

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

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

PRELIMINARY PROSPECTUS

Initial Public Offering

November 20, 2020

RAILTOWN CAPITAL CORP.

(a capital pool company)

\$500,000

5,000,000 Common Shares

Price: \$0.10 per Common Share

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

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

Notes:

- (1) A cash commission of 10% of the gross proceeds of the Offering will be paid to the Agent. Additionally, the Corporation will pay an administration fee of \$15,000 to the Agent. The Agent will also be reimbursed by the Corporation for its expenses, including reasonable legal fees of the Agent’s counsel. The Agent will also be granted Agent’s Warrants (as defined below) referred to below. See “Plan of Distribution - Agency Agreement and Agent’s Compensation”.
- (2) Before deducting the costs of this Offering estimated at \$74,750, which includes legal and audit and audit related fees and other expenses of the Corporation estimated at \$25,000 (inclusive of GST), the Agent’s administration fee of \$15,000, the Agent’s expenses and legal fees (inclusive of GST and disbursements) estimated at \$15,000, the listing fee of \$15,750 payable to the Exchange (inclusive of GST) and estimated filing fees of \$4,000.
- (3) 5,000,000 Common Shares are qualified for distribution hereunder. In addition, this prospectus qualifies for distribution the Agent’s Warrants, as hereinafter defined. See “Plan of Distribution”.

The Offering is made on a “commercially reasonable efforts” basis by the Agent for 5,000,000 Common Shares for total gross proceeds to the Corporation of \$500,000. The offering price of the Common Shares was determined by negotiation between the Corporation and the Agent in accordance with the CPC Policy. All funds received from subscriptions for Common Shares will be held by the Agent pursuant to the terms of an agency agreement between the Corporation and the Agent (the “**Agency Agreement**”). If the subscription is not raised within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by persons or companies who subscribed within that period, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent.

Pursuant to the Agency Agreement, the Agent, and any sub-agents as the Agent may direct, will be granted non-transferable warrants (the “**Agent’s Warrants**”) in an amount equal to 10% of the number of Common Shares issued pursuant to the Offering with each Agent’s Warrant entitling the holder thereof to acquire one Common Share (an “**Agent’s Share**”) at a price of \$0.10 per Agent’s Share for a period of 24 months following the date that the Corporation’s Common Shares are listed on the Exchange. The grant of the Agent’s Warrants is qualified under this prospectus. The Agent’s Warrants are qualified for distribution under this prospectus. See “Agency Agreement and Agent’s Compensation”.

Market for Securities

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

The Corporation has applied to list the Common Shares (including the Agent’s Shares) on the Exchange. Listing will be subject to the Corporation fulfilling all the listing requirements of the Exchange.

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

Risk Factors

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

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

Upon completion of the Offering, purchasers will suffer an immediate dilution of:

1. \$0.025 or 25% per Common Share based on the gross proceeds from this Offering and prior issues (without deduction of selling and related expenses) and on the basis of there being 10,000,000 Common Shares issued and outstanding following completion of the Offering; and
2. \$0.02 or 20% per Common Share if both the Offering and Private Placement (defined below) are completed, based on the gross proceeds from this Offering and the Private Placement and prior issues (without deduction of selling and related expenses) and on the basis of there being 12,500,000 Common Shares issued and outstanding following completion of the Offering and Private Placement. See “Dilution”.

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

shares from the Corporation's treasury, control of the Corporation may change and shareholders may suffer further dilution of their investment. The Corporation will be in competition with other entities with greater resources.

The Corporation does not currently own any assets other than cash. The Corporation has neither a history of earnings nor has it paid any dividends and it is unlikely to generate earnings or pay dividends in the immediate or foreseeable future. In the event that the Common Shares are listed on the Exchange, the Exchange may suspend from trading or delist the Common Shares where the Corporation has failed to complete the Qualifying Transaction within 24 months of the date of listing. In addition, delisting of the Common Shares may result in the cancellation of all or some of the Common Shares owned by Non-Arm's Length Parties, as hereinafter defined, issued prior to the Offering. Investors must rely solely on the expertise of the Corporation's directors and officers for any possible return on their investment.

The Corporation's directors, officers and, as applicable, Control Persons, as hereinafter defined, and their Associates, as hereinafter defined, and Affiliates, as hereinafter defined, as a group, beneficially own or control, directly or indirectly, 2,700,000 Common Shares, which represents 54% of the issued and outstanding Common Shares before giving effect to the Offering, 27% of the issued and outstanding Common Shares in the event the Offering is completed, and 21.6% of the issued and outstanding Common Shares in the event the Offering and the Private Placement are completed. The directors and officers of the Corporation will only devote part of their time to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. See "Business of the Corporation", "Use of Proceeds", "Capitalization", "Officers and Directors", "Dilution", "Risk Factors" and "Conflicts of Interest".

Maximum Investment

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

Private Placement

Concurrently with completion of the Offering, the Corporation intends to complete the Private Placement (defined below) of 2,500,000 Common Shares at a price of \$0.10 per Common Share for aggregate gross proceeds of \$250,000. Closing of the Offering is not conditional upon the closing of the Private Placement. Members of the Aggregate Pro Group (defined below) may participate in the Private Placement. The net proceeds of the Private Placement, after payment of the cost of the private placement, will be added to working capital. No commissions or fees are to be paid with respect to the Private Placement. See "Private Placements for Cash".

Receipt of Subscriptions

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

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

Canaccord Genuity Corp.
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GLOSSARY

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

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

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

A company is “controlled” by a Person if:

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

A Person beneficially owns securities that are beneficially owned by:

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

“**Agency Agreement**” means the agency agreement dated [●], 2020 between the Corporation and the Agent.

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

“**Agent’s Shares**” means Common Shares issuable upon exercise of the Agent’s Warrants.

“**Agent’s Warrants**” means the non-transferable warrants to be granted by the Corporation to the Agent in an amount equal to 10% of the number of Common Shares issued pursuant to the Offering, with each Agent’s Warrant entitling the holder thereof to acquire one Agent’s Share at a price of \$0.10 per Agent’s Share for a period of 24 months following the date the Common Shares are listed on the Exchange.

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

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

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

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

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

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

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

but:

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

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

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

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

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

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

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

"CPC" means a corporation:

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

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

"Escrow Agreement" means the escrow agreement dated [●], 2020 among the Corporation, Transfer Agent and certain shareholders of the Corporation.

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

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

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

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

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

- (a) a director or senior officer of the Issuer;
- (b) a director or senior officer of the company that is an Insider or subsidiary of the Issuer;
- (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Issuer; or

- (d) the Issuer itself if it holds any of its own securities.

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

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

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

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

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

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

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

“Non-Arm’s Length Party” means:

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

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

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

“Offering” means the offering of 5,000,000 Common Shares at the Offering Price per Common Share for aggregate gross proceeds of \$500,000, in accordance with the terms of this prospectus.

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

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

“Person” means a company or individual.

“Principal” means:

- (a) a Person who acted as a Promoter of the Issuer within two years or their respective Associates or Affiliates before the IPO prospectus or the Final Exchange Bulletin;
- (b) a director or senior officer of the Issuer or any of its material operating subsidiaries at the time of the IPO prospectus or Final Exchange Bulletin;

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

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

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

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

"Private Placement" means the non-brokered private placement of 2,500,000 Common Shares at a price of \$0.10 per Common Share for aggregate gross proceeds of \$250,000, which the Company intends to complete concurrently with the Offering.

"Pro Group" means:

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

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

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

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

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

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

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

“Service Agreement” means the transfer agent, registrar and dividend disbursing agent agreement dated November 1, 2020 between the Corporation and Transfer Agent.

“Share Option(s)” means incentive stock options to be granted upon completion of the Offering pursuant to the Option Plan.

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

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

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

“Transfer Agent” means Odyssey Trust Company.

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

PROSPECTUS SUMMARY

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

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

Offering: 5,000,000 Common Shares are being offered under this prospectus at a price of \$0.10 per Common Share. In addition, pursuant to the Agency Agreement, the Corporation will grant to the Agent and its designated sub-agents, if any, Agent's Warrants in the amount equal to 10% of the aggregate number of Common Shares sold pursuant to the Offering, with each Agent's Warrant entitling the holder thereof to purchase one Agent's Share at a price of \$0.10 per Agent's Share which will be exercisable for a period of 24 months from the date the Common Shares are listed on the Exchange. The grant of the Agent's Warrants is qualified under this prospectus and the Agent's Warrants are qualified for distribution under this prospectus. See "Plan of Distribution" and "Options to Purchase Securities".

Immediately prior to the listing of the Common Shares on the Exchange, the Corporation will grant Stock Options under the Plan which Stock Options are qualified for distribution under this prospectus. The number of Common Shares reserved for issuance under the Option Plan may not exceed 10% of the total issued and outstanding Common Shares after the completion of the Offering, or completion of the Offering and the Private Placement, being 1,000,000 Common Shares or 1,250,000 Common Shares, respectively. The Stock Options will vest immediately and each Stock Option will be exercisable into one Common Share at \$0.10 per Common Share for a period of ten years. See "Other Securities to be Distributed" and "Options to Purchase Securities".

Concurrently with completion of the Offering, the Corporation intends to complete the Private Placement of 2,500,000 Common Shares at a price of \$0.10 per Common Share for aggregate gross proceeds of \$250,000. Closing of the Offering is not conditional upon the closing of the Private Placement. Members of the Aggregate Pro Group may participate in the Private Placement. The net proceeds of the Private Placement, after payment of the cost of the private placement, will be added to working capital. No commissions or fees are to be paid with respect to the Private Placement. See "Private Placements for Cash".

Use of Proceeds: The total net proceeds to the Corporation, accounting for total cash proceeds raised prior to this Offering, the total proceeds of the Offering and Private Placement, less all of the expenses of the proceeds raised prior to this Offering, expenses of the Offering (including the Agent's commission and the Agent's administration fee) and the expenses of the Private Placement will be approximately \$867,250. The net proceeds of the Offering and the Private Placement plus the proceeds from prior sales of Common Shares will be used to provide the Corporation with funds with which to identify and evaluate assets or businesses for acquisition with a view to completing the Qualifying Transaction. The Corporation may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. Until Completion of the Qualifying Transaction and except as otherwise provided in the CPC Policy, a maximum of the lesser of 30% of the gross proceeds realized or \$210,000 may be used for purposes other than evaluating businesses or assets. See "Use of Proceeds", "Business of the Corporation" and "Risk Factors".

Management and Directors: Cameron White – Director, CEO, President and Corporate Secretary
Claudia Tornquist – Director and CFO

Timothy Gamble – Director

Graeme Barker – Director

Escrowed Securities:

All of the currently issued and outstanding Common Shares, being 5,000,000 Common Shares, have been deposited in escrow pursuant to the terms of the Escrow Agreement and will be released from escrow in stages over a period of up to three years after the date of the Final Exchange Bulletin. See “Escrowed Securities”.

Risk Factors:

Investment in the Common Shares must be regarded as highly speculative due to the proposed nature of the Corporation’s business and its present stage of development. The Corporation was only recently incorporated and has no active business or assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. **The Offering is only suitable to investors who are prepared to rely entirely on the directors and management of the Corporation and can afford to risk the loss of their entire investment.** The directors and officers of the Corporation will only devote part of their time and attention to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. Assuming completion of the Offering, an investor will suffer an immediate dilution on investment of approximately 25% or \$0.025 per Common Share, and assuming completion of the Offering and Private Placement, an investor will suffer an immediate dilution on investment of approximately 20% or \$0.02 per Common Share. There can be no assurance that an active and liquid market for the Common Shares will develop and an investor may find it difficult to resell the Common Shares. Until Completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing the Qualifying Transaction. The Corporation has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Corporation will be able to identify or complete a suitable Qualifying Transaction. The Qualifying Transaction may involve the acquisition of a business or assets located outside of Canada. It may therefore be difficult or impossible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and it may not be possible to enforce against such persons or companies judgments obtained in Canadian courts predicated upon the civil liability provisions applicable to securities laws in Canada. See “Business of the Corporation”, “Use of Proceeds”, “Officers and Directors”, “Capitalization”, “Dilution”, “Plan of Distribution”, “Risk Factors” and “Conflicts of Interest”.

THE CORPORATION

The Corporation was incorporated on June 22, 2020 by a Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (British Columbia) under the name "Railtown Capital Corp."

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

BUSINESS OF THE CORPORATION

Preliminary Expenses

Other than a retainer paid to the Agent of \$15,000, audit fees of \$3,000 (inclusive of GST) and the payment of the minimum listing fee to the Exchange of \$15,750 (inclusive of GST), the Corporation has not incurred any additional expenses to date in proceeding with the Offering since August 31, 2020. However, certain of the Offering proceeds will be utilized to satisfy the obligations of the Corporation related to the Offering, including the expenses of its auditor and legal expenses of the Corporation and fees and expenses of the Agent. See "Use of Proceeds".

Proposed Operations until Completion of the Qualifying Transaction

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

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

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

Method of Financing

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

Criteria for the Qualifying Transaction

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

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

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

Upon the Corporation reaching an Agreement in Principle, the Corporation must issue a comprehensive news release, at which time the Exchange generally will halt trading in the Common Shares until the filing requirements of the Exchange have been satisfied as set forth under "Trading Halts, Suspensions and Delisting". Within 75 days after issuance of such news release, the Corporation shall be required to submit for review to the Exchange either an

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

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

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

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

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

Initial Listing Requirements

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

Trading Halts, Suspensions and Delisting

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

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

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

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

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

Refusal of Qualifying Transaction

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

1. the Resulting Issuer fails to satisfy the applicable Initial Listing Requirements of the Exchange;
2. the aggregate number of securities of the Resulting Issuer owned, directly or indirectly, by:
 - (i) a Member firm of the Exchange;
 - (ii) registrants, unregistered corporate finance professionals, employee shareholders and partners of such Member firm; and
 - (iii) Associates of any such person;
 collectively, would exceed 20% of the issued and outstanding securities of the Resulting Issuer;
3. the Resulting Issuer will be a financial institution, finance company, finance issuer or mutual fund, as defined in the securities legislation;
4. the majority of the directors and senior officers of the Resulting Issuer are not residents of Canada or the United States or are individuals who have not demonstrated positive association as directors or officers with public companies that are subject to a regulatory regime comparable to the companies listed on a Canadian exchange; or
5. notwithstanding the definition of 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 Corporation from the sale of all the Common Shares offered by this prospectus will be \$500,000 if the Offering is completed. The gross proceeds to be received by the Corporation from the Private Placement is \$250,000. The gross proceeds received by the Corporation from the sale of 5,000,000 Common Shares prior to the date of this prospectus was \$250,000. Assuming the Private Placement is completed, from the aggregate gross proceeds will be deducted \$3,000 for the expenses and costs of completing the Private Placement. Assuming the Offering is completed, from the aggregate gross proceeds will be deducted the expenses and costs of this issue, estimated in the aggregate, including legal, accounting, printing, regulatory fees and the Agent's commission, to be approximately \$124,750.

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

Principal Uses	Amount after Offering	Amount after Offering and Private Placement
Gross cash proceeds raised prior to the Offering (Seed Shares) ⁽¹⁾	\$250,000	\$250,000
Estimated expenses and costs relating to the incorporation and Seed Shares	(\$5,000)	(\$5,000)
Gross cash proceeds to be raised pursuant to the Offering	\$500,000	\$500,000
Gross cash proceeds to be raised pursuant to the Private Placement	\$0	\$250,000
Estimated expenses and costs relating to the Private Placement ⁽²⁾	\$0	(\$3,000)
Estimated expenses and costs relating to the Offering ⁽³⁾	(\$124,750)	(\$124,750)
Estimated funds available on completion of the Offering and	\$620,250	\$867,250

Private Placement		
Funds available for identifying and evaluating assets or business prospects ⁽⁴⁾⁽⁵⁾	\$570,250	\$817,250
Estimated general and administrative expenses until Completion of the Qualifying Transaction	\$50,000	\$50,000

Notes:

- (1) See "Prior Sales".
- (2) Includes the Corporation's legal fees and any applicable filing fees.
- (3) Includes listing and filing fees, the Corporation's legal and audit and audit related fees, Agent's commission, Agent's administration fee, Agent's expenses including legal fees and disbursements.
- (4) In the event, and to the extent, the Agent exercises the Agent's Warrants it receives under the Offering or the directors exercise the Share Options that will be granted immediately prior to listing of the Common Shares on the Exchange, there will be available to the Corporation an additional \$150,000 (or \$175,000 in the case that the Private Placement closes concurrently with the Offering and additional Share Options are granted), which will be added to the working capital of the Corporation. There is no assurance that the foregoing Agent's Warrants or Share Options will be exercised.
- (5) In the event that the Corporation enters into an Agreement in Principle prior to spending all of the funds available to it on identifying and evaluating assets or businesses, the remaining funds may be used to finance or partially finance the acquisition of Significant Assets or for working capital after Completion of the Qualifying Transaction.

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

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

Permitted Use of Funds

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

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

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

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

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

Restrictions on Use of Proceeds

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

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

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

Private Placements for Cash

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

Concurrently with completion of the Offering, the Corporation intends to complete the Private Placement of 2,500,000 Common Shares at a price of \$0.10 per Common Share for aggregate gross proceeds of \$250,000. Closing of the Offering is not conditional upon the closing of the Private Placement. Members of the Aggregate Pro Group may participate in the Private Placement. The net proceeds of the Private Placement, after payment of the cost of the private placement, will be added to working capital. No commissions or fees will be paid in connection with the Private Placement. The Common Shares issued under the Private Placement will be subject to a statutory hold period lasting four months and one day following the closing of the Private Placement pursuant to applicable Canadian securities laws. This prospectus does not qualify any securities issued under the Private Placement.

Prohibited Payments to Non-Arm's Length Parties

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

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

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

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

Party to the Corporation for reasonable out-of-pocket expenses incurred in pursuing the business of the Corporation described in "Permitted Use of Funds".

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

PLAN OF DISTRIBUTION

Agency Agreement and Agent's Compensation

Pursuant to the Agency Agreement between the Corporation and the Agent, the Corporation has appointed the Agent as its agent to offer for sale, on a "commercially reasonable efforts" basis to the public, 5,000,000 Common Shares as provided in this prospectus, at a price of \$0.10 per Common Share, for maximum gross proceeds of \$500,000, subject to the terms and conditions in the Agency Agreement. The Agent will receive a cash commission of 10% of the aggregate gross proceeds from the sale of the Common Shares, which equals \$50,000 in the event the Offering is completed. In addition, the Agent will be paid an administration fee of \$15,000. The Corporation will also pay the Agent's expenses, including reasonable legal fees, plus applicable taxes and disbursements.

The Corporation has also agreed to grant to the Agent the Agent's Warrants in the amount equal to 10% of the number of Common Shares issued under the Offering, with each Agent's Warrant entitling the holder thereof to acquire one Agent's Share at a price of \$0.10 per Agent's Share for a period of 24 months from the date the Common Shares are listed on the Exchange. The Agent's Warrants are qualified for distribution pursuant to this prospectus. Not more than 50% of the Agent's Shares may be sold by the holders thereof prior to the Completion of the Qualifying Transaction. The remaining 50% may be sold after the Completion of the Qualifying Transaction. The Agent has agreed to use its commercially reasonable efforts to secure subscriptions for the Common Shares offered hereunder on behalf of the Corporation and may make co-brokerage arrangements with other investment dealers at no additional cost to the Corporation. The obligations of the Agent under the Agency Agreement may be terminated at its discretion on the basis of its assessment of the state of financial markets and may also be terminated on the occurrence of certain events as stated in the Agency Agreement.

Pursuant to the terms of the Agency Agreement, the Corporation has granted a right of first refusal to the Agent. Pursuant to the right of first refusal, the Corporation has agreed to notify the Agent of the terms of any further brokered equity financing (or securities convertible into equity) that it requires or proposes to obtain or proposed engagement by another dealer during a period commencing on the date of the Agency Agreement and ending on that day (the "**ROFR Termination Date**") which is the earlier of:

- a. the date of closing of the Corporation's Qualifying Transaction; and
- b. the day which falls 24 months from the date the closing of the Offering;

and the Agent will have the right of first refusal to provide any such financing proposed during that period.

The Corporation has also granted the Agent a right of first refusal to provide sponsorship services for any Qualifying Transaction of the Corporation, if a sponsor is required by the Exchange, on the same terms as disclosed above until the ROFR Termination Date.

Commercially Reasonable Efforts Offering and Minimum Distribution

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

Other Securities to be Distributed

The Corporation also proposes to grant Share Options to the directors and officers of the Corporation immediately prior to the listing of the Common Shares on the Exchange. The Share Options to be granted will represent up to

10% of the total issued and outstanding Common Shares after the completion of the Offering, or completion of the Offering and the Private Placement, being 1,000,000 Common Shares or 1,250,000 Common Shares, respectively.

Determination of Price

The Offering Price of the Common Shares under the Offering was determined by negotiation between the Corporation and the Agent in accordance with the CPC Policy.

Listing Application

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

Subscriptions by and Restrictions on the Agent

Other than Claudia Tornquist who owns 1,000,000 Common Shares, the Agent has advised the Corporation that, to the best of its knowledge and belief, no directors, officers, employees or contractors of the Agent or any Associate or Affiliate thereof have subscribed for Common Shares.

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

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

Restrictions on Trading

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

DESCRIPTION OF THE SECURITIES DISTRIBUTED

The Corporation is authorized to issue an unlimited number of Common Shares without nominal or par value of which, as at the date hereof, 5,000,000 Common Shares are issued and outstanding as fully paid and non-assessable. 5,000,000 Common Shares are reserved for issuance under this prospectus, a maximum of 500,000 Agent's Shares will be reserved for issuance pursuant to exercise of the Agent's Warrants, and a maximum of 1,000,000 Common Shares will be reserved for issuance pursuant to exercise of the Share Options. If the Private Placement closes concurrently with the Offering, a maximum of 1,250,000 Common Shares will be reserved for issuance pursuant to exercise of the Share Options. See "Plan of Distribution".

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

CAPITALIZATION

Designation of Security	Amount Authorized	Amount Outstanding as of August 31, 2020 ⁽¹⁾	Amount Outstanding as of the date of this Prospectus	Amount Outstanding After Giving Effect to the Offering ⁽²⁾⁽³⁾⁽⁴⁾	Amount Outstanding After Giving Effect to the Offering and the Private Placement ⁽²⁾⁽⁵⁾⁽⁶⁾
Common Shares	Unlimited	\$250,000 (5,000,000 Common Shares)	\$250,000 (5,000,000 Common Shares)	\$750,000 (10,000,000 Common Shares)	\$1,000,000 (12,500,000 Common Shares)

Notes:

- (1) As at August 31, 2020, the Corporation had not commenced commercial operations.
- (2) The Corporation has reserved 500,000 Agent's Shares at \$0.10 per share pursuant to the Agent's Warrants that expire 24 months from the date the Common Shares are listed on the Exchange. See "Plan of Distribution".
- (3) Funds available upon completion of the Offering are expected to be \$620,250 in the event the Offering is completed, which is net of the \$124,750 estimated expenses for the Offering. See "Use of Proceeds".
- (4) In addition, immediately prior to the listing of the Common Shares on the Exchange, the Corporation will grant an aggregate 1,000,000 Share Options under the Option Plan. Each Share Option will be exercisable into one Common Share at \$0.10 per share for a period of ten years.
- (5) Funds available upon completion of the Offering and the Private Placement are expected to be \$867,250 in the event the Offering and the Private Placement are completed, which is net of the \$127,750 estimated expenses for the Offering and the Private Placement. See "Use of Proceeds".
- (6) In addition, assuming the Private Placement closes concurrently with the Offering, immediately prior to the listing of the Common Shares on the Exchange, the Corporation will grant an aggregate 1,250,000 Share Options under the Option Plan. Each Share Option will be exercisable into one Common Share at \$0.10 per share for a period of ten years.

OPTIONS TO PURCHASE SECURITIES

The Corporation has adopted an incentive stock option plan (the "**Option Plan**") which provides that the board of directors of the Corporation may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Corporation, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares. However, other than in connection with the Qualifying Transaction, during the time that the Corporation is a CPC, the aggregate number of Common Shares issuable upon exercise of all options granted under the Option Plan shall not exceed 10% of the Common Shares issued and outstanding at the closing of the Corporation's initial public offering. Such options will be exercisable for a period of up to ten years from the date of grant. In addition, the Option Plan provides that no more than 5% of the issued shares of the Corporation will be granted to any individual in any 12 month period; no more than 2% of the issued shares of the Corporation will be granted to any one consultant in any 12 month period; and no more than an aggregate of 2% of the issued shares of the Corporation will be granted to an employee conducting investor relations activities in any 12 month period: until completion of the Qualifying Transaction, Share Options granted to a director or an officer individually may not exceed 5% of the issued shares of the Corporation outstanding as at the closing of the Offering; and, until completion of the Qualifying Transaction, Share Options granted to all technical consultants may not exceed 2% of the issued shares of the Corporation outstanding as at the closing of the Offering.

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

Immediately prior to the listing of the Common Shares on the Exchange, the Corporation intends to grant Share Options under the Option Plan, as follows:

Optionee	Number of Common Shares Under Options⁽¹⁾	Number of Common Shares Under Options⁽²⁾	Exercise Price Per Common Share	Expiry Date from Date of Grant
Cameron White	337,500	400,000	\$0.10	Ten years
Claudia Tornquist	187,500	250,000	\$0.10	Ten years
Timothy Gamble	337,500	400,000	\$0.10	Ten years
Graeme Barker	137,500	200,000	\$0.10	Ten years
Total	1,000,000	1,250,000		

Notes:

- (1) Share Options available under the Option Plan if only the Offering is completed.
(2) Share Options available under the Option Plan if the Offering and the Private Placement are completed.

The Share Options are qualified for distribution pursuant to this prospectus. The Share Options will vest immediately and be exercisable at \$0.10 per share for a period of ten years.

Agent's Warrants

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

Number of Common Shares Under Agent's Warrants	Exercise Price Per Agent's Share	Expiry Date
500,000	\$0.10	24 months from the date the Common Shares are listed on the Exchange

The Agent's Warrants are qualified for distribution pursuant to this prospectus.

PRIOR SALES

Since the date of incorporation of the Corporation, 5,000,100 Common Shares have been issued and 5,000,000 Common Shares are currently outstanding as follows.

Date	Number of Common Shares	Issue Price Per Share	Aggregate Issue Price	Consideration Received
June 22, 2020 ⁽¹⁾	100	\$0.05	\$5.00	cash
August 31, 2020 ⁽²⁾	5,000,000 ⁽³⁾	\$0.05	\$250,000	cash

Notes:

- (1) These Common Shares were repurchased and cancelled by the Corporation on August 31, 2020.
(2) These Common Shares are being held in escrow. See "Escrowed Securities".
(3) Of which 1,000,000 Common Shares were issued to Claudia Tornquist, a Director and Chief Financial Officer of the Corporation, as well as a member of the Aggregate Pro Group.

ESCROWED SECURITIES

All of the 5,000,000 Common Shares issued prior to the Offering at a price below \$0.10 per Common Share, all Common Shares that may be acquired by Non-Arm's Length Parties of the Corporation either under the Offering or otherwise prior to Completion of the Qualifying Transaction and all Common Shares acquired by the Aggregate Pro Group prior to the Offering will be deposited with the Transfer Agent under the Escrow Agreement.

All Common Shares acquired on exercise of Share Options prior to the Completion of the Qualifying Transaction must also be deposited with the Transfer Agent under the Escrow Agreement and will be subject to escrow until the Final Exchange Bulletin is issued.

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

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

Name and Municipality of Residence of Shareholder	Common Shares	Number of Common Shares Escrowed	Percentage of Common Shares Prior to Giving Effect to the Offering ⁽¹⁾⁽⁴⁾	Percentage of Common Shares After Giving Effect to the Offering ⁽¹⁾⁽⁵⁾	Percentage of Common Shares After Giving Effect to the Offering and the Private Placement ⁽¹⁾⁽⁶⁾
Cameron White Vancouver, B.C.	700,000 ⁽²⁾	700,000 ⁽²⁾	14%	7%	5.6%
Claudia Tornquist Vancouver, B.C.	1,000,000	1,000,000	20%	10%	8%
Timothy Gamble Vancouver, B.C.	700,000 ⁽³⁾	700,000 ⁽³⁾	14%	7%	5.6%
Graeme Barker Vancouver, B.C.	300,000	300,000	6%	3%	2.4%
Kyle White Vancouver, B.C.	1,000,000	1,000,000	20%	10%	8%
Evan White Vancouver, B.C.	400,000	400,000	8%	4%	3.2%
Curtis White Vancouver, B.C.	400,000	400,000	8%	4%	3.2%
Darryl Yea Vancouver, B.C.	500,000	500,000	10%	5%	4%
Total	5,000,000	5,000,000	100%	50%	40%

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

(2) Of which, 600,000 Common Shares are held through Koele Capital Corp., a company controlled by Mr. White.

(3) Held through Plantation Capital Corp., a company controlled by Timothy Gamble.

(4) Based on 5,000,000 Common Shares issued and outstanding as of the date of this Prospectus.

(5) Based on 10,000,000 Common Shares issued and outstanding upon completion of the Offering.

(6) Based on 12,500,000 Common Shares issued and outstanding upon completion of the Offering and the Private Placement.

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

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

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

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

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

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

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

Escrowed Securities on Qualifying Transaction

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

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

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

mechanism with 10% of the escrowed securities being releasable upon the issuance of the Final Exchange Bulletin, 20% on the date which is 6 months after the Final Exchange Bulletin, 30% on the date which is 12 months after the Final Exchange Bulletin and 40% on the date which is 18 months after the Final Exchange Bulletin.

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

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

PRINCIPAL SHAREHOLDERS

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

Name and Municipality of Residence of Shareholder	Type of Ownership	Number of Common Shares	Percentage of Common Shares Owned Prior to the Offering	Percentage of Common Shares Owned After the Offering (undiluted and fully-diluted) ⁽¹⁾⁽²⁾	Percentage of Common Shares Owned After the Offering and Private Placement (undiluted and fully-diluted) ⁽¹⁾⁽³⁾
Cameron White Vancouver, B.C.	Beneficial and Of Record	700,000 ⁽⁴⁾	14%	7% undiluted 9.02% fully-diluted	5.6% undiluted 7.72% fully-diluted
Claudia Tornquist Vancouver, B.C.	Of Record	1,000,000	20%	10% undiluted 10.33% fully-diluted	8% undiluted 8.77% fully-diluted
Timothy Gamble Vancouver, B.C.	Beneficial	700,000 ⁽⁵⁾	14%	7% undiluted 9.02% fully-diluted	5.6% undiluted 7.72% fully-diluted
Kyle White Vancouver, B.C.	Of Record	1,000,000	20%	10% undiluted 8.7% fully-diluted	8% undiluted 7.02% fully-diluted
Darryl Yea Vancouver, B.C.	Of Record	500,000	10%	5% undiluted 4.35% fully-diluted	4% undiluted 3.51% fully-diluted

Total	3,900,000	78%	39% undiluted 41.41% fully-diluted	31.2% undiluted 34.74% fully-diluted
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Notes:

- (1) Assuming that no Common Shares are purchased by these persons under the Offering or the Private Placement.
- (2) Fully-diluted calculations are based on an issued and outstanding share capital of 11,500,000 assuming the completion of the Offering and all Share Options and Agent's Warrants are exercised in full. This figure assumes that the Private Placement has not been completed.
- (3) Fully-diluted calculations are based on an issued and outstanding share capital of 14,250,000 assuming the completion of the Offering and Private Placement and all Share Options and Agent's Warrants are exercised in full.
- (4) Of which, 100,000 Common Shares are held directly and 600,000 Common Shares are held through Koele Capital Corp., a company controlled by Mr. White.
- (5) Held through Plantation Capital Corp., a company controlled by Mr. Gamble.

OFFICERS AND DIRECTORS**Name, Municipality, Occupation, Security Holding and Involvement with Other Reporting Issuers**

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

Name and Municipality of Residence	Positions and Offices Held	Number of Common Shares	Percentage of Common Shares Owned Prior to the Offering⁽⁴⁾	Percentage of Common Shares Owned After the Offering⁽¹⁾⁽⁵⁾	Percentage of Common Shares Owned After the Offering and Private Placement⁽¹⁾⁽⁵⁾
Cameron White Vancouver, B.C.	Director, CEO, President and Corporate Secretary	700,000 ⁽²⁾	14%	7%	5.6%
Claudia Tornquist Vancouver, B.C.	Director and CFO	1,000,000	20%	10%	8%
Timothy Gamble Vancouver, B.C.	Director	700,000 ⁽³⁾	14%	7%	5.6%
Graeme Barker Vancouver, B.C.	Director	300,000	6%	3%	2.4%
Total:		2,700,000	54%	27%	21.6%

- (1) Assuming that no Common Shares are purchased by these persons under the Offering.
- (2) Of which, 100,000 Common Shares are held directly and 600,000 Common Shares are held through Koele Capital Corp., a company controlled by Mr. White.
- (3) Held through Plantation Capital Corp., a company controlled by Mr. Gamble.
- (4) Based on 5,000,000 Common Shares issued and outstanding as of the date of this Prospectus.
- (5) Based on 10,000,000 Common Shares issued and outstanding upon completion of the Offering.
- (6) Based on 12,500,000 Common Shares issued and outstanding upon completion of the Offering and the Private Placement.

The Corporation's audit committee is comprised of Claudia Tornquist, Timothy Gamble and Graeme Barker, with Messrs. Gamble and Barker acting as independent directors.

As of the date of this prospectus, the directors and officers of the Corporation, as a group, beneficially owned, directly or indirectly, or exercised control or direction over 2,700,000 Common Shares representing 54% of the issued and outstanding Common Shares prior to completion of the Offering.

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

Cameron White, Age 64, Director, CEO, President and Corporate Secretary

As a corporate securities lawyer and entrepreneur, Mr. White's 35+ year career has been almost entirely focussed on finding, financing and building growth opportunities in a variety of sectors. Mr. White is one of the founders of Thunderbird Entertainment Group Inc. and served as COO during critical phases of the company's growth and public listing. Mr. White continues to serve Thunderbird as an advisor and as Corporate Secretary. Mr. White is also President of Crescent Park Capital Corporation, a financial advisory and business consulting firm.

Claudia Tornquist, Age 52, Director and CFO

Ms. Tornquist is an experienced mining executive whose background includes business development, business evaluation, M&A and financing, at both multi-national companies and in the junior sector. She is President and CEO of the exploration company Kodiak Copper Corp and previously served as Executive Vice President of Business Development at Sandstorm Gold and as General Manager at Rio Tinto. Former director of Kennady Diamonds, leading the \$176m sale of the company to Mountain Province as chair of the special committee of the board. Ms. Tornquist has a Masters Degree in Mechanical Engineering from the Technical University of Munich and a Masters of Business Administration from INSEAD.

Timothy Gamble, Age 64, Director

Mr. Gamble is a founder, former CEO and current Vice-Chair of Thunderbird Entertainment Group Inc. an integrated media company with offices in Vancouver, Los Angeles, Toronto and Ottawa. Mr. Gamble also has extensive experience as an advisor, mentor and financier of growth stage companies, with a particular focus on media and technology. Prior to forming Thunderbird, Mr. Gamble founded and served as president of Peace Arch Entertainment Group from 1982 until 2002.

Graeme Barker, Age 36, Director

Graeme has more than 15 years of experience working in media, marketing, travel, and real estate development. Graeme previously founded, built and eventually sold Beach Travellers, a leading Canadian adventure travel company.

Other Reporting Issuer Experience

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

Name of Director or Officer	Name of Reporting Issuer	Exchange	Position	Term
Cameron White	Thunderbird Entertainment Group Inc.	TSXV	Officer	October 2018 to Present
	Gordon Creek Energy Inc.	TSXV	Director/Officer	November 2001 to Present
Claudia Tornquist	Kodiak Copper	TSXV	Director/Officer	July 2016 to September 2020
	Kennady Diamonds	TSXV	Director	January 2016 to

				April 2018
	Silver One Resources	TSXV	Director	September 2016 to September 2020
Timothy Gamble	Thunderbird Entertainment Group Inc.	TSXV	Director/Officer	October 2018 to Present

Corporate Cease Trade Orders or Bankruptcies

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

Mr. White is a former director of Gordon Creek Energy Inc. On June 6, 2016 a cease trade order was issued against Gordon Creek by the British Columbia Securities Commission for failure to file annual audited financial statements and management's discussion and analysis for the year ended January 31, 2016. The cease trade order is still in effect.

Penalties or Sanctions

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

Personal Bankruptcies

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

Conflicts of Interest

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

1. participation in other business ventures offered to the directors or officers should be allocated between the various entities and on the basis of prudent business judgment and the relative financial abilities and needs of such entities to participate;
2. no commissions or other extraordinary consideration will be paid to such directors and officers; and

3. business opportunities formulated by or through other entities in which the directors and officers are involved should not be offered to the Corporation except on the same or better terms than the basis on which they are offered to third party participants.

EXECUTIVE COMPENSATION

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

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

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

The directors and officers of the Corporation may also be granted Share Options.

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

DILUTION

Purchasers of Common Shares under this prospectus will suffer an immediate dilution of approximately \$0.025 per Common Share or 25% if the Offering is completed (assuming no completion of the Private Placement). Dilution has been computed on the basis of there being 10,000,000 Common Shares issued and outstanding following completion of the Offering and total gross proceeds to be raised by this prospectus and from sales of securities prior to filing of this prospectus, without deduction of commissions or related expenses incurred by the Corporation. Purchasers of Common Shares will suffer a dilution of approximately \$0.02 or 20% if the Offering and the Private Placement are completed. Dilution has been computed on the basis of there being 12,500,000 Common Shares issued and outstanding following completion of the Offering and Private Placement and total gross proceeds of to be raised by this prospectus, from sales of securities prior to filing of this prospectus and in connection with the Private Placement, without deduction of commissions or related expenses incurred by the Corporation.

	Offering	Offering and Private Placement
Gross proceeds of prior share issues	\$250,000	\$250,000
Gross proceeds of the Private Placement	-	\$250,000
Gross proceeds of the Offering	\$500,000	\$500,000
Total gross proceeds after the Offering and Private Placement	\$750,000	\$1,000,000
Offering price per share	\$0.10	\$0.10
Gross proceeds per share after the Offering and Private Placement	\$0.075	\$0.08
Dilution per share to subscriber	\$0.025	\$0.02
Percentage of dilution in relation to offering price	25%	20%

RISK FACTORS

Investment in the Common Shares must be regarded as highly speculative and there are a number of risks inherent in making such an investment. The following are some of the risk factors associated with the Corporation:

1. the Corporation was only recently incorporated, has not commenced commercial operations and has no assets other than cash. It has no history of earnings, and shall not generate earnings or pay dividends until at least after Completion of the Qualifying Transaction, see “Business of the Corporation” and “Use of Proceeds”;
2. investment in the Common Shares offered by the prospectus is highly speculative given the proposed nature of the Corporation’s business and present stage of development, see “Business of Corporation”;
3. the directors and officers of the Corporation will only devote a portion of their time to the business and affairs of the Corporation and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time, see “Officers and Directors”;
4. assuming completion of the Offering, an investor will suffer an immediate dilution to its investment of approximately:
 - (i) \$0.025 or 25% per Common Share based on the gross proceeds from this Offering and prior issues (without deduction of selling and related expenses) and on the basis of there being 10,000,000 Common Shares issued and outstanding following completion of the Offering; and
 - (ii) \$0.02 or 20% per Common Share if both the Offering and Private Placement are completed, based on the gross proceeds from this Offering and the Private Placement and prior issues (without deduction of selling and related expenses) and on the basis of there being 12,500,000 Common Shares issued and outstanding following completion of the Offering and Private Placement, see “Dilution”;
5. there is no market through which the Common Shares offered by this prospectus may be sold and purchasers may not be able to resell the Common Shares purchased under this prospectus. This may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Common Shares and the extent of issuer regulation.
6. there can be no assurance that an active and liquid market for the Corporation’s Common Shares will develop and an investor may find it difficult to resell its Common Shares;
7. until Completion of the Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions, see “Business of the Corporation”;
8. the Corporation has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Corporation will be able to identify a suitable Qualifying Transaction, see “Plan of Distribution”;
9. even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction, see “Business of the Corporation”;
10. 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, see “Business of the Corporation”;
11. unless the shareholder has the right to dissent and be paid fair value in accordance with applicable corporate or other law, a shareholder who votes against a proposed Non-Arm’s Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Corporation of fair value for the Common Shares, see “Business of the Corporation”;

12. upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares (if listed on the Exchange) will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained and certain preliminary reviews have been conducted. If listed on the Exchange, the Common Shares will be reinstated to trading before the Exchange has reviewed the transaction and before the Sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Corporation completing the proposed Qualifying Transaction, see "Business of the Corporation";
13. if listed on the Exchange, trading in the Common Shares may be halted at other times for other reasons, including for failure by the Corporation to submit documents to the Exchange in the time periods required, see "Business of the Corporation";
14. if listed on the Exchange, the Exchange will generally suspend trading in the Corporation's Common Shares or delist the Corporation in the event that the Exchange has not issued a Final Exchange Bulletin within 24 months from the date of listing, see "Business of the Corporation";
15. neither the Exchange nor any securities regulatory authority passes upon the merits of the proposed Qualifying Transaction;
16. in the event that management of the Corporation resides outside of Canada or the Corporation identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts;
17. the Qualifying Transaction may be financed in whole or in part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation; and
18. subject to prior acceptance by the Exchange, the Corporation may be permitted to loan or advance up to an aggregate of \$225,000 of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Corporation will be able to recover that loan, see "Use of Proceeds"; and
19. if the Corporation does not list the Common Shares on the Exchange prior to the time of Closing or does not make an election to be a "public corporation" for purposes of the Tax Act in the manner contemplated under "Eligibility for Investment", adverse tax consequences will arise with respect to any Common Shares held in RRSPs, RRIFs, TFSA's or other deferred plans.

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

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

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

MATERIAL CONTRACTS

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

1. Agency Agreement dated as of [●], 2020 between the Corporation and the Agent. See "Plan of Distribution".
2. Escrow Agreement dated as of [●], 2020 among the Corporation, the Transfer Agent and those shareholders that executed such agreement. See "Escrowed Securities".
3. Service Agreement dated as of November 1, 2020 between the Corporation and the Transfer Agent.

Copies of these agreements will be available for inspection at the registered office of the Corporation located at Suite 2200 – 885 West Georgia Street, Vancouver, British Columbia, during ordinary business hours while the securities offered by this prospectus are in the course of distribution and for a period of 30 days thereafter.

LEGAL PROCEEDINGS

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

RELATIONSHIP BETWEEN THE CORPORATION AND THE AGENT

The Agent was not involved in the decision by the Corporation to distribute Common Shares pursuant to the Offering, nor was the Offering requested or suggested to the Corporation by the Agent. The Agent, through its corporate finance department, was involved in the determination of the terms of the Offering in its capacity as agent for the sale of the Common Shares on a commercially reasonable efforts basis. Other than Claudia Tornquist who owns 1,000,000 Common Shares, no employee, officer or director of the Agent, or any Associate or Affiliate thereof, owns, directly or indirectly, any Common Shares prior to completion of the Offering, and the only proceeds of the Offering to be received by the Agent is the remuneration to be paid to it in connection with the sale of the Common Shares, which includes the Agent's commission, the administration fee payable to it and the Agent's Warrants. See "Plan of Distribution".

RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS

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

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

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of the Corporation is Charlton Co., Chartered Professional Accountants, Suite 1755 – Two Bentall Centre, 555 Burrard Street, Box 243, Vancouver, British Columbia. The transfer agent and registrar of the Corporation is Odyssey Trust Company.

DIVIDEND POLICY

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

ELIGIBILITY FOR INVESTMENT

In the opinion of Cassels Brock & Blackwell LLP, counsel to the Corporation, based on the current provisions of the *Income Tax Act* (Canada) (the "Act") and the regulations thereunder, in force as of the date hereof, the Common Shares, if, as and when listed on a designated stock exchange (which includes Tier 2 of the Exchange) or the Corporation is a "public corporation" (other than a mortgage investment corporation), as defined in the Act, will be qualified investments for a trust governed by a registered retirement savings plan ("RRSP"), a registered retirement income fund ("RRIF"), a registered education savings plan ("RESP"), a deferred profit sharing plan, a registered disability savings plan ("RDSP") and a tax-free savings account ("TFSA"), each as defined under the Act.

Notwithstanding that the Common Shares may be a qualified investment for a trust governed by an RRSP, RRIF, RESP, RDSP or TFSA (a "Plan"), the annuitant of the RRSP or RRIF, the subscriber under an RESP or the holder of a TFSA or RDSP, as the case may be, (the "Controller") will be subject to a penalty tax in respect of Common Shares acquired by a Plan if such Common Shares are a "prohibited investment" for the particular Plan. The

Common Shares will generally be a "prohibited investment" of a Plan if the Controller of the Plan does not deal at arm's length with the Corporation for the purposes of the Act or has a "significant interest" (as defined in subsection 207.01(4) of the Act) in the Corporation. In addition, the Common Shares will not be a "prohibited investment" if the Common Shares are "excluded property" as defined in the Act for a Registered Plan.

Prospective investors are urged to consult their own tax advisors.

OTHER MATERIAL FACTS

There are no other material facts about the securities being distributed that are not disclosed under the preceding items and are necessary in order for the prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

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

Railtown Capital Corp.

Financial Statements

For the period from June 22, 2020 (Date of Incorporation) to August 31, 2020
(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Directors of
Railtown Capital Corp.

Opinion

We have audited the financial statements of Railtown Capital Corp. (the “Company”), which comprise the statement of financial position as at August 31, 2020, and the statement of loss and comprehensive loss, changes in equity and cash flows for the period from incorporation on June 22, 2020 to August 31, 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2020, and its financial performance and its cash flows for the period from incorporation on June 22, 2020 to August 31, 2020 in accordance with International Financial Reporting Standards (“IFRS”).

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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that the Company’s total deficit as at August 31, 2020 was \$6,863. As stated in Note 1, events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We obtained Management’s Discussion and Analysis prior to the date of this auditor’s report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Melyssa Charlton.

“Charlton & Company”

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada

[Date]

Railtown Capital Corp.
Statement of Financial Position
(Expressed in Canadian dollars)

	August 31 2020
	\$
Assets	
Current	
Cash	249,980
Total assets	249,980
Liabilities	
Current	
Accounts payable and accrued liabilities	9,593
Shareholders' equity	
Share capital (Note 4)	247,250
Accumulated deficit	(6,863)
	240,387
Total liabilities and shareholders' equity	249,980

Nature of operations and going concern – Note 1
Subsequent event – Note 9

APPROVED BY THE DIRECTORS

"Cam White" Director

"Graeme Barker" Director

Railtown Capital Corp.

Statement of Loss and Comprehensive Loss

For the period from June 22, 2020 (Date of Incorporation) to August 31, 2020

(Expressed in Canadian dollars)

	2020
	\$
Expenses	
Interest and bank charges	20
Professional fees	6,843
Net loss and comprehensive loss for the period	(6,863)
Loss per share	
Basic and diluted	(0.00)
Weighted average number of shares outstanding	
Basic and diluted	-

Railtown Capital Corp.

Statement of Cash Flows

For the period from June 22, 2020 (Date of Incorporation) to August 31, 2020

(Expressed in Canadian dollars)

	2020
	\$
Cash (used in) provided by:	
Operating activities	
Net loss for the period	(6,863)
Changes in non-cash working capital items	
Accounts payable and accrued liabilities	9,593
Net cash provided by operating activities	2,730
Financing activities	
Issuance of shares pursuant to private placements	250,000
Share-issuance costs	(2,750)
Net cash provided by financing activities	247,250
Increase in cash	249,980
Cash - beginning of period	-
Cash - end of period	249,980

There were no significant non-cash transactions during the period ended August 31, 2020.

Railtown Capital Corp.
Statement of Changes in Equity

For the period from June 22, 2020 (Date of Incorporation) to August 31, 2020
(Expressed in Canadian dollars)

	Number of common shares	Share capital	Accumulated deficit	Total
		\$	\$	\$
Balance, June 22, 2020	-	-	-	-
Shares issued pursuant to private placements (Note 4)	5,000,000	250,000	-	250,000
Less: Share-issuance costs	-	(2,750)	-	(2,750)
Net loss for the period	-	-	(6,863)	(6,863)
Balance, August 31, 2020	5,000,000	247,250	(6,863)	(240,387)

Railtown Capital Corp.

Notes to the Financial Statements

For the period from June 22, 2020 (Date of Incorporation) to August 31, 2020

(Expressed in Canadian dollars)

1. Nature of operations and going concern

Railtown Capital Corp. (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act of British Columbia on June 22, 2020. The Company is planning to be listed on the TSX Venture Exchange ("TSXV") and will be classified as a capital pool company as defined by TSXV Policy 2.4 ("Policy 2.4"). The Company's objective is to complete a Qualifying Transaction ("QT") as defined under Policy 2.4 by identifying and evaluating potential business acquisitions and to subsequently negotiate acquisition or participation agreements subject to regulatory and shareholder approvals.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. As at August 31, 2020, the Company had an accumulated deficit of \$6,863, and it expects to incur further losses in the development of the business. These factors indicate the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. As a result, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on its ability to obtain necessary financing to meet its corporate expenditures and discharge its liabilities in the normal course of business. Although the Company has been successful in obtaining financing during the period ended August 31, 2020, there can be no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

Should the Company be unable to continue as a going concern, asset realization values may be substantially different from their carrying values. These financial statements do not give effect to adjustments that would be necessary to carrying values, and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company's corporate office is located at Suite 2200 - 885 West Georgia Street, Vancouver, BC V6C 3E8.

2. Basis of preparation

Statement of compliance

These financial statements have been presented in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), effective for the Company's reporting for the period ended August 31, 2020.

Basis of measurement and functional currency

These financial statements have been prepared on a historical cost basis. In addition, the financial statements have been prepared using the accrual basis of accounting except for cash flow disclosure. These financial statements are presented in Canadian dollars, which is also the functional currency of the Company.

These financial statements were approved by the board of directors on November 19, 2020.

Railtown Capital Corp.

Notes to the Financial Statements

For the period from June 22, 2020 (Date of Incorporation) to August 31, 2020

(Expressed in Canadian dollars)

3. Accounting policies

These financial statements have been prepared using the following accounting policies:

Financial instruments

a) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

b) Measurement

Financial assets at FVTOCI

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

Financial assets and liabilities at amortized cost

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

Financial assets and liabilities at FVTPL

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

c) Impairment of financial assets at amortized cost

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

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

Railtown Capital Corp.

Notes to the Financial Statements

For the period from June 22, 2020 (Date of Incorporation) to August 31, 2020

(Expressed in Canadian dollars)

3. Accounting policies (continued)

d) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of loss and comprehensive loss.

Financial liabilities

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

Cash

Cash includes cash on hand readily convertible into a known amount of cash and can be redeemed at any time without penalties, and amounts held in trust.

Share capital

The Company's common shares, and any future offerings of share warrants and options are classified as equity instruments. Incremental costs directly related to the issue of new shares are shown in equity as a deduction from the proceeds. For equity offerings of units consisting of a common share and warrant, when both instruments are classified as equity, the Company does not bifurcate the proceeds between the common share and the other equity instruments.

Income taxes

Income taxes comprises both current and deferred tax. Income tax is recognized in the statement of loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the income tax is also recognized in other comprehensive income or directly in equity.

Current income taxes are the expected taxes payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to taxes payable in respect of previous years.

The Company accounts for potential future net tax assets which are attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and which are measured using tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be settled. When the future realization of income tax assets does not meet the test of being more likely than not to occur, no net asset is recognized. No potential income tax assets of the Company have been recognized.

Loss per share

Basic loss per share is calculated by dividing the net loss for the period available to common shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share reflect the potential dilution of securities that could share in earnings of an entity. Basic and diluted loss per share are the same for the periods presented. The Company uses the treasury stock method of calculating fully diluted loss per share amounts, whereby any proceeds from the exercise of stock options or other dilutive instruments are assumed to be used to purchase common shares at the average market price during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Railtown Capital Corp.

Notes to the Financial Statements

For the period from June 22, 2020 (Date of Incorporation) to August 31, 2020

(Expressed in Canadian dollars)

3. Accounting policies (continued)

Critical judgments in applying accounting policies

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies with the most significant effect on the amounts recognized in the Company's financial statements are as follows:

a) Going concern

In preparing these financial statements on a going concern basis, as is disclosed in Note 1 of these financial statements, Management's critical judgment is that the Company will be able to meet its obligations and continue its operations for the next twelve months.

Key sources of estimation uncertainty

The preparation of financial statements requires that the Company's management make assumptions and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Actual future outcomes could differ from present estimates and assumptions, potentially having material future effects on the Company's financial statements. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Company's assets and liabilities are as follows:

a) Deferred income taxes

Deferred income tax assets and liabilities are measured using enacted or substantively enacted tax rates at the reporting date in effect for the period in which the temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized as part of the provision for income taxes in the period that includes the enactment date. The recognition of deferred income tax assets is based on the assumption that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

4. Share capital

a) Authorized: Unlimited common shares without par value.

b) Shares issued

Common shares: 5,000,000

During the period ended August 31, 2020, the Company:

- completed a non-brokered private placement by issuing 5,000,000 common shares for gross proceeds of \$250,000 on August 31, 2020.

Railtown Capital Corp.

Notes to the Financial Statements

For the period from June 22, 2020 (Date of Incorporation) to August 31, 2020

(Expressed in Canadian dollars)

5. Income taxes

A reconciliation between the Company's income tax provision computed at statutory rates to the reported income tax provision is as follows:

	August 31 2020
	\$
Loss for the period before income tax recovery	(6,863)
Average statutory rate	27.00%
Expected income tax recovery	(1,853)
Change in non-recognized deferred tax assets	1,853
Income tax recovery	-

Deferred income tax assets are only recognized to the extent that the realization of tax benefits is determined to be probable. As at August 31, 2020, the Company has not recognized the benefit of the following deductible temporary differences:

	August 31 2020
	\$
Deferred tax asset	
Losses carried forward	2,002
Share-issuance costs	594
Unrecognized deferred tax assets	(2,596)
Total deferred tax assets	-

As at August 31, 2020, the Company has estimated non-capital losses for Canadian income tax purposes of \$7,413 that may be carried forward to reduce taxable income derived in future years. The Canadian non-capital losses expire in 2040.

6. Related party transactions

The Company's related parties consist of the Company's directors and officers, and any companies associated with them. During the period from the date of incorporation on June 22, 2020 to August 31, 2020, the Company did not enter into any transactions with related parties.

Key management includes directors and executive officers of the Company. During the period ended August 31, 2020 no other compensation was paid or payable to key management for employee services for the reported period.

Railtown Capital Corp.

Notes to the Financial Statements

For the period from June 22, 2020 (Date of Incorporation) to August 31, 2020

(Expressed in Canadian dollars)

7. Financial instruments and risk management

Classification of financial instruments

The Company's financial instruments consist of cash and accounts payable. These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost.

The classification of the financial instruments as well as their carrying values as at August 31, 2020 is shown in the table below

At August 31, 2020	Assets – Amortized cost	Liabilities – Amortized cost	Total
	\$	\$	\$
Financial assets			
Cash	249,980	-	249,980
Total financial assets	249,980	-	249,980
Financial liabilities			
Accounts payable and accrued liabilities	-	9,593	9,593
Total financial liabilities	-	9,593	9,593

Note that the fair values approximate the carrying values due to their short-term nature.

Financial and capital risk management

The Company thoroughly examines the various financial instruments and risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include foreign currency risk, interest rate risk, credit risk, and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors.

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

Discussions of risks associated with financial assets and liabilities are detailed below:

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a cash loss is limited as the Company's liabilities are non-interest bearing. As at August 31, 2020, the Company is not exposed to any significant interest rate risk.

b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company considers credit risk with respect to its cash to be immaterial as cash is held through large Canadian financial institutions.

c) Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. The Company manages its liquidity risk by continuously monitoring forecasted and actual cash flows, as well as anticipated investing and financing activities. Accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand, and are subject to normal trade terms. The Company has working capital of \$240,387 as at August 31, 2020.

Railtown Capital Corp.

Notes to the Financial Statements

For the period from June 22, 2020 (Date of Incorporation) to August 31, 2020

(Expressed in Canadian dollars)

8. Management of capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern. In the management of capital, the Company includes its components of shareholders' equity.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital and deficit. The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, issuing new debt, or acquiring or disposing of assets, and controlling the capital expenditures program. The Company is not subject to externally imposed capital requirements. The Company does not have a source of revenue. As such, the Company is dependent on external financing to fund its activities. In order to pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management policies on an ongoing basis. The Company is not subject to any externally imposed capital requirements.

9. Subsequent event

IPO

The Company is in the process of filing its prospectus to become a Capital Pool Company and for the Company's initial public offering (the "IPO"). The proposed IPO calls for the Company to issue 5,000,000 common shares of the Company at \$0.10 per common share for gross proceeds of \$500,000. The purpose of the IPO is to provide to the Company with funds with which to identify and evaluate businesses or assets with a view to completing a QT.

On September 23, 2020, the Company entered into a letter of engagement with Canaccord Genuity Corp. (the "Agent") to act as its agent in connection with the Company's IPO. Pursuant to the agreement, the Agent will receive a cash commission of 10% of the gross proceeds of the IPO, payable at the closing of the IPO. The Agent will be paid an administrative fee of \$15,000 and will be reimbursed by the Company for its expenses and legal fees, of which a retainer of \$15,000 has been paid subsequent to year end. In addition, the Agent will be issued 500,000 share purchase warrants (the "Agent's Warrants") entitling the Agent to purchase 500,000 common shares of the Company. Each Agent's Warrant is exercisable into one common share at a price of \$0.10 per common share for a term of 24 months from the date of listing of the common shares of the Company on the TSXV.

CERTIFICATE OF THE CORPORATION

Dated: November 20, 2020

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

"Cameron White"

Cameron White
CEO, President and Corporate
Secretary

"Claudia Tornquist"

Claudia Tornquist
Chief Financial Officer

ON BEHALF OF THE BOARD

"Timothy Gamble"

Timothy Gamble
Director

"Graeme Barker"

Graeme Barker
Director

CERTIFICATE OF THE AGENT

Dated: November 20, 2020

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

CANACCORD GENUITY CORP.

By: "Frank Sullivan"
Name: Frank Sullivan
Title: Vice President, Sponsorship, Investment Banking

ACKNOWLEDGEMENT – PERSONAL INFORMATION

Dated: November 20, 2020

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

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

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

ON BEHALF OF THE BOARD

By: “Cameron White”
Cameron White
Director, CEO, President and Corporate
Secretary