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PROSPECTUS

INITIAL PUBLIC OFFERING

December 21, 2021

IMPACT ACQUISITIONS CORP.
(a Capital Pool Company)

OFFERING: \$300,000 or 3,000,000 Common Shares

PRICE: \$0.10 per Common Share

Agent's Option (as defined herein)
Incentive Stock Options (as defined herein)

The purpose of this offering is to provide Impact Acquisitions Corp. (the "**Corporation**") with a minimum amount of funds in order to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction (as hereafter 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 hereafter defined), must also receive Majority of the Minority Approval (as hereafter defined) in accordance with Exchange Policy 2.4 entitled "Capital Pool Companies" (the "**CPC Policy**"). The Corporation is a Capital Pool Company ("**CPC**"). It has not commenced commercial operations and has no assets other than a minimum amount of cash. Except as specifically contemplated in the CPC Policy, until the Completion of the Qualifying Transaction (as hereafter 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*". The Corporation hereby offers through its agent, PI Financial Corp. (the "**Agent**"), 3,000,000 common shares (the "**Common Shares**") at a price of \$0.10 per Common Share for gross proceeds of \$300,000 (the "**Offering**").

The Offering is made on a commercially reasonable efforts basis pursuant to an agency agreement (the "**Agency Agreement**") dated as of December 21, 2021 between the Corporation and the Agent and is subject to the receipt by the Corporation of a subscription of 3,000,000 Common Shares for aggregate total gross proceeds to the Corporation of \$300,000 and subject to approval of certain legal matters by Macdonald Tuskey, North Vancouver, British Columbia, on behalf of the Corporation, and by MLT Aikins LLP, Vancouver, British Columbia on behalf of the Agent. The offering price of the Common Shares was determined by negotiation between the Corporation and the Agent. All funds received from subscriptions for the Common Shares will be held by the Agent pursuant to the terms of the Agency Agreement and will not be released until \$300,000 has been deposited and the Agent has consented to such release. If subscriptions for 3,000,000 Common Shares have not been subscribed for within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by the Agent and Persons or companies who subscribed within that period, all subscription proceeds will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent. See "*Plan of Distribution*".

Distribution

	Price to the Public	Agent's Commission ⁽¹⁾	Net Proceeds to the Corporation ⁽²⁾
Per Common Share	\$0.10	\$0.01	\$0.09
Offering ⁽³⁾	\$300,000	\$30,000	\$270,000

Notes:

- (1) The Agent will receive a cash commission equal to 10% of the gross proceeds of the Offering, payable at closing. The Agent will also be paid a corporate finance fee of \$10,000 plus applicable taxes, and will be reimbursed by the Corporation for its expenses and legal fees, plus applicable taxes and disbursements. The Corporation has provided the Agent with a \$10,000 retainer to be applied towards its expenses. In addition, the Agent will be granted a non-transferable option to purchase that number of Common Shares as is equal to 10% of the Common Shares sold in connection with this Offering at a price of \$0.10 per Common Share (the "**Agent's Option**"), exercisable for a period of 60 months from the date of listing of the Common Shares on the Exchange, which Agent's Option is qualified for distribution under this Prospectus. See "*Plan of Distribution*".
- (2) Before deducting the costs and expenses of this Offering, estimated in the aggregate amount of \$74,750, which includes legal and audit fees and other expenses of the Corporation estimated at \$30,000, the Agent's corporate finance fee of \$10,000, the Agent's expenses and legal fees estimated at \$15,000, the listing fee of \$15,750 payable to the Exchange and estimated filing fees payable to the Commissions of \$4,000, but does not include the Agent's commission. See "*Use of Proceeds*".
- (3) 3,000,000 Common shares are offered hereunder, not including the Agent's Option and the incentive stock options (the "**Incentive Stock Options**") to be granted at the closing of the Offering to the directors and the officers of the Corporation to purchase up to 580,000 Common Shares, at a price of \$0.10 per Common Share for a period of five years from the date of grant, which Incentive Stock Options are qualified for distribution under this Prospectus. See "*Plan of Distribution*" and "*Options to Purchase Securities*".

Market for Securities

There is currently no market through which the Common Shares 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 securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "*Risk Factors*". The Exchange has conditionally approved the listing of the Common Shares on the Exchange. Listing will be subject to the Corporation fulfilling all of the listing requirements of the Exchange.

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

Other than the initial distribution of the Common Shares pursuant to this Prospectus, the grant of the Agent's Option and the grant of the Incentive Stock Options, trading in all securities of the Corporation shall not be permitted during the period between the date a receipt for the preliminary prospectus is issued by each of the Alberta Securities Commission and the British Columbia Securities Commission (collectively, the "**Commissions**") and the time the Common Shares are listed for trading on the Exchange, except subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable Commissions grant a discretionary order.

Risk Factors

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

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. The Corporation was only recently incorporated and has not commenced commercial operations, and has no assets other than cash. The Corporation has not identified a proposed Qualifying Transaction and has not entered into an Agreement in Principle. There is no assurance that the Corporation will identify and successfully negotiate the acquisition of any potential corporations, properties, assets or businesses, or any interests therein, nor that any such opportunities or businesses acquired will be profitable. Moreover, additional funds may be required to successfully complete an acquisition, and the Corporation may not be able to obtain such financing or may not be able to raise sufficient funds to take a meaningful position in a potential target. If the acquisition is financed by the issuance of shares from the Corporation's treasury, control of the Corporation may change and shareholders may suffer additional dilution. The directors and the officers of the Corporation will only be devoting a portion of their time to the affairs of the Corporation. Potential conflicts of interest may result from the ordinary course of business of the Corporation and of the directors and the officers of the Corporation. The directors and the officers of the Corporation currently beneficially own, directly or indirectly, 82.14% of the issued and outstanding Common Shares and will own 39.66% of the issued and outstanding Common Shares assuming completion of the Offering of 3,000,000 Common Shares. See "*Business of the Corporation*", "*Management of the Corporation*", "*Directors, Officers and Promoter*", "*Use of Proceeds*", "*Conflicts of Interest*" and "*Risk Factors*".

The Exchange may suspend from trading or delist the Common Shares where the Corporation has failed to complete a Qualifying Transaction within 24 months of the date of listing. The Commissions may issue an interim cease trade order against the Corporation's securities if the Common Shares are suspended from trading on the Exchange, and will issue such an interim cease trade order if the Corporation is delisted from the Exchange. In addition, delisting of the Common Shares will result in the cancellation of all of the currently issued and outstanding Common Shares held by Insiders that are Discount Seed Shares within the meaning of the CPC Policy. See "*Risk Factors*".

In the event that management, directors or experts of the Corporation reside outside of Canada or the Corporation identifies a foreign business or assets as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management, directors or experts resident outside of Canada or upon the foreign business or the Resulting Issuer (as defined herein) and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts predicated upon the civil liability provisions applicable to securities or other laws in Canada. See "*Business of the Corporation*", "*Risk Factors*" and "*Conflicts of Interest*".

Subscribers acquiring Common Shares under this Offering will suffer an immediate dilution of 24.14% or \$0.024 per Common Share, based on the total gross proceeds to be raised under this Prospectus and from sales of securities prior to filing this Prospectus, without deduction of commissions or related expenses incurred by the Corporation. See "*Capitalization*", "*Dilution*" and "*Risk Factors*".

AS A RESULT OF THE AFOREMENTIONED RISK FACTORS WHICH ARE ONLY A SUMMARY THEREOF, THIS OFFERING IS SUITABLE ONLY TO THOSE INVESTORS WHO ARE WILLING TO RELY SOLELY ON THE MANAGEMENT OF THE CORPORATION AND WHO CAN AFFORD TO RISK A LOSS OF THEIR ENTIRE INVESTMENT. SEE "RISK FACTORS".

Maximum Investment

Pursuant to the CPC Policy, 75%, or 2,250,000, of the total number of Common Shares offered under this Prospectus are subject to the following limits:

- (a) the maximum number of Common Shares that may be directly or indirectly purchased by any one purchaser pursuant to the Offering is 2%, or 60,000 of the total Common Shares offered under this Prospectus; and

- (b) the maximum number of Common Shares that may directly or indirectly be purchased by any one purchaser, together with that purchaser's Associates and Affiliates, is 4% or 120,000, of the total Common Shares offered under this Prospectus.

Receipt of Subscriptions

Subscriptions will be received subject to rejection or allotment in whole or in part by the Corporation and the right is reserved to close the subscription books at any time without notice. It is expected that share certificates evidencing the Common Shares in definitive form will be available for delivery on the closing of this Offering unless the Agent elects for delivery in electronic book entry form through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee. If delivered in book entry form, purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Common Shares were purchased.

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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 as of December 21, 2021 between the Corporation and the Agent.

"Agent" means PI Financial Corp.

"Agent's Option" means the non-transferable option to be granted by the Corporation to the Agent to purchase that number of Common Shares as is equal to 10% of the Common Shares sold in connection with this Offering (being 300,000 Common Shares in the case of the Offering) at a price of \$0.10 per Common Share, exercisable for a period of 60 months from the date of listing the Common Shares on the Exchange.

"Aggregate Pro Group" means all Persons who are members of any Pro Group, whether or not the Member (as defined in Exchange rules) is involved in a contractual relationship with the Corporation to provide financing, sponsorship and other advisory services.

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

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

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

"Associate" when used to indicate a relationship with a Person, means

- (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer,
- (b) any partner of the Person,
- (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity,
- (d) in the case of a Person, a relative of that Person, including
 - (i) that Person's spouse or child, or
 - (ii) any relative of the Person or of their spouse who has the same residence as that Person; but
- (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D of the Exchange with respect to that Member firm, Member corporation or holding company.

"Commissions" mean the Alberta Securities Commission and the British Columbia Securities Commission.

"Common Shares" means the common shares in the 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.

"CPC" means a corporation:

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

"CPC Filing Statement" means the Filing Statement of the CPC prepared in accordance with the Exchange Form of Filing Statement (Form 3B2) which provides full, true and plain disclosure of all material facts relating to the CPC and the Target Company.

"CPC Information Circular" means the Information Circular of the CPC prepared in accordance with applicable securities laws and the Exchange Form of Information Circular (Form 3B1) which provides full, true and plain disclosure of all material facts relating to the CPC and the Target Company.

"CPC Policy" means Exchange Policy 2.4 – *Capital Pool Companies*;

"Escrow Agreement" means the Exchange Form 2F escrow agreement among the Corporation, the Escrow Agent and the initial shareholders of the Corporation.

"Escrow Agent" means Odyssey Trust Company.

"Exchange" means the TSX Venture Exchange Inc.

"Final Exchange Bulletin" means the Exchange Bulletin which is 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.

"Incentive Stock Options" mean options to be granted at the closing of the Offering to the directors and officers of the Corporation to purchase up to 580,000 Common Shares, at a price of \$0.10 per Common Share for a period of five years from the date of grant.

"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.

"IPO" means an initial public offering.

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

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

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

"Member" has the meaning in Rule A 1.00 of the Exchange Rule Book.

"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 Party" means in relation to a company, a promoter, officer, director, other Insider or Control Person of that company (including an issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means any Associate of the individual or any company of which the individual is a promoter, officer, director, Insider or Control Person.

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

"Person" means a Company or individual.

"Principal" means:

- (a) a Person who acted as a promoter of the issuer within two years or their respective Associates or Affiliates before the IPO prospectus or Final Exchange Bulletin;
- (b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the IPO prospectus or Final Exchange Bulletin;
- (c) a 20% holder - a Person that holds securities carrying more than 20% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's IPO or immediately after the Final Exchange Bulletin for non IPO transactions;
- (d) a 10% holder - a Person that:
 - (i) holds securities carrying more that 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 Principal's securities of the entity and the total securities of the entity outstanding). Any securities of the issuer that this entity holds will be subject to escrow requirements.

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

"Pro Group" means:

- (a) subject to subparagraphs (b), (c) and (d) either individually or as a group:
 - (i) the Member;
 - (ii) employees of the Member;
 - (iii) partners, officers and directors of the Member;
 - (iv) Affiliates of the Member; and
 - (v) Associates of any parties referred to in subparagraphs (i) through (iv) above;
- (b) The Exchange may, in its discretion, include a Person or party in the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is 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; and
- (d) The Member may deem a Person who would otherwise be included in the Pro Group pursuant to subparagraph (a) to be excluded from the Pro Group where the Member determines that:
 - (i) the Person is an Affiliate or Associate of the Member acting at arm's length of the Member;
 - (ii) the Associate or Affiliate has a separate corporate and reporting structure;
 - (iii) there are sufficient controls on information flowing between the Member and the Associate or Affiliate; and
 - (iv) the Member maintains a list of such excluded Persons.

"Professional Person" means a Person whose profession gives authority to a statement made by the Person in the Person's professional capacity and includes a barrister and solicitor, a public accountant, an appraiser, an auditor, an engineer and a geologist.

"Promoter" has the definition prescribed by applicable securities laws.

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

"Related Party Transaction" has the meaning ascribed to that term under Multilateral Instrument 61-101 —*Protection of Minority Security Holders in Special Transactions*, 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 an issuer with respect to a transaction.

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

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

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

"Sponsor" has the meaning specified in Exchange Policy 2.2 - Sponsorship and Sponsorship Requirements.

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

"Transfer Agent, Registrar and Dividend Disbursing Agent Agreement" means the transfer agent, registrar and dividend disbursing agent agreement entered into between the Corporation and the Escrow Agent dated April 26, 2021.

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

PROSPECTUS SUMMARY

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

- ISSUER:** Impact Acquisitions Corp.
- OFFERING:** 3,000,000 Common Shares are being offered under this Prospectus at a price of \$0.10 per Common Share for gross proceeds of \$300,000 (the "**Offering**"). This Offering is being made on a commercially reasonable efforts basis by the Agent on behalf of the Corporation. In addition, the Corporation will grant to the Agent a non-transferable option to purchase that number of Common Shares that is equal to 10% of the Common Shares sold in connection with this Offering (being 300,000 Common Shares) at a price of \$0.10 per Common Share, exercisable for a period of 60 months from the date of listing of the Common Shares on the Exchange, which option is qualified under this Prospectus (the "**Agent's Option**"). This Prospectus also qualifies for distribution the Incentive Stock Options to be granted at the closing of the Offering to the directors and the officers of the Corporation which entitle the holders thereof to purchase up to 580,000 Common Shares, at a price of \$0.10 per Common Share for a period of five years from the date of grant. See "*Plan of Distribution*" and "*Options to Purchase Securities*".
- PRICE:** \$0.10 per Common Share.
- BUSINESS OF THE CORPORATION:** The Corporation is a capital pool company created pursuant to the CPC Policy. The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be approved by the Exchange, and in the case of a Non-Arm's Length Qualifying Transaction, must also receive Majority of the Minority Approval, in accordance with the CPC Policy. The Corporation 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 Completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. See "*Business of the Corporation*" and "*Use of Proceeds*".

USE OF THE PROCEEDS

The net proceeds to the Corporation from the Offering and cash proceeds raised from the sale of Common Shares prior to this Offering will be approximately \$331,899 (after deduction of the Agent's commission). The net proceeds of this Offering plus the proceeds from the prior sales of Common Shares will be used to provide the Corporation with a minimum of funds with which to identify and evaluate assets or businesses for acquisition with a view to completing a Qualifying Transaction. The Corporation may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. Until Completion of the Qualifying Transaction, and except as otherwise provided in the CPC Policy, a maximum of \$3,000 per month may be used for purposes other than evaluating businesses or assets. See "*Use of Proceeds*", "*Business of the Corporation*" and "*Risk Factors*".

DIRECTORS AND OFFICERS:

Itamar David: Chief Executive Officer, President, Corporate Secretary and Director

Gabriel Kabazo: Chief Financial Officer

Andrew Gertler: Director

Meghan Brown: Director

Gilad Bebzuck: Director

Itamar David is the Promoter of the Corporation.

See "*Directors, Officers and Promoter*".

DIVIDEND POLICY:

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

ESCROWED SHARES:

Certain currently issued and outstanding Common Shares, being 2,800,000 Common Shares of the Corporation issued at \$0.05 per share will be deposited in escrow pursuant to the terms of the Escrow Agreement and will be released from escrow in stages over a period of 18 months from the date of the Final Exchange Bulletin. See "*Escrowed Securities*".

RISK FACTORS:

There is no established market for the Common Shares. 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 not commenced commercial operations, and has no 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 the 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. An investor will suffer an immediate dilution on investment of 24.14% or \$0.024 per Common Share assuming completion of the Offering (based on the total gross proceeds to be raised under this Prospectus and from sales of securities prior to filing this Prospectus, without deduction of

commissions or related expenses incurred by the Corporation). 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 a Qualifying Transaction. The Corporation has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Corporation will be able to identify or complete a suitable Qualifying Transaction.

In the event that management, directors or experts of the Corporation reside outside of Canada or the Corporation identifies a foreign business or assets as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management, directors or experts resident outside of Canada or upon the foreign business or the Resulting Issuer and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts predicated upon the civil liability provisions applicable to securities or other laws in Canada. See "*Corporate Structure*", "*Business of the Corporation*", "*Directors, Officer and Promoter*", "*Use of Proceeds*", "*Risk Factors*" and "*Conflicts of Interest*".

CORPORATE STRUCTURE

Name and Incorporation

The Corporation was incorporated on December 5, 2019 pursuant to the provisions of the *Business Corporations Act* (British Columbia).

The registered and records and head office of the Corporation is located at Suite 409 – 221 W. Esplanade, North Vancouver, British Columbia, Canada, V7M 3J3.

The share capital of the Corporation consists of an unlimited number of Common Shares. As of the date hereof, 2,800,000 Common Shares are issued and outstanding.

The Corporation has no subsidiaries.

BUSINESS OF THE CORPORATION

Preliminary Expenses

As at September 30, 2021, the Corporation has incurred expenses in the amount of \$33,171 in respect of professional fees. The Company has also paid \$20,500 in respect of the retainer paid to the Agent for its corporate finance fee and expenses. A portion of the net proceeds of the Offering may be utilized to satisfy the obligations of the Corporation related to this Offering, including the expenses of its auditors, legal counsel and the Agent's legal counsel, the listing fees payable to the Exchange and filing fees payable to the Commissions. See "*Use of Proceeds*".

Proposed Operations until Completion of a Qualifying Transaction

The Corporation is a CPC created pursuant to the CPC Policy. The Corporation proposes to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction is also subject to Majority of the Minority Approval in accordance with the CPC

Policy. To date, the Corporation has not conducted commercial operations of any kind other than to enter into discussions for the purpose of identifying potential acquisitions or interests in commercially viable businesses or assets. The Corporation does not own any assets, other than cash. 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. See "*Risk Factors*".

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

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

Method of Financing

The Corporation may use cash, bank financing, and issuance of treasury shares either by way of private placement or public offering or some combination thereof 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 control of the Corporation and may cause the shareholders' interest in the Corporation to be further diluted.**

Criteria for a Qualifying Transaction

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 a Qualifying Transaction Agreement, the Corporation must issue a comprehensive news release, at which time the Exchange generally will halt trading in the Corporation's Common Shares until the filing requirements of the Exchange have been satisfied as set forth under "*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 a Disclosure Document (as defined in the CPC Policy) that complies with Exchange requirements containing prospectus level disclosure of the Significant Assets and the Corporation, assuming Completion of the Qualifying Transaction. Where the proposed Qualifying Transaction is a Non-Arm's Length Qualifying Transaction, the Corporation must obtain Majority of the Minority Approval of the Qualifying Transaction. Where the proposed Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction, the Exchange will not require the Corporation to obtain Shareholder approval of the Qualifying Transaction provided that it files the CPC Filing Statement or a Prospectus.

Once the Conditional Acceptance Documents (as defined in the CPC Policy) have been accepted for filing by the Exchange, the Exchange will advise the Corporation that it is cleared to file the final Disclosure Document on SEDAR and:

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

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

- (a) confirmation of Shareholder approval of the Qualifying Transaction, if required;
- (b) confirmation of closing of the Qualifying Transaction; and
- (c) all post-meeting or final documentation, as applicable, otherwise required to be filed with the Exchange pursuant to the CPC Policy.

Upon issuance of the Final Exchange Bulletin, the CPC Policy will generally cease to apply, with the exception of the escrow provisions of the CPC Policy.

Potential Qualifying Transaction

The Corporation has not, as of the date hereof, entered into negotiations respecting a potential Qualifying Transaction.

Initial Listing Requirements

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

Trading Halts, Suspension and Delisting

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

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

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

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

In the event that the Common Shares of the Corporation are delisted by the Exchange, within 90 days from the date of such delisting the Corporation shall wind up and shall make a pro-rata distribution of its remaining assets to its shareholders, unless shareholders, pursuant to a majority vote exclusive of the votes of Non-Arm's Length Parties to the Corporation, determine to deal with the Corporation or its remaining assets in some other manner.

Refusal of a Qualifying Transaction

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

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

USE OF PROCEEDS

Proceeds and Principal Purposes

The gross proceeds to be received by the Corporation from the sale of the Common Shares offered by this Prospectus will be \$300,000 if the Offering is completed. The gross proceeds received by the Corporation from the sale of 2,800,000 Common Shares prior to the date of this Prospectus total \$140,000 (the "**Private Placement**"). Assuming the Offering is completed, the expenses and costs of the Offering and the Private Placement, estimated in the aggregate to be approximately \$104,750, will be deducted from the aggregate gross proceeds of \$300,000.

Assuming the completion of this Offering, the net proceeds to the Corporation, after the payment of the aforementioned costs in respect of the Offering, together with net proceeds from the prior sale of Common Shares, are estimated to be \$331,899. The general and administrative expenses until Completion of the Qualifying Transaction are estimated to be \$36,000. The total funds available to the Corporation for identifying and evaluating assets or businesses is accordingly estimated at \$295,889.

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

Proceeds to the Corporation	Offering⁽³⁾
Cash proceeds raised from the sale of Common Shares prior to this Offering ⁽¹⁾	\$140,000
Expenses and costs relating to raising the cash proceeds above	\$(3,351) ⁽²⁾
Cash proceeds to be raised pursuant to this Offering	\$300,000
Expenses and costs relating to the Offering ⁽³⁾	(\$104,750)
Estimated funds available (on completion of the Offering) ⁽⁴⁾	\$331,899
Use of Proceeds	
Funds available for identifying and evaluating assets or businesses ⁽⁴⁾⁽⁵⁾	\$295,889
Estimated general and administrative expenses until Completion of a Qualifying Transaction	\$36,000
TOTAL NET PROCEEDS	\$331,899

Notes:

- (1) See "Prior Sales".
- (2) These issue costs have been allocated towards the issuance of these Common Shares.
- (3) Expenses and costs of the Offering include, but are not limited to: Agent's Commission of \$30,000; a corporate finance fee payable to the Agent of \$10,000; the reasonable out-of-pocket costs and expenses of the Agent (including legal fees of the Agent plus disbursements and applicable taxes estimated to be \$15,000); legal and audit fees of the Corporation estimated at \$30,000 and filing fees payable to the Commissions estimated at \$4,000 and listing fees payable to the Exchange estimated at \$15,750.
- (4) In the event the Agent exercises the Agent's Option and the Incentive Stock Options are exercised, there will be available to the Corporation an additional \$88,000, which will be added to the working capital of the Corporation. There is no assurance that any of these 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 this Offering and any prior sale of Common Shares, after deducting the expenses associated with this Offering, will only be sufficient to identify and evaluate a finite number of assets and businesses, and additional funds may be required to finance any acquisition to which the Corporation may commit.

Permitted Use of Funds

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

- (a) reasonable expenses relating to the Corporation's IPO, including:
 - (i) fees for legal services and audit services relating to the preparation and filing of a prospectus;

- (ii) Agent's fees, costs and commissions; and
- (iii) printing costs, including printing of a prospectus and share certificates;
- (b) reasonable general and administrative expenses of the Corporation (not exceeding in aggregate \$3,000 per month), including:
 - (i) office supplies, office rent and related utilities;
 - (ii) equipment leases;
 - (iii) fees for legal services; and
 - (iv) fees for accounting and advisory services;
- (c) reasonable expenses relating to a proposed Qualifying Transaction, including:
 - (i) valuations or appraisals;
 - (ii) business plans;
 - (iii) feasibility studies and technical assessments;
 - (iv) sponsorship reports;
 - (v) Geological Reports;
 - (vi) financial statements;
 - (vii) fees for legal services; and
 - (viii) fees for accounting, assurance and audit services;
- (d) agents' and finders' fees, costs and commissions;
- (e) assurance and audit fees of the Corporation;
- (f) escrow agent and transfer agent fees of the Corporation; and
- (g) regulatory filing fees of the Corporation.

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

- (a) the Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction;
- (b) the Qualifying Transaction has been announced in a comprehensive news release;
- (c) due diligence with respect to the Qualifying Transaction is well underway;

- (d) if applicable, a Sponsor has been engaged or the sponsorship requirement has been waived;
- (e) the loan has been announced in a new release at least 15 days prior to the date of any such loan; and
- (f) the total amount of all deposits, advances and loans from the Corporation does not exceed a maximum of \$250,000 in aggregate unless the aggregate amount advanced from the Corporation to the Target Company or the Vendor(s) does not represent more than 20% of the working capital of the Corporation.

Private Placement for Cash

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

Prohibited Payments to Non-Arm's Length Parties

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

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

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

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

Finder's Fees

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

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

PLAN OF DISTRIBUTION

Name of Agent and Agent's Compensation

Pursuant to the Agency Agreement, the Corporation has appointed the Agent as its agent to offer for distribution to the public, on a commercially reasonable efforts basis, of 3,000,000 Common Shares at a price of \$0.10 per Common Share for gross proceeds of a minimum of \$300,000, subject to the terms and conditions of the Agency Agreement.

On closing, the Agent will receive a cash commission equal to 10% of the aggregate gross proceeds from the sale of the Common Shares (\$30,000). The Agent will also be paid a corporate finance fee of \$10,000 plus GST and will be reimbursed by the Corporation for its reasonable expenses and legal fees plus taxes and disbursements. In addition, the Agent will be granted the Agent's Option to purchase that number of Common Shares as is equal to 10% of the Common Shares sold in connection with this Offering (being 300,000 Common Shares) at a price of \$0.10 per Common Share exercisable for a period of 60 months from the date of listing the Common Shares on the Exchange, which Agent's Option is qualified for distribution under this Prospectus. Not more than 50% of the Common Shares received on the exercise of the Agent's Option may be sold by the Agent prior to the Completion of the Qualifying Transaction. The remaining 50% may be sold after the Completion of the Qualifying Transaction. Other than as described in this Prospectus, there are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other Person or Company in connection with the Offering.

The Offering will be made in accordance with the rules and policies of the Exchange and with the consent of the Exchange. The closing of the Offering will take place at such time as the Corporation and the Agent may agree, provided that subscriptions for the Offering have been received.

The Agent has agreed to use its commercially reasonable efforts to secure subscriptions for all of 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 or upon the occurrence of certain events as stated in the Agency Agreement, including the non-fulfillment of conditions of closing.

Commercially Reasonable Efforts Offering and Minimum Distribution

The Offering is for 3,000,000 Common shares for total gross proceeds of \$300,000. Under the CPC Policy, 75% or 2,250,000 of the total number of Common Shares offered under this Prospectus are subject to the following limits:

- (a) the maximum number of Common Shares that may be directly or indirectly purchased by any one purchaser pursuant to the Offering is 2% or 60,000 of the total number of Common Shares offered under this Prospectus; and
- (b) the maximum number of Common Shares that may be directly or indirectly purchased by any one purchaser, together with that purchaser's Associates and Affiliates, is 4% or 120,000 of the total number of Common Shares offered.

The funds received from the Offering will be deposited with the Agent, and will not be released until a minimum of \$300,000 has been deposited and the Agent consents to the release thereof. Subscriptions of a minimum of 3,000,000 Common Shares for total gross proceeds of \$300,000 must be raised within 90 days of the issuance of a receipt for the Prospectus, or such other time as may be consented to by the Agent and Persons or Companies who subscribed within that period, failing which the Agent will remit the funds collected to the original subscribers without interest or deduction, unless subscribers have otherwise instructed the Agent.

Other Securities Being Distributed

The Corporation also proposes to grant the Incentive Stock Options at the closing of the Offering in accordance with the policies of the Exchange, which Incentive Stock Options are qualified for distribution pursuant to this Prospectus. The Incentive Stock Options entitle the holders to purchase up to 580,000 Common Shares, at a price of \$0.10 per Common Share and such options may be exercised for a period of five years from the date of grant. See "*Plan of Distribution*" and "*Options to Purchase Securities*".

Determination of Price

The offering price of the Common Shares offered pursuant to this Offering has been determined by negotiation between the Corporation and the Agent in accordance with the CPC Policy.

Listing Application

The Exchange has conditionally accepted the listing of the Common Shares on the Exchange. Listing will be subject to the Corporation fulfilling all of the listing requirements of the Exchange.

Venture Issuers

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

Subscriptions by and Restrictions on the Agent

Except for Alnoor Versi and Shaun Chin, who are members of the Aggregate Pro Group, 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 in regards to 75% of the Offering: (i) directly or indirectly purchase more than 2% of the total Common Shares offered under this Offering; and (ii) together with any Associates or Affiliates purchase more than 4% of the total Common Shares offered under this Offering. Any Common Shares issued to any member of the Aggregate Pro Group prior to the date of this Prospectus will be held in escrow pursuant to the CPC Policy.

Until Completion of the Qualifying Transaction, the aggregate number of Common Shares permitted to be owned directly or indirectly by the 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. Such participants are permitted to subscribe for Common Shares pursuant to this Offering, subject to (i) compliance with any applicable client priority rule, and (ii) the restrictions applicable to all purchasers to Offering described under "*Plan of Distribution-Offering and Minimum Distribution*".

Restrictions on Trading

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

DESCRIPTION OF SECURITIES DISTRIBUTED

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares without par value. As at the date hereof, 2,800,000 Common Shares are issued and outstanding as fully paid and non-assessable. In addition, up to 3,000,000 Common Shares are reserved for issuance pursuant to this Offering and up to 300,000 Common Shares are reserved for issuance pursuant to the Agent's Option. A maximum of 580,000 Common Shares are also reserved for issuance upon exercise of the Incentive Stock 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 one vote per share at meetings of the shareholders of the Corporation and, upon dissolution, to share equally in such assets of the Corporation as are distributable to the holders of Common Shares. All Common Shares to be outstanding after completion of this Offering will be fully paid and non-assessable.

CAPITALIZATION

The following table sets forth information respecting the capitalization of the Corporation as at September 30, 2021 (the date of the most recent balance sheet contained in this Prospectus) and as at the date of this Prospectus both before and after giving effect to the Offering:

	Amount authorized or to be authorized	Amount outstanding as at September 30, 2021⁽¹⁾	Amount outstanding as of the date hereof⁽³⁾	Amount to be outstanding if the Offering is completed⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾
Common Shares	Unlimited	\$120,000 (2,400,000 Common Shares)	\$140,000 (2,800,000 Common Shares)	\$440,000 (5,800,000 Common Shares)

Notes:

- (1) The Corporation had not commenced commercial operations as at September 30, 2021 or as at the date hereof. See "*Prior Sales*."
- (2) The Corporation has reserved up to 3,000,000 Common Shares, excluding the Agent's Option and the Incentive Stock Options. The Agent's Option of 300,000 options will have an exercise price of \$0.10 per Common Share and may be exercised for a period of 60 months from the date of listing the Common Shares on the Exchange. See "*Plan of Distribution*."
- (3) The 2,800,000 Common Shares issued at \$0.05 per share will be held in escrow in accordance with the CPC Policy. See "*Escrowed Securities*".
- (4) Before deducting the Agent's commission and the costs and expenses of this Offering. Expenses and costs of the Offering include, but are not limited to: Agent's Commission of \$30,000; a corporate finance fee payable to the Agent of \$10,500 (inclusive of GST); the reasonable out-of-pocket costs and expenses of the Agent (including legal fees of the Agent plus disbursements and applicable taxes estimated to be \$15,000); legal and audit fees of the Corporation estimated at \$30,000 and listing and filing fees estimated at \$19,750.
- (5) The Corporation has reserved an aggregate of 580,000 Common pursuant to Incentive Stock Options to be granted to the directors and the officers of the Corporation. All of the Incentive Stock Options will have an exercise price of \$0.10 per Common Share and may be exercised for a period of five years from the date of grant. See "*Options to Purchase Securities*".

OPTIONS TO PURCHASE SECURITIES

Incentive Stock Options

Incentive Stock Options to purchase up to 580,000 Common are to be granted at closing of this Offering to the directors and the officers of the Corporation. The Incentive Stock Options will be granted at the closing of the Offering under the Corporation's Stock Option Plan (as defined below) and will be qualified for distribution and are expected to be allocated on the following basis:

Name of Optionee	No. of Common Shares reserved under Option if Offering Completed⁽¹⁾	Exercise Price per Common Share
Itamar David	116,000	\$0.10
Gabriel Kabazo	116,000	\$0.10
Andrew Gertler	116,000	\$0.10
Meghan Brown	116,000	\$0.10
Gilad Bebzuck	116,000	\$0.10
Total	580,000	

Notes:

- (1) The Incentive Stock Options to be granted to the directors and the officers of the Corporation at closing of this Offering are qualified for distribution pursuant to this Prospectus. Such Incentive Stock Options shall be exercisable for a period of five years from the date of grant.

Stock Option Terms

The policies of the Exchange provide 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 and employees of the Corporation and its Affiliates and to consultants and management company employees, non-transferable options to purchase Common Shares for a period of up to ten years from the date of the

grant, provided that the number of Common Shares reserved for issuance may not exceed 10% of the total issued and outstanding Common Shares at the date of the grant, and that the exercise period does not exceed 10 years from the date of grant.

The purpose of the stock option plan (the "**Stock Option Plan**") established by the Corporation, pursuant to which it may grant incentive stock options, is to promote the profitability and growth of the Corporation by facilitating the efforts of the Corporation to obtain and retain key individuals. The Stock Option Plan provides an incentive for and encourages ownership of the Common Shares by its key individuals so that they may increase their stake in the Corporation and benefit from increases in the value of the Common Shares. Pursuant to the Stock Option Plan, the maximum number of Common Shares reserved for issuance in any 12 month period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding Common Shares at the date of the grant. The maximum number of Common Shares reserved for issuance in any 12 month period to any consultant may not exceed 2% of the issued and outstanding Common Shares at the date of the grant and the maximum number of Common Shares reserved for issuance in any 12 month period to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Common Shares at the date of the grant. While the Corporation is a CPC, incentive stock options may be exercised until the greater of 12 months after the completion of the Qualifying Transaction and 90 days following the date the optionee ceases to be a director, officer or employee of the Corporation or its Affiliates or a consultant or a management company employee, provided that if the cessation of such position or 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.

Notwithstanding the terms of the Stock Option Plan described above, the CPC Policy imposes certain restrictions on incentive stock options during the period that the Corporation remains a CPC. Such restrictions shall remain in place until the Exchange issues the Final Exchange Bulletin (such bulletin indicating that the Resulting Issuer will not be considered a CPC). Under the CPC Policy, the Corporation, while it remains a CPC, is limited to granting incentive stock options to only directors, officers and technical consultants of the Corporation. In addition, the total number of Common Shares reserved under option for issuance pursuant to the Stock Option Plan may not exceed 10% of the Common Shares to be outstanding at the closing of the Offering. The maximum number of Common Shares reserved under option for issuance to any individual officer or director may not exceed 5% of the issued and outstanding Common Shares to be outstanding at the closing of the Offering. The maximum number of Common Shares reserved under option for issuance to all technical consultants may not exceed 2% of the issued and outstanding Common Shares to be outstanding after the closing of the Offering. In addition, while the Corporation is a CPC, it is prohibited from granting incentive stock options to any person providing investor relations activities, promotional or market making services. The exercise price per Common Share under any incentive stock option granted by the Corporation while it is a CPC may not be less than the greater of \$0.10 and the Discounted Market Price (as defined under Exchange policies). Any Common Shares acquired pursuant to the exercise of incentive stock options prior to the Completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. See "Escrowed Securities".

PRIOR SALES

Since the date of incorporation of the Corporation, 2,800,000 Common Shares have been issued as follows:

Date	Number of Common Shares	Issue Price Per Common Share	Aggregate Issue Price	Consideration Received
December 5, 2019	1 ⁽¹⁾	\$0.01	\$0.01	Cash
April 16, 2021	2,400,000 ⁽²⁾	\$0.05	\$120,000	Cash
October 6, 2021	400,000 ⁽³⁾	\$0.05	\$20,000	Cash
Total	2,800,000		\$140,000	

Notes:

- (1) This represents the incorporator's share which was issued on the date of incorporation and subsequently transferred back to the Corporation and cancelled.
- (2) All of these 2,400,000 Common Shares will be held in escrow pursuant to the Escrow Agreement. See "*Escrowed Securities*".
- (3) All of these 400,000 Common Shares will be held in escrow pursuant to the Escrow Agreement. See "*Escrowed Securities*".

ESCROWED SECURITIES

Securities Escrowed Prior to the Completion of the Qualifying Transaction

All of the 2,800,000 Common Shares issued prior to this Offering at a price of \$0.05 per Common Share, and all Common Shares that may be acquired by Non-Arm's Length Parties of the Corporation either under this Offering or otherwise prior to Completion of the Qualifying Transaction, and all Common Shares acquired by members of the Aggregate Pro Group prior to this Offering, will be deposited with the Escrow Agent under the Escrow Agreement.

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

The following table sets out, as of the date of this Prospectus and immediately after completion of this Offering, the number of Common Shares held in escrow:

Name and Place of Residence of Shareholder	Common Shares Held	Number of Escrowed Stock Options	Number of Escrowed Shares	Percentage of Shares Issued Before Closing	Percentage of Shares Issued Upon Completion of the Offering ⁽¹⁾⁽²⁾
Itamar David Vancouver, BC	1,600,000 Common Shares	116,000 Stock Options	1,600,000 Common Shares	57.14%	27.59%
Gabriel Kabazo Vancouver, BC	200,000 Common Shares	116,000 Stock Options	200,000 Common Shares	7.14%	3.45%
Andrew Gertler Westmount, QC	100,000 Common Shares	116,000 Stock Options	100,000 Common Shares	3.57%	1.72%
Meghan Brown, Vancouver, BC	200,000 Common Shares	116,000 Stock Options	200,000 Common Shares	7.14%	3.45%
Gilad Bebzuck Burnaby, BC	200,000 Common Shares	116,000 Stock Options	200,000 Common Shares	7.14%	3.45%

Name and Place of Residence of Shareholder	Common Shares Held	Number of Escrowed Stock Options	Number of Escrowed Shares	Percentage of Shares Issued Before Closing	Percentage of Shares Issued Upon Completion of the Offering ⁽¹⁾⁽²⁾
William Macdonald ⁽³⁾ West Vancouver, BC	300,000 Common Shares	Nil	300,000 Common Shares	10.71%	5.17%
Alnoor Versi ⁽⁴⁾ Vancouver, ON	100,000 Common Shares	Nil	100,000 Common Shares	3.57%	1.72%
Shaun Chin ⁽⁴⁾ Richmond, BC	100,000 Common Shares	Nil	100,000 Common Shares	3.57%	1.72%
Total	2,800,000	580,000	2,800,000	100%	48.28%

Notes:

- (1) Assuming that no Common Shares are purchased by these shareholders under this Offering and before the exercise of the Agent's Option and the Incentive Stock Options. See "*Plan of Distribution*" and "*Options to Purchase Securities*".
- (2) On an undiluted basis.
- (3) William Macdonald holds the common shares in Black Prince Advisors Ltd., of which William Macdonald and Vivian Macdonald are the shareholders.
- (4) Member of the Aggregate Pro Group.

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 in the beneficial ownership 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 holding company.

Under the Escrow Agreement:

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

Release Dates	Percentage to be Released
Date of the Final Exchange Bulletin	25%
Date 6 months following Final Exchange Bulletin	25%
Date 12 months following Final Exchange Bulletin	25%

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

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

If the 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 which holds escrowed Common Shares acquired at a price below the Offering price under this Prospectus has irrevocably authorized and directed the Escrow Agent to immediately:

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

Escrowed Securities on Qualifying Transaction

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

PRINCIPAL SHAREHOLDERS

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

Name and Place of Residence	Type of Ownership	Number of Common Shares Owned Before Closing of Offering	Percentage of Common Shares Owned Before Closing of the Offering	Percentage of Common Shares Owned Upon Completion of the Offering⁽¹⁾⁽²⁾
Itamar David Vancouver, BC	Direct	1,600,000	57.14%	25.69%
William Macdonald West Vancouver, BC	Indirect ⁽⁴⁾	300,000	10.71%	4.49%

Notes:

- (1) Assuming that no Common Shares are purchased by these Persons under the Offering.
- (2) Assuming 5,800,000 Common Shares issued and outstanding upon completion of the Offering and before the exercise of the Agent's Option and the Incentive Stock Options. See "*Plan of Distribution*".
- (3) On a fully diluted basis, assuming the exercise of the Agent's Option and the Incentive Stock Options and after giving effect to the Offering, Mr. David would directly own approximately 27.59% of the outstanding Common Shares and Mr. Macdonald would directly own approximately 5.17% of the outstanding Common Shares.
- (4) The Common Shares beneficially owned by William Macdonald are legally owned by Black Prince Advisors Ltd., of which William Macdonald and Vivian Macdonald are the sole shareholders.

DIRECTORS, OFFICERS AND PROMOTER

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

Name and Place of Residence	Position and Office	Present Principal Occupation	Percentage and Number of Common Shares Held Prior to the Offering ⁽²⁾	Percentage and Number of Common Shares Upon Completion of the Offering ⁽³⁾
Itamar David Vancouver, BC	Chief Executive Officer, President, Corporate Secretary, Director and Promoter	Director of Update Capital	57.14% 1,600,000 Common Shares	27.59% 1,600,000 Common Shares
Andrew Gertler ⁽¹⁾ Westmount, QC	Director	Director of Viscount Mining Corp.	3.57% 100,000 Common Shares	1.72% 100,000 Common Shares
Meghan Brown ⁽¹⁾ Vancouver, BC	Director	Vice President, Investor Relations at Aris Gold Corporation	7.14% 200,000 Common Shares	3.45% 200,000 Common Shares
Gilad Bebzuck ⁽¹⁾ Burnaby, BC	Director	Co-Founder and Co-CEO of Compass Online	7.14% 200,000 Common Shares	3.45% 200,000 Common Shares
Gabriel Kabazo Vancouver, BC	Chief Financial Officer	CFO of BYND Cannasoft Enterprises Inc.	7.14% 200,000 Common Shares	3.45% 200,000 Common Shares

Notes:

- (1) Member of Audit Committee. The Corporation does not have any other board committees.
- (2) These Common Shares are subject to escrow restrictions. See "*Escrowed Securities*".
- (3) Assuming that no Common Shares are purchased by any of the above directors and officers of the Corporation under this Offering and before the exercise of the Agent's Option and the Incentive Stock Options. See "*Plan of Distribution*".

The directors will devote their time and expertise as required by the Corporation, however, it is not anticipated that any director will devote 100% of their time. See also "*Management of the Corporation*".

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 the 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.

The directors and the officers, as a group, beneficially own and control 2,300,000 Common Shares, which represents 82.14% of the issued and outstanding Common Shares before giving effect to this Offering. Such Common Shares will represent 39.66% of the issued and outstanding Common Shares upon completion of the Offering and assuming no Common Shares are purchased by the directors and the officers under the Offering, and before the exercise of the Agent's Option and the Incentive Stock Options. See "*Plan of Distribution*" and "*Options to Purchase Securities*".

The following is a brief description of the principal occupations of the above named individuals during the last five years, along with other biographical information:

Itamar David – Chief Executive Officer, President, Corporate Secretary, Director and Promoter (Age: 40)

Mr. David is an experienced finance and business combinations professional. Since 2009, Mr. David serves as a director and former Chief Financial Officer of Enox Biopharma Inc., a private medical-device company. Since 2015, Mr. David also serves as a director of Update Capital, Inc., a private internet technology company. Update Capital provides investment management solutions for commercial real-estate firms.

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

Gabriel Kabazo – Chief Financial Officer (Age: 48)

Mr. Kabazo is a seasoned finance and operations professional with over 20 years' experience supporting accounting, financing and IT operations in complex corporate settings. Since May 2020 Mr. Kabazo has served as CFO for BYND Cannasoft Enterprises Inc. (CSE:BYND). Since 2009, Mr. Kabazo has been with TELUS Telecommunications Company and currently (since 2018) holds the title of Sr. Strategy Manager, Environment Management, Shared Services, Business Transformation & Operations. From 2002-2011 he served as CFO for m-Wise Inc. (OTCBB:MWIS). From 2000-2002 served as Controller for On Track Innovations Ltd. (OTCQX:OTIVF). Mr. Kabazo received a B.A. in Accounting & Economics from Tel Aviv University in 1997 and earned his C.P.A. (Israel) designation in 1999. In 2006 he earned an MBA (Financing) from the University of British Columbia, Sauder School of Business.

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

Andrew Gertler - Director (Age: 61)

Mr. Gertler has served as a director and officer of a number of reporting issuers listed on the TSX, NASDAQ or quoted on the OTCBB. From July 2013 he was a director of Viscount Mining Corp., a TSX Venture Exchange listed issuer. Mr. Gertler also served as a Director of Sinomar Capital Corporation which became Hunt Mining (until July 2013). Mr. Gertler has served on the Audit Committee, Governance and Compensation Committees. Mr. Gertler received his Bachelor of Commerce (Finance) degree from McGill University in 1982 and in 1984 received his Master of Business Administration from the University of Western Ontario.

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

Meghan Brown – Director (Age: 56)

Ms. Brown is an investor relations professional with 30 years of experience in the resource sector. She is currently Vice President, Investor Relations with Aris Gold Corporation, a Vancouver-based mining company with assets in Canada and Colombia. Prior to joining Aris Gold in 2020 she was Vice President, Investor Relations with Great Panther Mining. Prior to Great Panther she was Vice President, Investor Relations with Leagold Mining until it merged with Equinox Gold. Ms. Brown started her career with Suncor Energy and has worked for a number of resource and mining companies including TransCanada, Placer Dome, and Endeavour Silver.

In 2019 Ms. Brown received the IR Award of Excellence from the Canadian Investor Relations Institute in recognition of her contributions to the investor relations profession in Canada, and in 2021 was awarded the CIRI Fellows designation, the highest honour for investor relations professionals in Canada. Ms. Brown has completed the Canadian Securities Course and the Institute of Corporate Directors Not-for-Profit Directors' Education Program. She holds a BA from UBC and an MBA from Queen's University, and is Chair of the Board of the Canadian Cancer Society BC/Yukon as well as Co-chair of the Canadian Cancer Society Daffodil Ball.

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

Gilad Bebzuck – Director (Age: 50)

Mr. Bebzuck is a serial social entrepreneur with 28 years of global experience in establishing, developing, and running organizations. He was a founder or a co-founder of over 15 social initiatives, social ventures, alternative schools, and nonprofit programs, and 4 time CEO. Gilad has been an advisor to mayors and federal-level politicians as well as business leaders globally. He has personally mentored over 1,000 people from all walks of life.

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

Other Reporting Issuer Experience

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

Name of Director, Officer or Promoter	Name of Reporting Issuer	Exchange⁽¹⁾	Position	Term
Andrew Gertler	Prometic Life Sciences Inc.	TSX	Director	2003 to 2005
	Zi Corp.	TSX, Nasdaq	Director	2007 to 2009
	Viscount Mining Ltd.	TSXV	Director	2013 to Present
	Hunt Mining Corp. (formerly, Sinomar Capital Corp.)	TSXV	Director	2007 to July 2013
Gabriel Kabazo	BYND Cannasoft Enterprises Inc.	CSE	CFO	August 2020 to Present
Meghan Brown	Leagold Mining Corporation	TSX	VP	September 2017 to March 2020

Notes:

- (1) TSX means the Toronto Stock Exchange, TSXV means the TSX Venture Exchange and its predecessors, CSE means Canadian Securities Exchange.

Corporate Cease Trade Orders or Bankruptcies

During the past 10 years, none of the directors, officers, insiders or promoters of the Corporation or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, was a director, officer, insider or promoter of any other issuer that, while that person

was acting in that capacity, was the subject of a cease trade order or similar order or an order that denied that 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 the assets of that person.

Penalties or Sanctions

None of the directors, officers, insiders or promoters of the Corporation or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies

None of the directors, officers, insiders or promoters of the Corporation nor a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, nor a personal holding company of any such persons has, within the past 10 years before the date of this Prospectus, become bankrupt, made a proposal under bankruptcy or insolvency legislation or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold their assets.

Indebtedness of Directors, Officers and Promoters

None of the directors, the officers and promoter of the Corporation, nor any of their respective Associates or Affiliates has been indebted to the Corporation since the date of the Corporation's incorporation.

Conflicts of Interest

There are potential conflicts of interest to which the directors, the officers, insiders and the promoter of the Corporation will be subject in connection with the operations of the Corporation. Certain of the directors, the officers, insiders and the promoter have been and will continue to be engaged in the identification and evaluation, with a view to potential acquisition of interests in businesses and corporations on their own behalf and on behalf of other corporations which may be in competition with the search by the Corporation. A number of the directors of the Corporation are or have been directors or officers of other CPCs.

Accordingly, situations may arise where some or all of the directors, the officers, insiders and the promoter will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies prescribed by the *Business Corporations Act* (British Columbia), the Exchange and applicable securities law, regulations and policies.

AUDIT COMMITTEE

Audit Committee

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations. NI 52-110, NI 41-101 and Form 52-

110F2 require the Corporation, as an venture issuer, to disclose certain information relating to the Corporation's audit committee and its relationship with the Corporation's independent auditors.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this Prospectus.

Composition of Audit Committee

The members of the Corporation's Audit Committee are:

Gilad Bebzuck	Independent ⁽¹⁾	Financially literate ⁽²⁾
Andrew Gertler	Independent ⁽¹⁾	Financially literate ⁽²⁾
Meghan Brown	Independent ⁽¹⁾	Financially literate ⁽²⁾

Notes:

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Corporation, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.
- (2) An individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

Relevant Education and Experience

Each member of the Corporation's present Audit Committee has adequate education and experience that is relevant to his performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

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

See "Directors and Executive Officers" for further details.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board to review the performance of the Corporation's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Corporation. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chairman of the Audit Committee deems is necessary, and the Chairman will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Committee's consideration, and if thought fit, approval in writing.

External Auditor Service Fees

The fees billed by the Corporation's external auditors in each of the last two fiscal years for audit and non-audit related services provided to the Corporation or its subsidiaries (if any) are as follows:

Inception to Period Ended	Audit Fees	Audit Related Fees ⁽¹⁾	Tax Fees ⁽²⁾	All other Fees ⁽³⁾
September 30, 2021	\$5,526	Nil	Nil	Nil

Notes:

- (1) Fees charged for assurance and related services that are reasonably related to the performance of an audit, and not included under Audit Fees.
- (2) Fees charged for tax compliance, tax advice and tax planning services.
- (3) Fees for services other than disclosed in any other column.

Exemption

The Corporation has relied upon the exemption provided by section 6.1 of NI 52-110, which states that the Corporation, as an Venture Issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

EXECUTIVE COMPENSATION

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

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

Further, no payment 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. Following Completion of the Qualifying Transaction, it is anticipated that the Corporation shall pay compensation to its directors and officers.

DIVIDEND POLICY

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

If the Corporation generates earnings in the foreseeable future, it expects that they will be retained to finance growth, if any, and, when appropriate, retire debt. The directors of the Corporation will determine if and when dividends should be declared and paid in the future based on the Corporation's financial position at the relevant time. All of the Common Shares are entitled to an equal share in any dividends declared and paid.

PROMOTER

Itamar David may be considered to be the promoter of the Corporation in that he took the initiative in organizing the business of the Corporation. As of the date hereof, Itamar David owns 1,600,000 Common Shares and will be granted 116,000 Incentive Stock Options at \$0.10 per share pursuant to the Stock Option Plan if the Offering is completed. See "*Principal Shareholders*", "*Prior Sales*", "*Options to Purchase Shares*" and "*Directors, Officer and Promoter*".

CONFLICTS OF INTEREST

There are potential conflicts of interest to which the directors, the officers, insiders and the promoter of the Corporation will be subject in connection with the operations of the Corporation. Certain of the directors, the officers, insiders and the promoter have been and will continue to be engaged in the identification and evaluation, with a view to potential acquisition of interests in businesses and corporations on their own behalf and on behalf of other corporations which may be in competition with the search by the Corporation. A number of the directors of the Corporation are or have been directors or officers of other CPCs.

Accordingly, situations may arise where some or all of the directors, the officers, insiders and the promoter will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies prescribed by the *Business Corporations Act* (British Columbia), the Exchange and applicable securities law, regulations and policies.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

All directors of the Corporation have acquired Common Shares in the seed capital phase of the Corporation. In addition, each of the directors of the Corporation will be granted Incentive Stock Options to purchase Common Shares on Closing of the Offering. See "*Prior Sales*" and "*Options to Purchase Securities*".

DILUTION

Purchasers of the Common Shares offered hereunder will suffer an immediate dilution of 24.14% or \$0.024 per Common Share assuming completion of the Offering, based on the total gross proceeds to be raised under this Prospectus and from sales of securities prior to filing this Prospectus, without deduction of commissions or related expenses incurred by the Corporation.

RISK FACTORS

The following is a list of risk factors that a prospective investor should consider before subscribing for Common Shares, which list is not exhaustive:

- (a) the Corporation was only recently incorporated, has not commenced commercial operations and has no assets other than cash. It has no history of earnings, and shall not generate earnings or pay dividends until at least after Completion of the Qualifying Transaction;
- (b) investment in the Common Shares offered by this Prospectus is highly speculative given the proposed nature of the Corporation's business and its present stage of development;
- (c) the directors and the officers of the Corporation will only devote a portion of their time to the business and affairs of the Corporation and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time. See "*Directors, Officer and Promoter*" and "*Conflicts of Interest*";
- (d) assuming completion of the Offering, an investor will suffer an immediate dilution to its investment of 24.14% or \$0.024 per Common Share. See "*Dilution*";
- (e) there can be no assurance that an active and liquid market for the Common Shares will develop and an investor may find it difficult to resell its Common Shares;
- (f) until Completion of a Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;
- (g) 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;
- (h) even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction;
- (i) Completion of a Qualifying Transaction is subject to a number of conditions including acceptance by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval;
- (j) unless the shareholder has the right to dissent and be paid fair value in accordance with applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Corporation of the fair value for the shareholder's Common Shares;
- (k) upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained and certain preliminary reviews have been conducted. 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;

- (l) 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;
- (m) neither the Exchange nor any securities regulatory authority will pass upon the merits of the proposed Qualifying Transaction;
- (n) in the event that management, directors or experts of the Corporation reside outside of Canada or the Corporation identifies a foreign business or assets as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management, directors or experts resident outside of Canada or upon the foreign business or the Resulting Issuer and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts predicated upon the civil liability provisions applicable to securities laws in Canada;
- (o) the Qualifying Transaction may be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation;
- (p) subject to prior Exchange acceptance, the Corporation may be permitted to loan or advance up to the greater of \$250,000 and 20% of its working capital to a target business without requiring shareholder approval and there can be no assurance that the Corporation will be able to recover that loan; and
- (q) if the Corporation does not list the Common Shares on the Exchange prior to the time of Closing in the manner contemplated under "Eligibility for Investment", adverse tax consequences will arise with respect to any common shares held in RRSPs, RRIFs, TFSAs or other deferred plans.

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

LEGAL PROCEEDINGS

The Corporation is not party to any legal proceedings, nor to its knowledge are any such proceedings contemplated.

RELATIONSHIP BETWEEN THE CORPORATION AND THE AGENT

The Corporation is not a "related issuer" or "connected issuer" of the Agent under National Instrument 33-105 —*Underwriting Conflicts*.

RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS

Certain legal matters relating to the Offering will be passed upon by Macdonald Tuskey on behalf of the Corporation, and by MLT Aikins LLP on behalf the Agent. As of the date hereof, partners and associates of Macdonald Tuskey and of MLT Aikins LLP do not own, directly or indirectly, any outstanding Common

Shares, with the exception of William Macdonald of Macdonald Tuskey who indirectly owns 300,000 Common Shares as described herein.

Dale Matheson Carr-Hilton LaBonte LLP, Vancouver, BC, is the auditor of the Corporation.

Other than as disclosed above, no Person whose profession or business gives authority to a statement made by such Person who is named in this Prospectus has received or will receive a direct or indirect interest in the property of the Corporation or any Associate or Affiliate of the Corporation. In addition, none of the aforementioned Persons, nor any officer, director or employee thereof, 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 an Associate or Affiliate of the Corporation.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are Dale Matheson Carr-Hilton LaBonte LLP, #1500 – 1140 West Pender Street, Vancouver, BC V6E 4G1.

The transfer agent and registrar of the Corporation is Odyssey Trust Company, #323 – 409 Granville Street, Vancouver, BC V6C 1T2.

MATERIAL CONTRACTS

The Corporation has not entered into any material contracts and will not enter into any material contracts prior to the closing of this Offering, other than:

- (a) the Transfer Agent, Registrar and Disbursing Agent Agreement between the Corporation and the Escrow Agent;
- (b) the Agency Agreement referred to under the "*Plan of Distribution*";
- (c) the Escrow Agreement referred to under "*Escrowed Securities*"; and
- (d) the Stock Option Plan referred to under "*Options to Purchase Securities*".

Copies of these agreements will be available for inspection at the registered office of the Corporation, at Suite 409 – 221 W. Esplanade, North Vancouver, British Columbia, Canada, V7M 3J3, 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.

ELIGIBILITY FOR INVESTMENT

In the opinion of Macdonald Tuskey, based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "**Tax Act**") and any proposal to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, if the Common Shares were issued on the date hereof and listed and posted for trading on a "designated stock exchange" as defined in the Tax Act (which includes the Exchange) or if the Corporation was a "public corporation" on the date hereof, as that term is defined in the Tax Act, then the Common Shares would at that time be a "qualified investment" under the Tax Act for a trust governed by a "registered retirement savings plan" ("**RRSP**"), "registered retirement income fund" ("**RRIF**"), "tax-free savings account" ("**TFSA**"),

"registered education savings plan" ("**RESP**"), "deferred profit sharing plan" or "registered disability savings plan" ("**RDSP**"), as those terms are defined in the Tax Act (collectively the "**Plans**").

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

Notwithstanding that a Common Share may be a qualified investment for a TFSA, RRSP or RRIF (a "**Registered Plan**"), if the Common Share is a "prohibited investment" within the meaning of the Tax Act for a Registered Plan, the holder or annuitant of the Registered Plan, as the case may be, will be subject to penalty taxes as set out in the Tax Act. The Common Shares will generally be a "prohibited investment" for a Registered Plan if the holder or annuitant, as the case may be, does not deal at arm's length with the Corporation for the purposes of the Tax Act or has a "significant interest" (as defined in the Tax Act) in the Corporation. Generally, a holder or annuitant will not have a significant interest in the Corporation unless the annuitant or holder and/or persons not dealing at arm's length with the annuitant or holder, owns directly or indirectly 10% or more of the issued shares of any class of the capital stock of the Corporation or a corporation related to the Corporation. However, the Common Share generally will not be a prohibited investment if the Common Shares are "excluded property" within the meaning of the Tax Act for the Plan. If certain proposed amendments to the Tax Act announced by the Minister of Finance (Canada) on March 22, 2021 are enacted as proposed, the prohibited investment rules will extend to trusts governed by RDSPs and RESPs.

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

OTHER MATERIAL FACTS

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

PURCHASERS' STATUTORY RIGHTS

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

EXEMPTIONS

As contemplated by section 19.1 of National Instrument 41-101 General Prospectus Requirements, on September 22, 2021, the Issuer applied for exemptive relief from the requirement to file its final prospectus 90 days from June 28, 2021 pursuant to section 2.3(1) of National Instrument 41-101 (the "**Relief**"). The exemption granted will be evidenced by the issuance of a receipt for this prospectus, as contemplated under section 19.3 of NI 41-101.

Schedule "A"

AUDIT COMMITTEE CHARTER

I PURPOSE

The Audit Committee (the "**Committee**") will consist of a majority of independent directors and is appointed by the Board of Directors (the "**Board**") of Impact Acquisitions Corp. (the "**Corporation**") to assist the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting process and internal controls for the Corporation. The Committee's primary duties and responsibilities are to:

- conduct such reviews and discussions with management and the independent auditors relating to the audit and financial reporting as are deemed appropriate by the Committee;
- assess the integrity of internal controls and financial reporting procedures of the Corporation and ensure implementation of such controls and procedures;
- ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel;
- review the quarterly and annual financial statements and management's discussion and analysis of the Corporation's financial position and operating results and report thereon to the Board for approval of same;
- select and monitor the independence and performance of the Corporation's outside auditors (the "**Independent Auditors**"), including attending at private meetings with the Independent Auditors and reviewing and approving all renewals or dismissals of the Independent Auditors and their remuneration; and
- provide oversight to related party transactions entered into by the Corporation.

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the Independent Auditors as well as any officer of the Corporation, or outside counsel for the Corporation, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Corporation and has the authority to retain, at the expense of the Corporation, special legal, accounting, or other consultants or experts to assist in the performance of the Committee's duties.

The Committee shall review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval.

In fulfilling its responsibilities, the Committee will carry out the specific duties set out in Part IV of this Charter.

II AUTHORITY OF THE AUDIT COMMITTEE

The Committee shall have the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for advisors employed by the Committee; and
- (c) communicate directly with the internal and external auditors.

III COMPOSITION AND MEETINGS

1. The Committee and its membership shall meet all applicable legal and listing requirements, including, without limitation, those of the TSX Venture Exchange ("**TSXV**"), the *Business Corporations Act* (British Columbia) and all applicable securities regulatory authorities.

2. The Committee shall be composed of three or more directors as shall be designated by the Board from time to time. The members of the Committee shall appoint from among themselves a member who shall serve as Chair.

3. Each member of the Committee shall be “financially literate” (as defined by applicable securities laws and regulations).
4. The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements. A minimum of two of the members of the Committee present either in person or by telephone shall constitute a quorum.
5. If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.
6. If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
7. The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by, the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.
8. Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
9. The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
10. The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as it may see fit, from time to time, to attend at meetings of the Committee.
11. The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.
12. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. All decisions or recommendations of the Audit Committee shall require the approval of the Board prior to implementation.

IV RESPONSIBILITIES

A Financial Accounting and Reporting Process and Internal Controls

1. The Committee shall review the annual audited financial statements to satisfy itself that they are presented in accordance with applicable Canadian accounting standards and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review and approve the interim financial statements. With respect to the annual and interim financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the Independent Auditors as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.
2. The Committee shall review management's internal control report and the evaluation of such report by the Independent Auditors, together with management's response.

3. The Committee shall review the financial statements, management's discussion and analysis relating to annual and interim financial statements, annual and interim earnings press releases and any other public disclosure documents that are required to be reviewed by the Committee under any applicable laws before the Corporation publicly discloses this information.
4. The Committee shall be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in subsection (3), and periodically assess the adequacy of these procedures.
5. The Committee shall meet no less frequently than annually with the Independent Auditors and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee, Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, deems appropriate.
6. The Committee shall inquire of management and the Independent Auditors about significant risks or exposures, both internal and external, to which the Corporation may be subject, and assess the steps management has taken to minimize such risks.
7. The Committee shall review the post-audit or management letter containing the recommendations of the Independent Auditors and management's response and subsequent follow-up to any identified weaknesses.
8. The Committee shall ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel.
9. The Committee shall establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
10. The Committee shall provide oversight to related party transactions entered into by the Corporation.

B Independent Auditors

1. The Committee shall be directly responsible for the selection, appointment, compensation and oversight of the Independent Auditors and the Independent Auditors shall report directly to the Committee.
2. The Committee shall be directly responsible for overseeing the work of the external auditors, including the resolution of disagreements between management and the external auditors regarding financial reporting.
3. The Committee shall pre-approve all audit and non-audit services (including, without limitation, the review of any interim financial statements of the Corporation by the Independent Auditors at the discretion of the Committee) not prohibited by law to be provided by the Independent Auditors.
4. The Committee shall monitor and assess the relationship between management and the Independent Auditors and monitor, confirm, support and assure the independence and objectivity of the Independent Auditors. The Committee shall establish procedures to receive and respond to complaints with respect to accounting, internal accounting controls and auditing matters.
5. The Committee shall review the Independent Auditor's audit plan, including scope, procedures and timing of the audit.
6. The Committee shall review the results of the annual audit with the Independent Auditors, including matters related to the conduct of the audit, and receive and review the auditor's interim review reports.
7. The Committee shall obtain timely reports from the Independent Auditors describing critical accounting policies and practices, alternative treatments of information within applicable Canadian accounting principles that were discussed with

management, their ramifications, and the Independent Auditors' preferred treatment and material written communications between the Corporation and the Independent Auditors.

8. The Committee shall review fees paid by the Corporation to the Independent Auditors and other professionals in respect of audit and non-audit services on an annual basis.

9. The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Corporation.

10. The Committee shall monitor and assess the relationship between management and the external auditors, and monitor and support the independence and objectivity of the external auditors.

C Other Responsibilities

The Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate.

Impact Acquisitions Corp.

INTERIM FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2021

(Unaudited)

(EXPRESSED IN CANADIAN DOLLARS)

Impact Acquisitions Corp.
Interim Statement of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

As at	Note	September 30, 2021	December 31, 2020
		(unaudited)	
Asset			
Current asset			
Cash		\$ 69,747	\$ -
Total asset		\$ 69,747	\$ -
Liabilities and Shareholder's Equity (Deficiency)			
Liabilities			
Current liabilities			
Bank indebtedness		-	18
Accrued liabilities	3	\$ 21,168	\$ 3,351
		21,168	3,369
Shareholder's Equity (Deficiency)			
Share capital	4	\$ 120,000	\$ -
Deficit		(71,421)	(3,369)
Total shareholder's equity (Deficiency)		48,579	(3,369)
Total liabilities and shareholder's equity (Deficiency)		\$ 69,747	\$ -

Going concern (Note 1)

Subsequent event (Note 5)

These interim financial statements were approved for issue by the Board of Directors on November 23, 2021 and signed on its behalf by:

“Itamar David”

Director

“Andrew Gertler”

Director

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

Impact Acquisitions Corp.
Interim Statement of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

For the	Notes	Three months ended September 30		Nine months ended September 30	
		2021	2020	2021	2020
Expenses					
Legal	3	\$ 10,744	\$ -	\$ 34,607	\$ -
Financing Fees		-	-	10,250	-
Accounting		5,314	-	8,814	-
Filing and Other Fees		9,887	-	14,301	-
Bank Charges		29	(19)	80	6
Total expenses (income)		25,974	(19)	68,052	6
Loss and Comprehensive loss (income)		\$ 25,974	\$ (19)	\$ 68,052	\$ 6
Basic and diluted loss per common share		\$ (0.01)	\$ -	\$ (0.05)	\$ -
Weighted average number of common shares outstanding - basic and diluted		2,400,000	-	1,468,132	-

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

Impact Acquisitions Corp.
Interim Statement of Changes in Shareholder's Equity (Deficiency)
(Expressed in Canadian Dollars)
(Unaudited)

	<u>Share Capital</u>				Total Shareholder's Equity (Deficiency)
	Number of Shares	Amount	Deficit		
Balance, December 31, 2019	1	\$ -	\$ -	\$ -	-
Net Loss for the period	-	-	(6)		(6)
Balance, September 30, 2020	1	-	(6)		(6)
Net loss for the period	-	-	(3,363)		(3,363)
Balance, December 31, 2020	1	-	(3,369)		(3,369)
Cancellation of incorporation shares	(1)	-	-		-
Shares issued	2,400,000	120,000	-		120,000
Net loss for the period	-	-	(68,052)		(68,052)
Balance, September 30, 2021	2,400,000	\$ 120,000	\$ (71,421)	\$	48,579

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

Impact Acquisitions Corp.
Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	Nine Months ended September 30, 2021	Nine Months ended September 30, 2020
Cash flows from operating activities		
Loss for the period	\$ (68,052)	\$ (6)
Net change in non-cash working capital item:		
Accrued liabilities	17,817	-
Net cash used by operating activities	(50,235)	(6)
Cash flows from financing activities		
Proceeds from shares issued	120,000	-
Net cash provided by financing activities	120,000	-
Increase (Decrease) in cash	69,765	(6)
Cash, beginning of the period	(18)	-
Cash, ending of the period	\$ 69,747	\$ (6)

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

Impact Acquisitions Corp.
Notes to the Interim Financial Statements
For the Nine Months Ended September 30, 2021
(Expressed in Canadian Dollars)
(Unaudited)

NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN

Impact Acquisitions Corp. (the "Company") was incorporated on December 5, 2019 under the Business Corporations Act (British Columbia). The Company is in the process of applying to become a capital pool company ("CPC") as defined in TSX Venture Exchange Policy 2.4, and accordingly, its planned principal activity is to use its capital to investigate and acquire a business or group of assets (the "Qualifying Transaction"). The Company's registered address is Suite 409-221 West Esplanade, North Vancouver, Canada. The Company does not currently have operations or assets capable of generating ongoing revenues or cash flows and there is no certainty that its shares will be listed for trading or that it will complete a Qualifying Transaction as specified by TSX Venture Exchange Policy 2.4.

The Company has incurred losses since inception and has an accumulated deficit of \$71,421 as at September 30, 2021. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon finding and completing a Qualifying Transaction, obtaining additional financing or maintaining continued support from its shareholders and creditors and generating profitable operations in the future.

The March 2020 pandemic outbreak of COVID-19 could result in delays in finding and completing a Qualifying Transaction and continue to have a negative impact on the Company's ability to raise new capital. Although these financial statements have been prepared and presented on a going concern basis, the factors outlined above indicate the existence of a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern, in which case this basis of presentation will not be appropriate. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

NOTE 2 – STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. The interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2020 and the period from incorporation on December 5, 2019 to December 31, 2019, which have been prepared in accordance with IFRS as issued by IASB.

The Company uses the same accounting policies and methods of computation as in the financial statements for the year ended December 31, 2020 and the period from incorporation on December 5, 2019 to December 31, 2019.

Basis of presentation

These interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The presentation and functional currency of the Company is the Canadian dollar. The accounting policies set out below have been applied consistently to the period presented in the financial statements for the year ended December 31, 2020 and the period from incorporation on December 5, 2019 to December 31, 2019.

Impact Acquisitions Corp.
Notes to the Interim Financial Statements
For the Nine Months Ended September 30, 2021
(Expressed in Canadian Dollars)
(Unaudited)

NOTE 3 – RELATED PARTIES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined its key management personnel to be executive and non-executive officers and directors of the Company.

During the nine months ended September 30, 2021, the Company incurred \$25,207 in legal fees to a company owned by a director of the company and \$5,513 in accounting fees to a company owned by an officer of the Company.

As at September 30, 2021, there were due to related parties of \$15,347 (December 31, 2020 – \$Nil) in total included in accounts payable and accrued liabilities. These amounts were unsecured, non-interest bearing and payable on demand.

NOTE 4 – SHARE CAPITAL AND RESERVE

Authorized

Unlimited number of common shares without par value.

Share capital

As at December 31, 2020 and 2019, there was 1 common share issued and outstanding by the company.

On April 16, 2021, the Company repurchased and cancelled the incorporator share.

The Company issued 2,400,000 common shares at a price of \$0.05 per share for gross proceeds of \$120,000, of which 2,000,000 common shares were issued to the directors of the Company.

NOTE 5 – SUBSEQUENT EVENT

Subsequent to September 30, 2021, the Company issued 400,000 common shares at a price of \$0.05 per share for gross proceeds of \$20,000.

Impact Acquisitions Corp.

FINANCIAL STATEMENTS

**For the Year Ended December 31, 2020 and period from incorporation on
December 5, 2019 to December 31, 2019**

(EXPRESSED IN CANADIAN DOLLARS)



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Impact Acquisitions Corp.

Opinion

We have audited the financial statements of Impact Acquisitions Corp. (the "Company"), which comprise the statements of financial position as at December 31, 2020 and 2019, and the statements of loss and comprehensive loss, changes in shareholder's deficiency and cash flows for the year then ended December 31, 2020 and the period from incorporation on December 5, 2019 to December 31, 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for the year then ended December 31, 2020 and the period from incorporation on December 5, 2019 to December 31, 2019 in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

/s/ DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC

June 2, 2021

Impact Acquisitions Corp.
Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	December 31, 2020	December 31, 2019
<u>Assets</u>			
Current assets			
Cash		\$ -	\$ -
Total assets		\$ -	\$ -
<u>Liabilities and Shareholders' Deficiency</u>			
Current liabilities			
Bank indebtedness		\$ 18	\$ -
Accounts payable and accrued liabilities		3,351	-
		3,369	-
Shareholders' Deficiency			
Share capital	3	\$ -	\$ -
Accumulated deficit		(3,369)	-
Total shareholders' deficiency		(3,369)	-
Total liabilities and shareholders' deficiency		\$ -	\$ -

Going concern (Note 1)

Subsequent events (Note 7)

These financial statements were approved for issue by the Board of Directors on June 2, 2021 and signed on its behalf by:

“Itamar David”

Director

“William L. Macdonald”

Director

The accompanying notes are an integral part of these financial statements

Impact Acquisitions Corp.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	For the year ended December 31, 2020	For the Period from Incorporation on December 5, 2019 to December 31, 2019
Expenses		
Bank Charges	\$ 18	\$ -
Professional fees	3,351	-
Total expenses	(3,369)	-
Loss and comprehensive loss	\$ (3,369)	\$ -
Basic and diluted loss per common share	\$ (3,369)	\$ -
Weighted average number of common shares outstanding – basic and diluted	1	1

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

Impact Acquisitions Corp.
Statements of Changes in Shareholder's Deficiency
(Expressed in Canadian Dollars)

	Share Capital			Total Shareholders' Deficiency
	Number of Shares	Amount	Deficit	
Incorporators shares issued on December 5, 2019	2	\$ -	\$ -	\$ -
Cancellation of incorporation share	(1)	-	-	-
Net loss	-	-	-	\$ -
Balance, December 31, 2019	1	-	-	-
Net loss	-	-	(3,369)	(3,369)
Balance, December 31, 2020	1	\$ -	(3,369)	\$ (3,369)

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

Impact Acquisitions Corp.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	For the Year ended December 31, 2020	For the Period from Incorporation on December 5, 2019 to December 31, 2019
Cash flows from operating activities		
Loss for the period	\$ (3,369)	\$ -
Change in non-cash working capital item		
Accounts payable and accrued liabilities	<u>3,351</u>	-
Net cash used by operating activities	<u>(18)</u>	-
Decrease in cash	(18)	-
Cash, beginning	-	-
Cash (Bank indebtedness), ending	<u>\$ (18)</u>	<u>\$ -</u>

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

Impact Acquisitions Corp.
Notes to the Financial Statements
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NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN

Impact Acquisitions Corp. (the "Company") was incorporated on December 5, 2019 under the Business Corporations Act (British Columbia). The Company is in the process of applying to become a capital pool company ("CPC") as defined in TSX Venture Exchange Policy 2.4, and accordingly, its planned principal activity is to use its capital to investigate and acquire a business or group of assets (the "Qualifying Transaction"). The Company's registered address is Suite 409-221 West Esplanade, North Vancouver, Canada. The Company does not currently have operations or assets capable of generating ongoing revenues or cash flows and there is no certainty that its shares will be listed for trading or that it will complete a Qualifying Transaction as specified by TSX Venture Exchange Policy 2.4.

The Company has incurred losses since inception and has an accumulated deficit of \$3,369 as at December 31, 2020. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon finding and completing a Qualifying Transaction, obtaining additional financing or maintaining continued support from its shareholders and creditors and generating profitable operations in the future.

The March 2020 pandemic outbreak of COVID-19 could result in delays in finding and completing a Qualifying Transaction and continue to have a negative impact on the Company's ability to raise new capital. Although these financial statements have been prepared and presented on a going concern basis, the factors outlined above indicate the existence of a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern, in which case this basis of presentation will not be appropriate. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

NOTE 2 – STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

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

Basis of presentation

These financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to the period presented in these financial statements.

Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments. The Company has no stock options or warrants outstanding as at December 31, 2020.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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NOTE 2 – STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES
(continued)

Income tax

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Loss per share

Basic loss per share is calculated using the weighted-average number of shares outstanding during the year. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. For the period presented, the calculation proved to be anti-dilutive.

Financial instruments

All financial assets are initially recorded at fair value and classified into one of three categories: fair value through profit or loss (“FVTPL”), fair value through other comprehensive income (“FVTOCI”) and at amortized costs. All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. The Company’s financial instruments comprise due from related parties and accounts payable and accrued liabilities.

a) *Financial assets*

Classification and measurement

The Company classifies its financial assets in the following categories: FVTPL, FVTOCI or at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The classification of debt instruments is driven by the business model for managing the financial assets and their contractual cash flow characteristics. Debt instruments are measured at amortized cost if the business model is to hold the instrument for collection of contractual cash flows and those cash flows are solely principal and interest. If the business model is not to hold the debt instrument,

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NOTE 2 – STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES
(continued)

Financial instruments (continued)

b) Financial assets (continued)

Classification and measurement (continued)

it is classified as FVTPL. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Equity instruments that are held for trading (including all equity derivative instruments) 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 assets at FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the income statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the income statement in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

Financial assets at FVTOCI

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 arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

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 loss allowance for the financial asset is measured 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 loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

Derecognition of financial assets

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the income statement. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

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NOTE 2 – STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES
(continued)

c) *Financial liabilities*

The Company classifies its financial liabilities into one of two categories as follows:

FVTPL - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities - This category consists of liabilities carried at amortized cost using the effective interest method. Accounts payable and accrued liabilities are included in this category. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

Significant accounting estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the year. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

a) *Estimates*

The most significant accounts that require estimates as the basis for determining the stated amounts are as follows:

Deferred income tax

The Company recognizes the deferred tax benefit of deferred tax assets to the extent their recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions from deferred tax assets.

b) *Judgements*

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Going Concern

The assumption that the Company is a going concern and will continue in operation for the foreseeable future and at least one year.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

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NOTE 3 – SHARE CAPITAL

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

As at December 31, 2020 and 2019, there was 1 common share issued and outstanding by the company.

NOTE 4 – CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the completion of a Qualifying Transaction ("QT") as defined in TSX-V Policy 2.4. Therefore, the Company monitors the level of risk incurred in its expenditures relative to its capital structure.

The Company considers its capital structure to include all components of shareholders' equity. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the potential underlying assets. To maintain or adjust the capital structure, the Company may issue new equity if available on favorable terms and approved by the TSX-V.

As a CPC, the Company will be subject to externally imposed capital requirements as outlined in the TSX-V Policy 2.4 and summarized below:

- i. No salary, consulting, management fees or similar remuneration of any kind may be paid directly or indirectly to a related party of the Company or a related party of a QT;
- ii. Gross proceeds realized from the sale of all securities issued by a CPC may only be used to identify and evaluate assets or businesses and obtain shareholder approval for a QT;
- iii. No more than the lesser of \$210,000 and 30% of the gross proceeds from the sale of securities issued by a CPC may be used for purposes other than to identify and evaluate a QT; and
- iv. After the completion of its IPO and until the completion of a QT, a CPC may not issue any securities unless written acceptance of the TSX-V is obtained before the issuance of the securities.

There were no changes in the Company's approach to capital management during the year ended December 31, 2020.

NOTE 5 – FINANCIAL INSTRUMENTS

a) Fair value

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

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

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NOTE 5 – FINANCIAL INSTRUMENTS (continued)

The fair value of the Company's bank indebtedness and accounts payable and accrued liabilities approximates their carrying values, which are the amounts recorded on the statement of financial position.

b) Financial risk management

Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company has no financial assets and therefore credit risk is negligible.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company plans to manage liquidity risk by maintaining adequate cash balances to meet liabilities as they become due.

As at December 31, 2020, the Company had no cash held on hand and has accounts payable and accrued liabilities of \$3,351. All accounts payable and accrued liabilities are current. The Company will need to obtain additional financing through the issuance of equity or other means to meet current liabilities as they come due.

Interest Rate Risk

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

NOTE 6 – INCOME TAXES

A reconciliation of the Company's expected income tax recovery to actual income tax recovery is as follows:

	For the Year ended December 31, 2020	For the Period from Incorporation on December 5, 2019 to December 31, 2019
Net loss	\$ (3,369)	\$ -
Statutory income tax rate	27%	27%
Expected income tax recovery	(910)	-
Unrecognized deductible temporary differences and other	910	-
Income tax recovery	\$ -	\$ -

The Company has \$3,400 in non-capital losses carried forward for tax purposes, which can be carried forward indefinitely to be offset against future business income and business capital gains.

NOTE 7 – SUBSEQUENT EVENTS

On April 16, 2021, the Company repurchased and cancelled the incorporator share.

Subsequent to year end, the Company issued 2,400,000 common shares at a price of \$0.05 per share for gross proceeds of \$120,000.

CERTIFICATE OF THE CORPORATION

Dated: December 21, 2021

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

(signed) Itamar David

Itamar David
Chief Executive Officer, President, Corporate
Secretary and Director

(signed) Gabriel Kabazo

Gabriel Kabazo
Chief Financial Officer

ON BEHALF OF THE BOARD

(signed) Itamar David

Itamar David
Director

(signed) Andrew Gertler

Andrew Gertler
Director

(signed) Meghan Brown

Meghan Brown
Director

(signed) Gilad Bebzuck

Gilad Bebzuck
Director

CERTIFICATE OF THE PROMOTER

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

Dated: December 21, 2021

(signed) Itamar David

Itamar David

CERTIFICATE OF THE AGENT

Dated: December 21, 2021

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

PI FINANCIAL CORP.

Per:

(signed) Jim Locke

Jim Locke

Vice President, Investment Banking (Retail)