other than as set forth below, no director, officer, insider or promoter of the Issuer, or a shareholder of the Issuer holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, has been subject to:

- (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.

On February 23, 2016 pursuant to a Hearing of the Institute of Chartered Professional Accountants of Saskatchewan (the “**Institute**”), the Institute determined that Dwayne Anderson, a promoter of the Issuer, breached Bylaw 202.1 of the Institute in failing to perform services with an appropriate level of due care. Mr. Anderson received a written reprimand and was ordered to pay the costs of the investigation and hearing. Mr. Anderson voluntarily resigned as a member of the Institute.

Bankruptcies

No director, officer, insider or promoter of the Issuer, or a shareholder of the Issuer holding a sufficient number securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such persons:

- (a) is, as at the date of the prospectus, or has been within the 10 years before the date of the 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 the prospectus, as applicable, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

Indebtedness of Directors and Officers

None of the directors or officers 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 may be potential conflicts of interest to which the directors, officers, insiders or promoters of the Issuer may be subject in connection with the operations of the Issuer. The directors, officers, insiders and promoters of the Issuer are engaged 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 a director, officer, insider or promoter 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* (Alberta).

Audit Committee

The following information of the Issuer is disclosed in accordance with National Instrument 52-110 *Audit Committees* (“**NI 52-110**” or the “**Instrument**”):

Audit Committee Charter

The complete text of the charter of the Issuer's audit committee (the "**Audit Committee**") is attached to this prospectus as Schedule "B". See "*Schedule "B" – Audit Committee Charter*".

Composition of the Audit Committee

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Issuer, which could, in the view of the Issuer's board, reasonably interfere with the exercise of the member's independent judgment.

NI 52-110 provides that an individual is "financially literate" if he or she has 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 reasonably be expected to be raised by the Issuer's financial statements.

The current members of the Audit Committee are Kimberly Carroll, Glenn Fradette and Al Simpson, all of whom are financially literate in accordance with NI 52-110. Ms. Carroll is the Chair of the Audit Committee. The independent members of the Audit Committee are Mr. Fradette and Ms. Carroll as independent directors. Mr. Simpson is not independent as he also acts as the Chief Executive Officer, Chief Financial Officer, and Corporate Secretary of the Issuer.

Relevant Education and Experience of Audit Committee Members

NI 52-110 provides that an individual is "financially literate" if he or she has 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 reasonably be expected to be raised by the Issuer's financial statements.

All current members of the Audit Committee have received relevant education in financial literacy and have been involved in enterprises which publicly report financial results, each of which requires a working understanding of, and ability to analyze and assess, financial information (including financial statements).

Further, each member has the requisite education and experience that has provided the member with:

- (a) an understanding of the accounting principles used by the Issuer to prepare the Issuer's financial statements;
- (b) the ability to assess the general application of the above-noted principles in connection with estimates, accruals and reserves;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Issuer's financial statements, or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

At no time since incorporation was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the board.

Reliance on Certain Exemptions

Since incorporation, the Issuer has not relied on:

- (a) the exemption in section 2.4 (*De Minimus Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the

Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit);

- (b) the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*) of NI 52-110 (an exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of the Issuer or of an affiliate of the Issuer if a circumstance arises that affects the business or operations of the Issuer and a reasonable person would conclude that the circumstance can be best addressed by a member of the Audit Committee becoming an executive officer or employee of the Issuer);
- (c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*) of 52-110 (an exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of the Issuer or of an affiliate of the Issuer if an Audit Committee member becomes a control person of the Issuer or of an affiliate of the Issuer for reasons outside the member's reasonable control);
- (d) the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) of 52-110 (an exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Issuer if a vacancy on the Audit Committee arises as a result of the death, incapacity or resignation of an Audit Committee member and the board was required to fill the vacancy); and
- (e) an exemption from the requirements of NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

The Issuer is a "venture issuer" for the purposes of NI 52-110. Accordingly, the Issuer is relying upon the exemption in section 6.1 of NI 52-110 providing that the Issuer is exempt from the application of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee's charter provides that that Audit Committee must approve all non-audit services to be provided by the Issuer's external auditor to the Issuer or a subsidiary of the Issuer.

External Auditor Service Fees (By Category)

The following table provides details in respect of audit, audit related, tax and other fees billed by the external auditor of the Issuer for professional services rendered to the Company since incorporation:

Since incorporation on September 1, 2021 to the date of this prospectus	Audit Fees ⁽¹⁾	Audit-Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
	\$6,800	Nil	Nil	Nil

Notes:

- (1) The aggregate fees billed or accrued for audit services since incorporation.
- (2) The aggregate fees billed since incorporation of the Issuer for assurance and related services by the Issuer's external auditor that are reasonably related to the performance of the audit or review of the Issuer's financial statements and are not disclosed in the "Audit Fees" column.
- (3) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

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 stock option as described in "*CPC Stock Options*";
- (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, the Issuer may pay compensation to its directors and officers.

DILUTION

Purchasers of Common Shares under this prospectus will suffer an immediate dilution of approximately 25% or \$0.025 per Common Share on the basis of there being 40,000,000 Common Shares of the Issuer issued and outstanding following completion of this Offering (not including Common Shares issuable upon exercise of the Agent's Warrants or CPC Stock Options). Dilution has been computed on the basis of total gross proceeds to be raised by this prospectus and from sales of securities prior to the filing of this prospectus, without deduction of commissions or related expenses incurred by the Issuer as set forth below:

<u>Item</u>	<u>Total Offering (\$)</u>
Gross proceeds of prior share issues	1,000,000
Gross proceeds of this Offering	2,000,000
Total gross proceeds after this Offering	3,000,000
Offering price per share	0.1000
Proceeds per share after this Offering	0.075
Dilution per share to subscriber	0.025
Percentage of dilution in relation to offering price	25%

RISK FACTORS

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

The Issuer was only recently incorporated, has not commenced commercial operations and has no assets other than a minimum amount of cash. It has no history of earnings and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. The Issuer has not identified a potential asset or business for acquisition or participation and has not entered into an Agreement in Principle as defined in the CPC Policy. Until Completion of the Qualifying Transaction, the Issuer is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions. There can be no assurance that an active and liquid market for the Common Shares will develop and an investor may find it difficult to resell its Common Shares. See "*Corporate Structure*", "*Business of the Issuer*" and "*Use of Proceeds*".

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*".

Assuming completion of the Offering, investors acquiring Common Shares under this prospectus will suffer an immediate dilution of approximately 25% or \$0.025 per Common Share, before the deduction of selling commissions and related expenses incurred by the Issuer. See "*Dilution*".

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. Further, even if a proposed Qualifying Transaction is identified, there can be no assurance that the Issuer will be able to complete the transaction. The Qualifying Transaction may be financed in whole, or in part, by the issuance of additional securities by the Issuer and this may result in further dilution to investors, which dilution may be significant and which may also result in a change of control of the Issuer. Subject to prior Exchange approval, the Issuer may be permitted to loan or advance up to an aggregate of \$250,000 of its proceeds to a target business without requiring shareholder

approval and there can be no assurance that the Issuer will be able to recover that loan. See “*Business of the Issuer*” and “*Use of Proceeds*”.

The business objective of the Issuer is to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction; however, there can be no assurance that the Issuer will successfully complete a Qualifying Transaction. Although the Issuer has commenced the process of identifying potential acquisitions, to date, the Issuer has not identified any potential acquisitions and may determine that current markets, terms of acquisition, or pricing conditions make such potential acquisitions uneconomic.

The 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 Minority Approval. Unless the shareholder has the right to dissent and be paid fair value in accordance with applicable corporate or other applicable 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 other entitlement to payment by the Issuer of fair value for the Common Shares.

Upon public announcement of a proposed Qualifying Transaction, trading in Common Shares of the Issuer will remain halted for an indefinite period of time, typically until a Sponsor has been retained and certain preliminary reviews have been conducted. The Common Shares of the Issuer will be reinstated to trading before the Exchange has reviewed the transaction and before the Sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Issuer completing the proposed Qualifying Transaction. Trading of the Common Shares of the Issuer may be halted at other times for other reasons, including for failure by the Issuer to submit documents to the Exchange in the time periods required. Neither the Exchange, nor any securities regulatory authority, passes upon the merits of the proposed Qualifying Transaction. See “*Business of the Issuer*”.

In the event that the management of the Issuer resides outside of Canada or the Issuer identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts.

If the Common Shares are not listed on the Exchange prior to the time of Closing in the manner contemplated in this prospectus under the heading “*Eligibility For Investment*”, adverse tax consequences may arise with respect to any Common Shares held in RRSPs, RRIFs, DPSPs, TFSAs, RDSPs and RESPs.

The Issuer may incur additional expenses and delays due to the impact of the global pandemic caused by COVID-19 on the capital markets and general market conditions. Such expenses and delays may result in a material adverse impact in connection with the Issuer’s ability to complete its Offering, and its ability to obtain additional necessary capital in the future. In particular, while the precise impact of the COVID-19 outbreak on the Issuer remains unknown, rapid spread of COVID-19 and its declaration as a global pandemic may have a negative impact on the Issuer’s business in general.

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

ELIGIBILITY FOR INVESTMENT

In the opinion of DLA Piper (Canada) LLP, counsel to the Issuer, based on the current provisions of the Tax Act and the regulations thereunder (in effect on the date hereof), and any specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, provided that the Common Shares are listed on a “designated stock exchange” (as defined in the Tax Act, which currently includes the Exchange) on the date of Closing and subject to the provisions of any particular plan, the Common Shares offered hereby will, on the date of Closing, constitute “qualified investments” under the Tax Act for trusts governed by RRSPs, RRIFs, DPSPs, RESPs, RDSPs and TFSAs.

Notwithstanding that the Common Shares will be a qualified investment for a trust governed by an RRSP, RRIF, RESP, RDSP or TFSA, the annuitant under a RRSP or RRIF, the subscriber under an RESP, or the holder under a TFSA or RDSP (as applicable) will be subject to a penalty tax if the Common Shares are a “prohibited investment” in respect of such RRSP, RRIF, RESP, RDSP or TFSA. The Common Shares will not be a prohibited investment provided that the holder, annuitant or subscriber (as the case may be) deals at arm’s length with the Issuer for the

purposes of the Tax Act and does not have a “significant interest” (as defined in the Tax Act) in the Issuer. In addition, the Common Shares will not be a prohibited investment if the Common Shares are “excluded property” (as defined in the Tax Act). Holders should consult their own advisors as to whether the Common Shares will be a prohibited investment in their particular circumstances.

LEGAL PROCEEDINGS

The Issuer is not party to any legal proceedings, nor to the best of its knowledge are there any legal proceedings threatened or pending.

RELATIONSHIP BETWEEN THE ISSUER AND THE AGENT

The Issuer is not a “related issuer” but may be considered a “connected issuer” of the Agent, as such terms are defined in NI 33-105. Members of the Agent’s “professional group”, as such term is defined in NI 33-105, own and control, as of the date hereof, 400,000 Common Shares, representing 2% of the issued and outstanding Common Shares. Consequently, the Issuer may be considered a “connected issuer” of the Agent, as such term is defined in NI 33-105, in connection with the Offering.

The following table lists the members of the Agent’s “professional group” who own issued and outstanding Common Shares as at the date hereof:

<u>Name & Municipality of Residence</u>	<u>Number of Common Shares</u>	<u>Percentage of Common Shares Owned Prior to Giving Effect to the Offering</u>	<u>Percentage of Common Shares Owned After Giving Effect to the Offering⁽¹⁾</u>
Jeret Bode Saskatoon, SK	200,000	1%	0.5%
Kevin Thompson Saskatoon, SK	200,000	1%	0.5%

Notes:

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

The Agent was not involved in the decision by the Issuer to distribute Common Shares pursuant to the Offering, nor was the Offering requested or suggested to the Issuer by the Agent. The Agent, through its corporate finance department was involved in the determination of the terms of the Offering in its capacity as agent for the sale of the Common Shares on a “best efforts” basis. The Agent does not, prior to completion of the Offering, own directly or indirectly, any securities of the Issuer and the only proceeds of the Offering to be received by it is the remuneration to be paid to it in connection with the sale of the Common Shares, which includes the Agent’s Commission, the corporate finance fee payable to it and the Agent’s Warrants. See “*Plan of Distribution*”.

RELATIONSHIP BETWEEN THE ISSUER AND PROFESSIONAL PERSONS

Certain legal matters relating to this Offering will be passed upon by DLA Piper (Canada) LLP, on behalf of the Issuer, and by McDougall Gauley LLP, on behalf of the Agent.

With the exception of Derrick Auch, who is a partner of DLA Piper (Canada) LLP and owns 400,000 Common Shares, the partners and associates of DLA Piper (Canada) LLP and McDougall Gauley LLP collectively do not own any of the Common Shares as at the date hereof. Additionally, the partners and associates of DLA Piper (Canada) LLP and McDougall Gauley LLP may subscribe for additional Common Shares pursuant to the Offering.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of the Issuer is MNP LLP, Chartered Accountants at 1500, 640 5th Avenue SW, Calgary Alberta, T2P 3G4.

The transfer agent and registrar for the Common Shares is TSX Trust Company, located at 2110, 685 Centre Street SW, Calgary Alberta, T2G 1S5.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Certain directors and officers of the Issuer have acquired Common Shares of the Issuer in the seed capital phase of the Issuer. In addition, each of the directors and officers of the Issuer will be granted options to purchase Common Shares pursuant to the Issuer's Option Plan. See "*CPC Stock Options*".

MATERIAL CONTRACTS

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

1. the Agency Agreement dated March 31, 2022 between the Issuer and the Agent. See "*Plan of Distribution*";
2. the CPC Escrow Agreement dated March 31, 2022 among the Issuer, TSX Trust Company, and certain shareholders of the Issuer. See "*Escrowed Securities*";
3. Transfer Agent, Registrar and Dividend Disbursing Agent Agreement dated January 12, 2022 between the Issuer and the Transfer Agent; and
4. the Option Plan.

Copies of these agreements will be available for inspection at the registered office of the Issuer located at the offices of DLA Piper (Canada) LLP, solicitors of the Issuer, located 1000, 250 2nd Street S.W., Calgary, Alberta, T2P 0C1, during ordinary business hours while the securities offered by this prospectus are in the course of distribution and for a period of 30 days thereafter. Copies of these agreements will also be available on the Issuer's profile on SEDAR at www.sedar.com.

OTHER MATERIAL FACTS

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

DIVIDEND POLICY

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

PROMOTERS

Alan Simpson, Glenn Fradette and Dwayne Anderson are considered to be the promoters of the Issuer in that they took the initiative in founding and organizing the Issuer. Noah Waters Holdings Inc., a company wholly owned and controlled by Alan Simpson, owns 4,500,000 Common Shares (22.5%) as of the date hereof. Glenn Fradette owns 1,000,000 Common Shares (5%) as of the date hereof. Dwayne Anderson, owns 4,500,000 Common Shares (22.5%) as of the date hereof. See "*Escrowed Securities*", "*Principal Shareholders*" and "*Directors, Officers and Promoters*".

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

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

SCHEDULE A
FINANCIAL STATEMENTS
(Financial statements attached)

Proton Capital Corp.
Financial Statements

For the period from September 1, 2021 (date of incorporation) to December 31, 2021
(Expressed in Canadian Dollars)

To the Directors of Proton Capital Corp.:

Opinion

We have audited the financial statements of Proton Capital Corp. (the "Company"), which comprise the statement of financial position as at December 31, 2021, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period from September 1, 2021 (date of incorporation) to December 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 Company as at December 31, 2021, and its financial performance and its cash flows for the period from September 1, 2021 to December 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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 Company's internal control.

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

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

Calgary, Alberta
March 31, 2022

MNP LLP
Chartered Professional Accountants

Proton Capital Corp.
Statement of Financial Position

As at December 31, 2021
(Expressed in Canadian Dollars)

	Note		
Assets			
Current			
Cash and cash equivalents	5	\$	980,025
Deferred financing costs	11		20,500
Total current assets		\$	1,000,525
Total assets		\$	1,000,525
Liabilities and Shareholders' Equity			
Current Liabilities			
Accounts payable and accruals		\$	26,343
Total liabilities		\$	26,343
Shareholders' Equity			
Share capital	6	\$	1,000,000
Deficit			(25,818)
Total shareholders' equity			974,182
Total liabilities and shareholders' equity		\$	1,000,525

Subsequent event (Note 11)

Approved on behalf of the Board of Directors

“Kim Carroll”

Director

“Alan Simpson”

Director

Proton Capital Corp.

Statement of Loss and Comprehensive Loss

For the period from September 1, 2021 (date of incorporation) to December 31, 2021
(Expressed in Canadian Dollars)

	Note		
Revenue			
Interest income		\$	715
Total revenue			715
Expenses			
Professional fees			26,343
General and administrative			190
Total expenses			26,533
Loss and comprehensive loss		\$	25,818
Loss per share			
Basic and Diluted		\$	0.00
Weighted average number of shares outstanding	6		16,196,721

Proton Capital Corp.
Statement of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Note	Share Capital (\$)	Contributed Surplus (\$)	Deficit (\$)	Shareholders' Equity (\$)
At incorporation, September 1, 2021		-	-	-	-
Issuance of common shares	6	1,000,000	-	-	1,000,000
Net loss and comprehensive loss		-	-	(25,818)	(25,818)
Balance at December 31, 2021		1,000,000	-	(25,818)	974,182

Proton Capital Corp.
Statement of Cash Flows

*For the period from September 1, 2021 (date of incorporation) to December 31, 2021
(Expressed in Canadian Dollars)*

	Note	
Cash flows from operating activities:		
Net loss		\$ (25,818)
Add (deduct) change in non-cash items:		
Accounts payable and accruals		26,343
Cash flows provided by operating activities		525
Cash flows from financing activities:		
Financing costs paid	11	(20,500)
Proceeds from share issuance	6	1,000,000
Cash flows provided by financing activities		979,500
Increase in cash		980,025
Cash and cash equivalents, beginning of period		-
Cash and cash equivalents, end of period		\$ 980,025

Proton Capital Corp.

Notes to Financial Statements

For the period from September 1, 2021 (date of incorporation) to December 31, 2021
(Expressed in Canadian Dollars)

1. REPORTING ENTITY

Proton Capital Corp. (the "Company") was incorporated on September 1, 2021 by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (Alberta). The Company is classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The principal business of the Company is to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein by completing a purchase transaction, by exercising of an option or by any concomitant transaction. The purpose of such an acquisition is to satisfy the related conditions of a qualifying transaction under the Exchange rules.

The head office and registered office of the Company is located at 1000, 250 2nd Street SW, Calgary, AB T2P 0C1.

Where an acquisition or participation is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon the ability of the Company to obtain additional financing.

The novel coronavirus ("COVID-19") outbreak was declared a pandemic by the World Health Organization on March 11, 2020. This has resulted in significant economic uncertainty and governments worldwide are enacting emergency measures to contain the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global financial markets have experienced significant volatility and weakness as a consequence of this economic uncertainty. The duration and impact of the COVID-19 outbreak is unknown as this time, as is the effectiveness of interventions by governments and central banks. The full extent of the impact on the Company's future financial results is uncertain given the length and severity of these developments cannot be reliably estimated as well as the impact to the Company's ability to close its initial public offering.

2. BASIS OF PRESENTATION

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") in effect for the fiscal period beginning September 1, 2021. These financial statements represent the Company's first presentation of the financial results and financial position under IFRS.

These financial statements were authorized for issue in accordance with a resolution of the directors on March 31, 2022.

Basis of measurement

These financial statements are stated in Canadian dollars which is the Company's functional currency and were prepared on a going concern basis, under the historical cost convention except for certain financial instruments that have been measured at fair value.

3. SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Areas where estimates are significant to the financial statements are disclosed in Note 4.

Proton Capital Corp.
Notes to Financial Statements

*For the period from September 1, 2021 (date of incorporation) to December 31, 2021
(Expressed in Canadian Dollars)*

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Cash and cash equivalent

Cash consists of the proceeds generated from share issuances which is included in bank balances that are readily convertible into cash.

Deferred financing costs

Financing costs related to proposed financings are recorded as deferred financing costs. These costs are deferred until the financing is completed at which time the costs are charged against the proceeds received. If the financing does not close, the costs are charged to operations.

Share-based payments

The Company applies a fair value-based method of accounting to all share-based payments. Employee and director stock options are measured at the fair value of each tranche on the grant date and recognized over its respective vesting period. Non-employee stock options are measured based on the service provided to the reporting date and at their then-current fair values. The cost of stock options is presented as share-based compensation expense when applicable with a corresponding credit to contributed surplus. On the exercise of stock options, share capital is credited for consideration received and for fair value amounts previously credited to contributed surplus. The Company uses the Black-Scholes option pricing model to estimate the fair value of share-based payments.

Taxes

Tax expense comprises current and deferred tax. Tax is recognized in the statement of loss and comprehensive loss except to the extent it relates to items recognized in other comprehensive loss or directly in equity.

Current tax

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred taxes are the taxes expected to be payable or recoverable on differences between the carrying amounts of assets in the statement of financial position and their corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences between the carrying amounts of assets and their corresponding tax bases. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets in a transaction that affects neither the taxable profit nor the accounting profit.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial Instruments

Classification and measurement of financial instruments

The Company measures its financial assets and financial liabilities at fair value on initial recognition, which is typically the transaction price unless a financial instrument contains a significant financing component. Subsequent measurement is dependent on the financial instrument's classification which in the case of financial assets, is determined by the context of the Company's business model and the contractual cash flow characteristics of the financial asset. Financial assets are classified into two categories: (1) measured at amortized cost and (2) fair value through profit and loss ("FVTPL"). Financial liabilities are subsequently measured at amortized cost, other than financial liabilities that are measured at FVTPL or designated as FVTPL where any change in fair value resulting from an entity's own credit risk is recorded as other comprehensive income ("OCI"). The Company does not employ hedge accounting for its risk management contracts currently in place.

Amortized cost

The Company classifies its cash and cash equivalent and accounts payable and accruals as measured at amortized cost. The contractual cash flows received from the financial assets are solely payments of principal and interest and are held within a business model whose objective is to collect the contractual cash flows. These financial assets and financial liabilities are subsequently measured at amortized cost using the effective interest method.

Impairment of financial assets

The measurement of impairment of financial assets is based on expected credit losses. Accounts receivable that are considered collectible within one year or less are not considered to have a significant financing component and a lifetime expected credit loss ("ECL") is measured at the date of initial recognition of the receivable.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables. In estimating the lifetime expected loss provision, the Company will consider historical industry default rates as well as credit ratings of major customers. The Company does not currently have any financial assets subject to this approach.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgements are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates.

Estimates

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

Proton Capital Corp.
Notes to Financial Statements

For the period from September 1, 2021 (date of incorporation) to December 31, 2021
(Expressed in Canadian Dollars)

4. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS *(continued)*

Fair value of financial instruments

The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty.

Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Judgements

The key areas of judgement that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

Taxes

The Company recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available to utilize the Company's deductible temporary differences which are based on management's judgement on the degree of future taxable profits. To the extent that future taxable profits differ significantly from the estimates impacts the amount of the deferred tax assets management judges is probable.

Financial instruments

The Company is required to classify its various financial instruments into certain categories for the financial instruments' initial and subsequent measurement. This classification is based on management's judgement as to the purpose of the financial instrument and to which category is most applicable.

5. CASH AND CASH EQUIVALENTS

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 to cover prescribed costs of issuing common shares or administrative and general expenses of the Company. These restrictions may apply until completion of a Qualifying Transaction by the Company as defined under the policies of the Exchange.

6. SHARE CAPITAL

Authorized:

Unlimited number of common shares and preferred shares which are issuable in series.

Issued:

Common Shares

	Number of Shares	\$
Balance, September 1, 2021	-	-
Issued for cash at \$0.05 per share	20,000,000	1,000,000
Balance, December 31, 2021	20,000,000	1,000,000

Proton Capital Corp.
Notes to Financial Statements

*For the period from September 1, 2021 (date of incorporation) to December 31, 2021
(Expressed in Canadian Dollars)*

6. SHARE CAPITAL *(continued)*

Upon completion of the Company's initial public offering (Note 11), all common shares issued will be held in escrow until completion of a Qualifying Transaction. 25% of these common shares will be released on the issuance of the Final Exchange Bulletin and an additional 25% will be released on each 6-month anniversary from the initial release.

These common shares, which are considered contingently issuable until the Company completes a Qualifying Transaction, will not be considered outstanding for the purpose of the loss per share calculation upon completion of the initial public offering.

Stock options

The Company has adopted an incentive stock option plan (the "Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers and technical consultants to the Company and Eligible Charitable Organizations, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares as at the date of grant of any such 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 5% of the issued and outstanding Common Shares of the Company as at the date of grant of such option. The number of Common Shares issuable at any given time to all technical consultants in aggregate will not exceed 2% of the issued and outstanding Common Shares of the Company as at the date of grant of such option.

As at December 31, 2021, no stock options have been granted.

7. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Company, as part of its operations, carries financial instruments consisting of cash and cash equivalent and accounts payable and accruals. It is management's opinion that the Company is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed.

Fair value

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.
- Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
- Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The carrying amount of cash and cash equivalent and account payable and accruals approximates its fair value due to the short-term maturities of these items.

Proton Capital Corp.
Notes to Financial Statements

*For the period from September 1, 2021 (date of incorporation) to December 31, 2021
(Expressed in Canadian Dollars)*

7. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT *(continued)*

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk as its cash balance is held with a major Canadian financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. As at December 31, 2021, the Company has cash and cash equivalents of \$980,025 to satisfy obligations of \$26,343 as they come due, as such, is not exposed to significant liquidity risk.

Market risk

Market risk is the risk of loss that results from changes in market prices, market risk is comprised of foreign currency risk, interest rate risk and other price risks.

(i) Currency risk

The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(ii) Interest rate risk

A portion of the Company's cash and cash equivalent balance is interest bearing. A 1% change in the interest rate would not have a significant impact on net loss.

(iii) Commodity risk

The Company is not exposed to commodity risk.

8. Taxes

The tax recovery differs from the amount that would be computed by applying the expected tax rates to the loss before taxes. The reasons for the difference are as follows:

	2021
Loss before taxes	(25,818)
Statutory tax rate	23%
Expected tax recovery	(5,938)
Increase (decrease) resulting from:	
Impact of deferred financing costs	4,715
Tax asset not recognised	296
Tax recovery	-

The Company has estimated its gross deductible temporary differences related to non-capital loss carryforwards to be approximately \$26,000 and deferred financing costs to be \$20,000. The non-capital loss carryforwards will expire in 2041 if not utilized, subject to provisions of the Income Tax Act of Canada that may limit the Company's ability to utilize these losses.

9. RELATED PARTY TRANSACTIONS

Key management personnel consist of officers and directors of the Company. No compensation was paid to key management personnel during the current period.

Transactions with related parties are incurred in the normal course of business and initially measured at fair value.

Proton Capital Corp.
Notes to Financial Statements

*For the period from September 1, 2021 (date of incorporation) to December 31, 2021
(Expressed in Canadian Dollars)*

10. CAPITAL MANAGEMENT

The Company's capital consists of share capital. The Company's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete an acquisition or other transaction as disclosed in Note 1. The Company sets the amount of capital in relation to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

- i. to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and,
- ii. to maintain investor, creditor and market confidence in order to sustain the future development of the business.

The Company is not subject to any externally or internally imposed capital requirements at period-end apart from the requirements of the Exchange.

11. SUBSEQUENT EVENT

The Company is in the process of filing a prospectus ("Offering") to offer for sale to the public 20,000,000 common shares at a price of \$0.10 per common share. The net proceeds of this Offering will be used to provide the Company with a minimum of funds with which to identify and evaluate assets or businesses for acquisition with a view to completing a Qualifying Transaction.

Pursuant to an Agency Agreement, the Company appointed iA Private Wealth (the "Agent") as its agent in connection with the aforementioned to sell 20,000,000 common shares of the Company for \$0.10 per share. The Company has undertaken to file a prospectus in connection with the offer. Costs of arranging the issue are estimated to be \$235,000 which includes up to 7.5% commission payable to the Agent. Of these estimated costs, \$20,500 has been paid to date and is included within deferred financing costs on the statement of financial position. In addition, the Agent will be granted a non-transferable option to acquire up to 2,000,000 common shares at \$0.10 per share. The option will, if unexercised, expire twenty-four months following the date on which the common shares are posted for trading on the TSX Venture Exchange.

In conjunction with closing of the offering, the Company will grant 4,000,000 options under the Company's stock option plan to directors and officers of the Company. The options, which vest immediately, may be exercised at a price of \$0.10 per common share for a period of ten years from the date of the agreement.

SCHEDULE B

AUDIT COMMITTEE CHARTER

PROTON CAPITAL CORP.
(the "Corporation")

CHARTER OF THE AUDIT COMMITTEE

This Charter of the Audit Committee (the "**Charter**") was adopted by the board of directors of the Corporation on September 1, 2021.

1. Purpose

The Audit Committee (the "**Committee**") is a committee of the Board of Directors (the "**Board**") of the Corporation. The Committee assists the Board in fulfilling its oversight responsibilities by overseeing the Corporation's financial controls and reporting and monitoring whether the Corporation complies with financial covenants and legal and regulatory requirements governing financial disclosure matters and financial risk management, including evaluating and making recommendations to the Board as appropriate with respect to:

- financial reporting;
- the external auditors, including performance, qualifications, independence, and their audit of the Corporation's financial statements;
- the performance of the Corporation's internal audit function;
- internal controls and disclosure controls;
- financial risk management;
- the Corporation's Code of Business Conduct, if any; and
- related-party transactions.

The Audit Committee will also have authority to review and, in its discretion, approve certain matters, in accordance with and within the limitations prescribed by this Charter.

The Audit Committee's primary function is to assist the Board in fulfilling its responsibilities. It is, however, the Corporation's management which is responsible for preparing the Corporation's financial statements and it is the Corporation's external auditors who are responsible for auditing those financial statements.

2. Composition and Member Qualification

The Committee should be comprised of a minimum of three directors of the Corporation.

All members of the Committee must (except to the extent permitted by NI 52-110 – *Audit Committees*, as it may be amended or replaced from time to time ("**NI 52-110**") or the policies of the TSX Venture Exchange or any stock exchange on which the Corporation's securities are listed) be independent (as defined by NI 52-110), and free from any relationship that, in the view of the Board, could be reasonably expected to interfere with the exercise of his or her independent judgment as a member of the Committee.

All members of the Committee must be financially literate (which is defined as 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 reasonably be expected to be raised by the Corporation's financial statements).

The members of the Committee and the chair of the Committee (the "**Chair**") are appointed by the Board on an annual basis (or until their successors are duly appointed), and shall hold office until the next annual meeting. Any member of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee on ceasing to be a director of the Corporation. The Board may fill vacancies on the Committee by election from among the Board. If and whenever a vacancy will exist on the Committee, the remaining members may exercise all powers of the Committee so long as a quorum remains.

3. Limitations on Committee's Duties

In contributing to the Committee's discharge of its duties under this Charter, each member of the Committee will be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended or may be construed as imposing on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which any member of the Board may be otherwise subject.

Members of the Committee are entitled to rely, absent actual knowledge to the contrary, on (i) the integrity of the persons and organizations from whom they receive information, (ii) the accuracy and completeness of the information provided, (iii) representations made by management of the Corporation ("**Management**") as to the non-audit services provided to the Corporation by the external auditor, (iv) financial statements of the Corporation represented to them by a member of Management or in a written report of the external auditors to present fairly the financial position of the Corporation in accordance with applicable generally accepted accounting principles, and (v) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

4. Meetings

The Committee shall meet regularly, but not less frequently than quarterly, and more frequently if circumstances require. A quorum for the transaction of business at any meeting of the Committee will be the presence in person or via tele- or video-conference of a majority of the members of the Committee or such greater number as the Committee may by resolution determine. If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, the quorum for the adjourned meeting will consist of the members then present.

The Committee will keep minutes of each meeting of the Committee. A copy of the minutes will be provided to each member of the Committee.

Meetings of the Committee will be held from time to time and at such place as any member of the Committee will determine upon two days' prior notice to each of the other Committee members. The members of the Committee may waive the requirement for notice. A notice of a meeting of the Committee may be given verbally, in writing or by telephone, fax or other means of communication, and need not specify the purpose of the meeting. The Committee shall notify the external auditor of every meeting of the Committee. In addition, any member of the Committee, the Chair of the Board, and each of the Chief Executive Officer, the Chief Financial Officer and the external auditor will be entitled to request that the Chair call a meeting.

The Committee may ask members of Management and employees of the Corporation (including, for greater certainty, its affiliates and subsidiaries) or others (including the external auditor) to attend meetings and provide such information as the Committee requests. Members of the Committee will have full access to information of the Corporation (including, for greater certainty, its affiliates, subsidiaries and their respective operations) and will be permitted to discuss such information and any other matters relating to the results of operations and financial position of the Corporation with Management, employees, the external auditor and others as they consider appropriate.

The Committee or its Chair should meet at least once per year with Management and the external auditor in separate sessions to discuss any matters that the Committee or either of these groups desires to discuss privately. In addition, the Committee or its Chair should meet with Management quarterly in connection with the Corporation's interim financial statements.

The Committee shall meet *in camera*, without management, at each meeting of the Committee, and otherwise as considered appropriate by the members of the Committee. Any member of the Committee may move the Committee *in camera* at any time during the course of a meeting, and a record of any decisions made *in camera* shall be maintained by the Chair of the Committee.

The Committee will determine any desired agenda items.

5. Committee Activities

As part of its function in assisting the Board in fulfilling its oversight responsibilities (and without limiting the generality of the Committee's role), the Committee will have the power and authority to:

A. Financial Disclosure

- a) Review and recommend for Board approval the Corporation's interim financial statements, including any certification, report, opinion or review rendered by the external auditor and the related management's discussion & analysis and press release.
- b) Review and recommend for Board approval the Corporation's annual financial statements, including any certification, report, opinion or review rendered by the external auditor, the annual information form and the related management's discussion & analysis and press release.
- c) Review the financial reports and related information included in prospectuses, MD&A, information circular-proxy statements and annual information forms and all public disclosure containing audited or unaudited financial information (including, without limitation, annual and interim press releases and any other press releases disclosing earnings or financial results) before release and prior to Board approval.
- d) Satisfy itself that adequate procedures have been put in place by Management for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and the related management's discussion & analysis and periodically assess the adequacy of those procedures.
- e) Before the release of financial statements and related disclosures to the public, obtain confirmation from the Chief Executive Officer and Chief Financial Officer as to the matters addressed in the certifications required by the securities regulatory authorities.
- f) Review any litigation, claim or other contingency and any regulatory or accounting initiatives that could have a material effect upon the financial position or operating results of the Corporation and the appropriateness of the disclosure thereof in the documents reviewed by the Committee.
- g) Receive periodically Management reports assessing the adequacy and effectiveness of the Corporation's disclosure controls and procedures.

B. Internal Control

- a) Review Management's process to identify and manage the significant risks associated with the activities of the Corporation.
- b) Review the effectiveness of the internal control systems for verifying the accuracy of financial records and monitoring compliance with financial disclosure matters, financial risk management, laws and regulations.
- c) Have the authority to communicate directly with the internal auditor (if any).
- d) Receive periodical Management reports assessing the adequacy and effectiveness of the Corporation's internal control systems, including with respect to the integrity and quality of the Corporation's financial statements and other financial information.
- e) Assess the overall effectiveness of the internal control and risk management frameworks through discussions with Management, the internal auditor (if any) and the external auditors and assess whether recommendations made by the internal auditor (if any) or the external auditors have been implemented by Management.
- f) In consultation with the Corporate Governance and Nominating Committee, if any, oversee management's disclosure controls and procedures regarding the Corporation's financial information to confirm that the Corporation's financial information that is required to be disclosed under applicable law or stock exchange rules is disclosed.
- g) Review any special audit steps adopted in light of material control deficiencies.

C. Relationship with the External Auditor

- a) Recommend to the Board the selection of the external auditor and the fees and other compensation to be paid to the external auditor.
- b) Have the authority to communicate directly with the external auditor and the Chief Financial Officer of the Corporation and arrange for the external auditor to be available to the Committee and the Board as needed.

- c) Oversee the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditors regarding financial reporting,
- d) Require, in accordance with applicable law, that the external auditors report directly to the Committee and not to Management.
- e) Monitor the relationship between Management and the external auditor, including reviewing any Management letters or other reports of the external auditor, discussing any material differences of opinion between Management and the external auditor, any audit problems or difficulties experienced by the external auditor in performing the audit, and resolving disagreements between the external auditor and Management.
- f) Review and discuss with the external auditor all critical accounting policies and practices to be used in the Corporation's financial statements, all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred by the external auditor.
- g) Review any major issues regarding accounting principles and financial statement presentation with the external auditor and management, including any significant changes in the Corporation's selection or application of accounting principles and any significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements.
- h) If considered appropriate, establish separate systems of reporting to the Committee by each of Management and the external auditor.
- i) Review and discuss on an annual basis with the external auditor all significant relationships they have with the Corporation, Management, the external asset manager or employees that might interfere with the independence of the external auditor.
- j) Pre-approve all non-audit services (or delegate such pre-approval, as the Committee may determine and as permitted by applicable securities laws) to be provided by the external auditor.
- k) Review the performance of the external auditor and recommend any discharge of the external auditor when the Committee determines that circumstances warrant.
- l) Periodically consult with the external auditor without Management present about (i) any significant risks or exposures facing the Corporation, (ii) internal controls and other steps that Management has taken to control such risks, and (iii) the completeness and accuracy of the financial statements of the Corporation, including the adequacy of internal controls to expose any payments, transactions or procedures that might be deemed illegal or otherwise improper.
- m) Review and approve any proposed hiring of current or former partners or employees of the current (and any former) external auditor of the Corporation.
- n) Consider any matter required to be communicated to the Audit Committee by the external auditors under applicable generally accepted auditing standards, applicable law and listing standards, including the auditor's report to the Audit Committee (and management's response thereto).

D. Audit Process

- a) Review the scope, plan and results of the external auditor's audit and reviews, including the auditor's engagement letter, the post-audit management letter, if any, and the form of the audit report. The Committee may authorize the external auditor to perform supplemental reviews, audits or other work as deemed desirable.
- b) Following completion of the annual audit and quarterly reviews, review separately with each of Management and the external auditor any significant changes to planned procedures, any difficulties encountered during the course of the audit and, if applicable, reviews, including any restrictions on the scope of work or access to required information and the cooperation that the external auditor received during the course of the audit and, if applicable, review.
- c) Review any significant disagreements among Management and the external auditor in connection with the preparation of the financial statements.
- d) Where there are significant unsettled issues between Management and the external auditor that do not affect the audited financial statements, the Committee will seek to ensure that there is an agreed course of action leading to the resolution of such matters.
- e) Review with the external auditor and Management significant findings and the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented.

- f) Review the system in place to seek to ensure that the financial statements, management's discussion & analysis and other financial information disseminated to regulatory authorities and the public satisfy applicable requirements.

E. Financial Reporting Processes

- a) Review the integrity of the Corporation's financial reporting processes, both internal and external, in consultation with the external auditor.
- b) Periodically consider the need for an internal audit function, if not present.
- c) Review all material balance sheet issues, material contingent obligations and material related party transactions.
- d) Review with Management and the external auditor the Corporation's accounting policies and any changes that are proposed to be made thereto, including all critical accounting policies and practices used, any alternative treatments of financial information that have been discussed with Management, the ramification of their use and the external auditor's preferred treatment and any other material communications with Management with respect thereto. Review the disclosure and impact of contingencies and the reasonableness of the provisions, reserves, estimates and special issues (e.g., major transactions, changes in the selection or application of accounting policies, off-balance sheet items, effect of regulatory and financial initiatives) that may have a material impact on financial reporting.
- e) Review and approve, if appropriate, major changes to the Corporation's accounting principles and practices as suggested by management with the concurrence of the external auditors.

6. General

- a) Inform the Board of matters that may significantly impact on the financial condition or affairs of the business.
- b) Respond to requests by the Board with respect to the functions and activities that the Board requests the Committee to perform.
- c) Periodically review this Charter and, if the Committee deems appropriate, recommend to the Board changes to this Charter.
- d) Review the public disclosure regarding the Committee required from time to time by NI 52-110.
- e) Review in advance, and approve, the hiring and appointment of the Corporation's Chief Financial Officer.
- f) Establish and oversee the effectiveness of procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing under the Corporation's whistleblower policy, if any.
- g) Perform any other activities as the Committee or the Board deems necessary or appropriate.

7. Responsibilities of Committee Chair

The primary responsibility of the Chair of the Audit Committee is to be responsible for the management and effective performance of the Committee and provide leadership to the Committee in fulfilling this Charter and any other matters delegated to it by the Board. To that end, the Committee Chair's duties and responsibilities shall include:

- a) Working with the Chair of the Board and the Chief Executive Officer to establish the frequency of Committee meetings and the agendas for such meetings.
- b) Providing leadership to the Committee and presiding over Committee meetings.
- c) Facilitating the flow of information to and from the Committee and fostering an environment in which the Committee members may ask questions and express their viewpoints.
- d) Reporting to the Board with respect to the significant activities of the Committee and any recommendations made by the Committee.
- e) Taking such other steps as are reasonably required to ensure that the Committee carries out this Charter.

8. Other Organizational Matters

The members and the Chair of the Committee shall be entitled to receive remuneration for acting in such capacity as the Board may from time to time determine.

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to:

- f) with the prior approval of the Chair of the Board, engage, select, retain, terminate, set and approve the fees and other compensation and other retention terms of special or independent counsel, accountants or other advisors, as it deems appropriate;
- g) subject to the prior approval of the Chair of the Board, obtain appropriate funding to pay, or approve the payment of, such approved fees at the expense of the Corporation; and
- h) communicate directly with the internal and external auditors.

The Committee shall have full access to books, records, facilities, and personnel of the Corporation, as it deems necessary to carry out its duties.

The Committee's performance shall be evaluated annually, in accordance with a process developed by the Corporate Governance and Nominating Committee and approved by the Board, and results of that evaluation shall be reported to the Corporate Governance and Nominating Committee and to the Board.

CERTIFICATE OF ISSUER

Dated: March 31, 2022

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 Alberta, British Columbia and Saskatchewan.

(s) "Alan Simpson"

Alan Simpson
President, Chief Executive Officer, Chief
Financial Officer, Corporate Secretary

ON BEHALF OF THE BOARD

(s) "Glenn Fradette"

Glenn Fradette
Director

(s) "Kimberly Carroll"

Kimberly Carroll
Director

CERTIFICATE OF THE PROMOTERS

Dated: March 31, 2022

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 Alberta, British Columbia and Saskatchewan.

(s) "Alan Simpson"

Alan Simpson
Promoter

(s) "Glenn Fradette"

Glenn Fradette
Promoter

(s) "Dwayne Anderson"

Dwayne Anderson
Promoter

CERTIFICATE OF AGENT

Dated: March 31, 2022

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

IA PRIVATE WEALTH INC.

(s) "Frank Lechance"

By: Frank Lechance
Vice-President & Head of Capital Markets