

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

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

PRELIMINARY PROSPECTUS

INITIAL PUBLIC OFFERING

October 12, 2018

**NBS Capital Inc.
(A Capital Pool Company)**

**Offering of \$500,000
5,000,000 Common Shares**

Price: \$0.10 per Common Share

NBS Capital Inc. (the “**Corporation**”) hereby offers to the public 5,000,000 Common Shares (as hereinafter defined) at a price of \$0.10 per share, for aggregate gross proceeds of \$500,000 (the “**Offering**”). The purpose of this Offering is to provide the Corporation with a minimum of funds with which to identify and evaluate assets and/or businesses with a view to completing a Qualifying Transaction (as hereinafter defined). Any proposed Qualifying Transaction must be approved by the TSX Venture Exchange Inc. (the “**Exchange**”) and, in the case of a Non-Arm’s Length Qualifying Transaction (as hereinafter defined), must also receive Majority of the Minority Approval (as hereinafter defined) in accordance with Exchange Policy 2.4 (the “**CPC Policy**”). The Corporation is a Capital Pool Company (“**CPC**”). The Corporation has not commenced commercial operations and has no assets other than a minimum amount of cash, prepaid expenses and deferred offering costs. Except as specifically contemplated in the CPC Policy, until the Completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets and/or businesses with a view to completing a proposed Qualifying Transaction. See “Use of Proceeds” and “Business of the Corporation”.

This Offering is made on behalf of the Corporation by its agent, Industrial Alliance Securities Inc. (the “**Agent**”), on a best efforts agency basis, for total gross proceeds to the Corporation of \$500,000. The offering price of the Common Shares was determined by negotiation between the Corporation and the Agent. All funds received from subscriptions for Common Shares are to be deposited with the Agent, pursuant to the terms of the Agency Agreement (as hereinafter defined). Unless an amendment to the final prospectus is filed and the “principal regulator” under National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions* has issued a receipt for the amendment, if subscriptions for the Offering are not raised within 90 days of the issuance of a receipt for filing of a final prospectus, or such other time as may be permitted by applicable securities legislation and consented to by the Agent and persons or companies who subscribed within that period, all subscription monies will be returned to subscribers without interest or deduction unless the subscribers have otherwise instructed the Agent. See “Plan of Distribution”. This prospectus qualifies the distribution of the Agent’s Warrant (as hereinafter defined) and options to be granted to directors and officers of the Corporation which shall entitle the grantees to purchase a number of Common Shares, at a price of \$0.10 per share, equal to 10% of the total number of Common Shares that will be outstanding upon completion of the Offering. See “Plan of Distribution”.

	<u>Price to Public</u>	<u>Agent's Commission⁽¹⁾</u>	<u>Net Proceeds to the Corporation⁽²⁾</u>
Per Common Share	\$0.10	\$0.01	\$0.09
Offering ⁽³⁾	\$500,000	\$50,000	\$450,000

Notes:

- (1) The Agent will receive a cash commission equal to 10% of the gross proceeds to the Corporation. In addition, the Agent and its sub-agents, if any, will be granted a non-transferable warrant (the "Agent's Warrant"), which will entitle the holder to purchase up to that number of Common Shares that is equal to 10% of the total number of Common Shares issued pursuant to the Offering, at a price of \$0.10 per Common Share exercisable for a period ending 24 months from the date the Common Shares are listed on the Exchange. The Agent's Warrant is qualified for distribution under this prospectus. Pursuant to the CPC Policy, no more than 50% of the aggregate number of Common Shares that may be acquired pursuant to the Agent's Warrant may be sold prior to completion of the Qualifying Transaction and the remaining 50% may only be sold after completion of the Qualifying Transaction. The Agent will be reimbursed for its expenses and legal fees incurred pursuant to this Offering, for which a retainer in the amount of \$10,000 has already been provided to the Agent, plus disbursements and taxes. The Agent has also received a corporate work fee of \$10,000 plus applicable taxes. See "Plan of Distribution".
- (2) Before deducting the costs of this issue, including listing and filing fees, the Agent's commission, expenses and legal fees, the Agent's corporate work fee and the Corporation's legal fees, audit fees and expenses, estimated at \$134,925. See "Use of Proceeds".
- (3) In addition to the qualification of up to 5,000,000 Common Shares pursuant to the Offering, this prospectus also qualifies for distribution: (i) the Agent's Warrant; and (ii) the options to be granted to officers and directors of the Corporation at the closing of this Offering, which shall entitle the grantees to purchase up to that number of Common Shares, at a price of \$0.10 per Common Share, equal to 10% of the number of Common Shares that will be outstanding upon completion of this Offering. See "Options to Purchase Securities".

Market for Securities

THERE IS CURRENTLY NO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD AND PURCHASERS MAY NOT BE ABLE TO RESELL SECURITIES PURCHASED UNDER THIS PROSPECTUS. THIS MAY AFFECT THE PRICING OF THE SECURITIES IN THE SECONDARY MARKET, THE TRANSPARENCY AND AVAILABILITY OF TRADING PRICES, THE LIQUIDITY OF THE SECURITIES, AND THE EXTENT OF ISSUER REGULATION. SEE "RISK FACTORS".

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

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

Other than the initial distribution of Common Shares pursuant to this prospectus, the grant of stock options to the officers and directors of the Corporation and the grant of the Agent's Warrant, trading in all securities of the Corporation is prohibited during the period between the date a receipt for this preliminary prospectus is issued by the Applicable Securities Commissions (as defined herein) and the time the Common Shares are listed and posted for trading on the Exchange except, subject to the 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.

Risk Factors

The Exchange may suspend from trading or delist the securities of a CPC where the Corporation has failed to complete a Qualifying Transaction within 24 months of the date of listing. Suspension from trading of the Common Shares may, and delisting of the Common Shares will, result in the Applicable Securities Commissions issuing an interim cease trade order against the Corporation. In addition, delisting of the Common Shares will result in the cancellation of all of the Common Shares of the Corporation issued prior to this Offering owned by insiders. See "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".

Investors will suffer an immediate dilution on investment of 16% or \$0.016 per Common Share. See “Capitalization” and “Dilution”.

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 does not own any ongoing business operations and has no assets other than cash and has not identified any potential asset or business for acquisition or participation. The Corporation has not entered into an Agreement in Principle. See “Risk Factors”, “Conflicts of Interest”, “Capitalization” and “Dilution”.

The Common Shares are highly speculative due to the proposed nature of the Corporation’s business and its present stage of development. There is no assurance that the Corporation will identify and successfully negotiate the acquisition of any corporations, properties, assets or businesses, or any interests therein. Moreover, additional funds may be required to successfully complete an acquisition, and the Corporation may not be able to obtain such financing. 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 officers of the Corporation will only be devoting a portion of their time on 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 officers of the Corporation. The directors and officers currently own 86.96% of the issued and outstanding common shares and will own approximately 27.40% of the issued Common Shares of the Corporation upon completion of the Offering. Since the Corporation has not placed any geographical restrictions on the location of the Qualifying Transaction, such Qualifying Transaction may involve the acquisition of a business located outside of Canada. It may be difficult or impossible to effect service or notice to commence legal proceedings upon any directors, officers or experts located outside Canada. Even if service or notice is successfully effected, it may not be possible to enforce, against such persons or the Corporation, judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada.

Maximum Investment

Pursuant to the CPC Policy, no purchaser of Common Shares is permitted to directly or indirectly purchase more than 2% of the Common Shares sold under this prospectus, being 100,000 Common Shares based on the Offering. In addition, the maximum number of Common Shares that may directly or indirectly be purchased by that purchaser, together with any Associates (as hereinafter defined) or Affiliates (as hereinafter defined) of that purchaser, is 4% of the Common Shares sold under this prospectus, being 200,000 Common Shares based on the Offering.

Receipt of Subscriptions

The Common Shares are conditionally offered for sale by the Agent on behalf of the Corporation on a best-efforts basis, subject to prior sale, if, as and when issued, and delivered in accordance with the conditions contained in the Agency Agreement referred to under “Plan of Distribution” and subject to the approval of certain legal matters by Hazlo Law Professional Corporation of Ottawa, Ontario on behalf of the Corporation and Burstall LLP of Calgary, Alberta on behalf of the Agent. Subscriptions will be received subject to rejection or allotment in whole or in part and the right to close the subscription books at any time without notice is reserved. It is expected that share certificates evidencing the Common Shares in definitive form will be available for delivery at 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.

INDUSTRIAL ALLIANCE SECURITIES INC.
38 Auriga Drive, Suite 228
Ottawa, Ontario
K2E 8A5

TABLE OF CONTENTS

GLOSSARY OF TERMS.....	v
SUMMARY OF PROSPECTUS.....	xi
THE CORPORATION.....	1
BUSINESS OF THE CORPORATION	1
PRELIMINARY EXPENSES	1
PROCESS OF IDENTIFICATION OF ACQUISITION OR PARTICIPATION OPPORTUNITIES	1
METHOD OF FINANCING QUALIFYING TRANSACTION	1
CRITERIA FOR QUALIFYING TRANSACTION	2
FILINGS AND SHAREHOLDER APPROVAL OF A NON ARM’S LENGTH QUALIFYING TRANSACTION	2
INITIAL LISTING REQUIREMENTS	3
TRADING HALTS, SUSPENSION AND DELISTING	3
REFUSAL OF QUALIFYING TRANSACTION	4
USE OF PROCEEDS	4
PERMITTED USE OF FUNDS	5
RESTRICTIONS ON USE OF PROCEEDS	6
PRIVATE PLACEMENTS FOR CASH	6
PROHIBITED PAYMENTS TO NON-ARM’S LENGTH PARTIES	7
PLAN OF DISTRIBUTION	7
TOTAL SUBSCRIPTION	8
OTHER SECURITIES TO BE DISTRIBUTED	8
DETERMINATION OF PRICE	8
LISTING APPLICATION	8
SUBSCRIPTION BY AND RESTRICTIONS ON THE AGENT	8
RESTRICTIONS ON TRADING	8
DESCRIPTION OF THE SECURITIES DISTRIBUTED.....	9
COMMON SHARES	9
CAPITALIZATION	9
OPTIONS TO PURCHASE SECURITIES.....	10
STOCK OPTION TERMS	10
PRIOR SALES	11
ESCROWED SECURITIES.....	11
SECURITIES ESCROWED PRIOR TO THE COMPLETION OF THE QUALIFYING TRANSACTION	11
ESCROWED SECURITIES ON QUALIFYING TRANSACTION	12
PRINCIPAL SHAREHOLDERS	13
DIRECTORS, OFFICERS AND PROMOTERS	14
OTHER REPORTING ISSUER EXPERIENCE	16
CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES	18
PENALTIES OR SANCTIONS	18
PERSONAL BANKRUPTCIES	18
CONFLICTS OF INTEREST	18
EXECUTIVE COMPENSATION	19
DILUTION.....	19
RISK FACTORS	20
LEGAL PROCEEDINGS	21
RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS.....	22
AUDITORS, TRANSFER AGENT AND REGISTRAR.....	22
MATERIAL CONTRACTS	22
DIVIDEND POLICY	22
INDEBTEDNESS OF DIRECTORS, OFFICERS, PROMOTERS AND OTHERS	22
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	23
ELIGIBILITY FOR INVESTMENT	23
OTHER MATERIAL FACTS.....	23
PURCHASER’S STATUTORY RIGHTS.....	23
FINANCIAL STATEMENTS	F-1
CERTIFICATE OF THE CORPORATION	C-1
CERTIFICATE OF THE AGENT	C-2

GLOSSARY OF TERMS

In this prospectus, the terms and abbreviations set out below shall have the following meanings:

Term	Definition
Affiliate	<p>A Company is an “Affiliate” of another Company if:</p> <ul style="list-style-type: none">(a) one of them is the subsidiary of the other, or(b) each of them is controlled by the same Person. <p>A Company is “controlled” by a Person if:</p> <ul style="list-style-type: none">(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. <p>A Person beneficially owns securities that are beneficially owned by:</p> <ul style="list-style-type: none">(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	<p>The agency agreement effective ●, 2018 entered into between the Corporation and the Agent.</p>
Agent	<p>Industrial Alliance Securities Inc.</p>
Agent’s Warrant	<p>The common share purchase warrant granted by the Corporation to the Agent and its sub-agents, if any, to purchase Common Shares equal in number to 10% of the number of Common Shares sold under this Offering at a price of \$0.10 per Common Share exercisable for a period ending twenty-four months from the date the Common Shares are listed on the Exchange.</p>
Aggregate Pro Group	<p>All Persons who are members of any Pro Group whether or not the Member is involved in a contractual relationship with an Issuer to provide financing sponsorship and other advisory services.</p>
Agreement in Principle	<p>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:</p> <ul style="list-style-type: none">(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;

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.

Applicable Jurisdictions	The provinces of Alberta, Saskatchewan, British Columbia and Ontario.
Applicable Securities Commissions	The securities regulatory authorities in each of the Applicable Jurisdictions.
Associate	When used to indicate a relationship with a Person or Company, means: <ul style="list-style-type: none">(a) an Issuer of which the Person or Company beneficially owns or controls, directly or indirectly, voting securities entitling the Person to more than 10% of the voting rights attached to outstanding securities of the Issuer;(b) any partner of the Person or Company;(c) any trust or estate in which the Person or Company has a substantial beneficial interest or in respect of which a Person or Company serves as trustee or in a similar capacity;(d) in the case of a Person, a relative of that Person, including:<ul style="list-style-type: none">(i) that Person's spouse or child; or(ii) any relative of the Person or of his spouse who has the same residence as that Person; but(e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D of the Exchange with respect to that Member firm, Member corporation or holding company.
Common Share	An issued, fully-paid, non-assessable common share in the capital of the Corporation.
Company	A corporation, incorporated association or organization, body corporate, partnership, trust, association, or other entity other than an individual.
Completion of the Qualifying Transaction	The date the Final Exchange Bulletin is issued by the Exchange.
Control Person	Any Person or Company that holds or is one of a combination of Persons or Companies that holds a sufficient number of any of the securities of an Issuer so as to affect materially the control of that Issuer, or that holds more than 20% of the outstanding voting securities of an Issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the Issuer.
Corporation	NBS Capital Inc., a corporation incorporated under the <i>Canada Business Corporations Act</i> with a registered office in Ottawa, Ontario.
CPC	A corporation: <ul style="list-style-type: none">(a) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in Canada in compliance with the CPC Policy; and

(b) in regard to which the Final Exchange Bulletin has not yet been issued.

CPC Policy	Policy 2.4 of the Exchange.
Escrow Agent	TSX Trust Company
Escrow Agreement	Agreement dated as of ●, 2018 between the Corporation, the Escrow Agent, and the shareholders of the Corporation prior to this Offering placing the Seed Shares in escrow pursuant to the CPC Policy.
Escrow Shares	Common Shares of the Corporation that are held in escrow pursuant to the Escrow Agreement pursuant to the policies of the Exchange.
Exchange	The TSX Venture Exchange Inc.
Final Exchange Bulletin	The bulletin issued by the Exchange following closing of the Qualifying Transaction and the submission of all post-meeting documentation, which evidences the Exchange's final acceptance of the Qualifying Transaction.
Insider	<p>In relation to an Issuer, one of:</p> <ul style="list-style-type: none">(a) a director or senior officer of the Issuer;(b) a director or senior officer of a 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 or Initial Public Offering	A transaction that involves an Issuer issuing securities from its treasury pursuant to its first prospectus.
Issuer	A Company and its subsidiaries which have any of its securities listed for trading on the Exchange and, as the context requires, any applicant company seeking a listing of its securities on the Exchange.
Majority of the Minority Approval	<p>The approval of a Non-Arm's Length Qualifying Transaction by the majority of the votes cast by shareholders, other than:</p> <ul style="list-style-type: none">(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:<ul style="list-style-type: none">(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, <p>at a properly constituted meeting of the common shareholders of the CPC.</p>

Member	A Person who has executed the Members' Agreement, as amended from time to time, and is accepted as and becomes a Member of the Exchange under the Exchange requirements.
Members' Agreement	The Member's agreement between the Exchange and each Person who from time to time, is accepted as and becomes a Member of the Exchange under the Exchange requirements.
NEX	The market on which former Exchange and Toronto Stock Exchange Issuers that do not meet Exchange Continued Listing Requirements for Tier 2 Issuers may continue to trade.
Non-Arm's Length Parties to the Qualifying Transaction	The Vendor(s), any Target Company(ies) including, in relation to Significant Assets or Target Company(ies), the Non-Arm's Length Parties of the Vendor, the Non-Arm's Length Parties 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	In relation to a Company, a promoter, officer, director, other Insider or Control Person of such Company and any Associates or Affiliates of any such Persons. In relation to an individual, any Associate of the individual or any Company of which the individual is a promoter, director, officer, Insider, or Control Person.
Non-Arm's Length Qualifying Transaction	A proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and the Significant Assets which are the subject of the proposed Qualifying Transaction.
Offering	The offering of 5,000,000 Common Shares at a price of \$0.10 per Common Share pursuant to this prospectus.
Person	A Company or an individual.
Principal	In respect of an Issuer, one of: <ul style="list-style-type: none"> (a) a Person or Company who acted as a promoter (as defined under applicable Securities Laws) of the Issuer within two years of the date of the IPO prospectus or the Final Exchange Bulletin; (b) a director or senior officer of the Issuer or any of its material operating subsidiaries at the time of the IPO prospectus or Final Exchange Bulletin; (c) a Person or Company 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 Person or Company that: <ul style="list-style-type: none"> (i) holds securities carrying more than 10% of the voting rights attached to the Issuer's outstanding securities immediately before and immediately after the Issuer's IPO or immediately after the Final Exchange Bulletin for non-IPO transactions; and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Issuer or any of its material operating subsidiaries.

In calculating these percentages, securities that may be issued to the holder under outstanding convertible securities are included 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 are treated as a Principal. (In calculating this percentage, securities of the entity that may be issued to the Principals under outstanding convertible securities are included in both the Principals' securities of the entity and the total securities of the entity outstanding). Any securities of the Issuer that this entity holds will be subject to escrow requirements.

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

Pro Group

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

Qualifying Transaction

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.

Registrar and Transfer Agent

TSX Trust Company

Resulting Issuer	The Issuer that was formerly a CPC that exists upon issuance of the Final Exchange Bulletin.
SEDAR	The system of electronic document filing maintained by the Canadian Securities Administrators.
Securities Laws	Means the relevant securities legislation, including regulations and rules, in force in every jurisdiction in which the Common Shares are qualified for distribution under this prospectus.
Seed Shares	The 2,300,000 Common Shares of the Corporation issued prior to the date of this prospectus for gross aggregate proceeds of \$115,000.
Significant Assets	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 minimum listing requirements of the Exchange.
Sponsor	Has the meaning specified in the Exchange's Policy 2.2, entitled "Sponsorship and Sponsorship Requirements."
Target Company	A Company to be acquired by the CPC as its Significant Asset pursuant to a Qualifying Transaction.
Tax Act	The <i>Income Tax Act</i> (Canada) as amended from time to time.
Vendors	One or all of the beneficial owners of the Significant Assets (other than a Target Company) prior to their purchase by a CPC.

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of the Offering and should be read together with (and is qualified in its entirety by) the more detailed information and financial data and statements contained elsewhere in this prospectus.

ISSUER	NBS Capital Inc.
OFFERING	5,000,000 Common Shares are being offered under this prospectus at \$0.10 per Common Share in the Applicable Jurisdictions. In addition, this prospectus will qualify the distribution to the Agent of the Agent's Warrant (being an option to acquire Common Shares equal in number to 10% of the number of Common Shares sold under this Offering, being 500,000 Common Shares, at a price of \$0.10 per Common Share exercisable for a period ending 24 months from the date the Common Shares are listed on the Exchange). The Corporation also intends to grant options to purchase a number of Common Shares equal to 10% of the total number of Common Shares issued and outstanding following the Offering (being 730,000 Common Shares) at \$0.10 per Common Share to the officers and directors of the Corporation, which options are also qualified for distribution under this prospectus. See "Options to Purchase Securities" and "Plan of Distribution".
BUSINESS OF THE CORPORATION	The principal business of the Corporation will be to identify and evaluate assets and/or businesses with a view to a potential acquisition or the acquisition of an interest therein in order to complete a Qualifying Transaction. The Corporation has not commenced commercial operations, other than to enter into discussions for the purpose of identifying potential acquisitions or interests, has no assets other than a minimum amount of cash, and is not a party to an Agreement in Principle. See "Business of the Corporation" and "Plan of Distribution".
USE OF PROCEEDS	The funds available to the Corporation after the closing of the Offering, being the net proceeds from the Offering together with the net proceeds from prior sales of Common Shares, will be \$477,298 (after deduction of the costs of prior sales, the Agent's commission of \$50,000, and the Offering costs and prior expenses estimated at \$137,702). The net proceeds 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 and for general and administrative expenses until Completion of the Qualifying Transaction. The Corporation may not have sufficient funds to secure such businesses or assets once identified and additional funds may be required. Until Completion of the Qualifying Transaction and except as otherwise provided in the CPC Policy, a maximum of the lesser of 30% of the gross proceeds realized or \$210,000 may be used for purposes other than evaluating business or assets. See "Use of Proceeds", "Business of the Corporation – Method of Financing Acquisition or Participation Opportunities" and "Risk Factors".
DIRECTORS AND MANAGEMENT	Paul Barbeau – Chairman, Chief Executive Officer and Director David Randall Chow – Chief Financial Officer and Director Patrick André Murphy – Secretary and Director Michael Labiak – Director John Kutkevicius – Director See "Directors and Officers."
ESCROWED SHARES:	All Seed Shares issued at a price lower than the IPO price by the Corporation before the closing of this Offering, being 2,300,000 Common Shares, all Common Shares that have been or may be acquired by Non-Arm's Length Parties of the Corporation either under the Offering or otherwise prior to Completion of the Qualifying Transaction and all Common Shares acquired by members of the Aggregate Pro Group prior to this Offering will be placed in escrow pursuant to the Escrow Agreement, and will be released from escrow in stages over a period of up to three years after the date

of the Final Exchange Bulletin. A total of 2,300,000 Common Shares, being all of the Common Shares issued and outstanding as of the date hereof, will be held by the Escrow Agent pursuant to the Escrow Agreement. See “Escrowed Securities”.

RISK FACTORS:

Shall include, but not be limited to:

- (a) 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.
- (b) The Corporation was only recently incorporated and has no active business or assets other than cash.
- (c) The Corporation does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. See “Dividend Policy”.
- (d) 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.
- (e) The directors and officers of the Corporation will only devote part of their time and attention to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation.
- (f) Investors will suffer an immediate dilution on investment of 16% or \$0.016 per Common Share.
- (g) 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.
- (h) 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.
- (i) The Corporation has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the CPC will be able to identify or complete a suitable Qualifying Transaction.
- (j) The Qualifying Transaction may involve the acquisition of a business or assets located outside of Canada. It may therefore be difficult or impossible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and it may not be possible to enforce against such persons or companies judgments obtained in Canadian courts predicated upon the civil liability provisions applicable to securities laws in Canada. See “Business of the Corporation”, “Directors and Officers”, “Use of Proceeds”, “Risk Factors” and “Conflicts of Interest”.
- (k) If the Corporation does not list the Common Shares on the Exchange prior to the time of closing and does not make an election to be a “public corporation” for purposes of the ITA 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 Plans (each as defined hereafter under the heading “Eligibility for Investment”). See “Risk Factors”.

THE CORPORATION

NBS Capital Inc. was incorporated on March 1, 2018 under the *Canada Business Corporations Act*. The principal and registered office of the Corporation is located at 11-300 Earl Grey Drive, Ottawa, Ontario K2T 1C1.

BUSINESS OF THE CORPORATION

Preliminary Expenses

To date, the Corporation has not conducted material operations of any kind and does not own any assets, other than cash, and has not entered into an Agreement in Principle.

To date, the Corporation has incurred expenses of approximately \$● which consist of audit costs, filing fees, corporate finance fees, fees associated with an advance retainer to cover the Agent's out of pocket expenses and legal fees related to the Offering and the corporate work fee. Of the \$● in incurred expenses, approximately \$● has been paid in respect of legal fees. Since the most recent audited Statement of Financial Position, the Corporation has expended approximately \$● in legal fees, \$● in filing fees, \$● in audit costs, and provided the Agent with a \$10,000 advance retainer to cover the Agent's out of pocket expenses, as well as the corporate work fee in the amount of \$10,000. The proceeds of the Offering will be utilized to satisfy the obligations of the Corporation related to this Offering, including the expenses of the Corporation's auditors, legal counsel, and the Agent's legal counsel. See "Use of Proceeds", "Remuneration of Directors and Senior Officers", and "Relationship Between the Corporation and Professional Persons".

Proposed Operations until Completion of a Qualifying Transaction

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

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

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

Process of Identification of Acquisition or Participation Opportunities

The Corporation proposes to identify acquisitions of interests in corporations, properties, assets or businesses through discussions with various contacts. Once a prospective acquisition target has been identified and evaluated, the Corporation will proceed to negotiate the terms upon which the Corporation may acquire an interest in the corporation, property, asset or business, with a view to completing a Qualifying Transaction.

Method of Financing Qualifying Transaction

The Corporation may use cash, bank financing, issuance of treasury shares, private or public financing of debt or equity, or some combination thereof to finance its proposed Qualifying Transaction. **If treasury shares are issued to finance the Qualifying Transaction, such issuance could result in a change in control of the Corporation and may cause the shareholders' interest in the Corporation to be further diluted. See "Risk Factors".**

Criteria for Qualifying Transaction

All potential Qualifying Transactions will initially be screened by management of the Corporation so as to evaluate the business plan of each corporation or business, which evaluation will include an analysis of the assets, the line of services or products offered, the extent of the competition in the marketplace, the market potential of the product lines or services, the market plan, existing and remaining management, production plans, financial plans and cash-flow projections and capital requirements. Similar criteria will be employed in the evaluation of other assets.

Upon the favourable completion of management's analysis, management will proceed to negotiate appropriate acquisition terms with those prospective corporations, businesses or the owners of other assets and thereafter will present the proposal to the board of directors for its consideration and approval.

The board of directors of the Corporation, in considering whether to approve the terms of the proposed acquisition, will be guided by the following criteria:

- (a) the projected rate of return on the proposed investment having regard to the risk of loss;
- (b) the prospects for growth, having regard to existing or potential market share;
- (c) the skill of the management team, either as it exists or as it may be modified as a consequence of the acquisition; and
- (d) basic financial considerations such as the ratio of debt to equity of the target business, the overall cost of the acquisition, and the prospects of obtaining the debt or equity financing necessary to effect the acquisition.

Any proposed Qualifying Transaction must be approved by the Corporation's Board of Directors. In exercising their powers and discharging their duties in relation to proposed Qualifying Transaction, the directors will act honestly and in good faith with a view to the best interests of the Corporation and will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

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

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

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

Unless waived by the Exchange, the Corporation will also be required to retain a Sponsor, who must be a Member of the Exchange, and who will be required to submit to the Exchange a Sponsor Report prepared in accordance with the

Policies of the Exchange. The Corporation will no longer be considered to be a CPC upon the Exchange having issued the Final Exchange Bulletin. The Exchange will generally not issue the Final Exchange Bulletin until the Exchange has received:

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

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

Initial Listing Requirements

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

Trading Halts, 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 include 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 Corporation fails to file post-meeting or final documents, as applicable, within the time required. A trading halt may also be imposed if a Sponsor terminates its sponsorship.

The Exchange may suspend from trading or delist the Common Shares of the Corporation where the Exchange has not issued a Final Exchange Bulletin to the Corporation within 24 months of the date of listing. In the event that the Common Shares 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 assets in some other manner. See "Shareholder Approval of the Qualifying Transaction".

If the Corporation does not complete a Qualifying Transaction within 24 months of the date of listing, it may apply for listing on the NEX rather than be delisted. In order to be eligible to list on the NEX, the Corporation must:

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

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

Refusal of Qualifying Transaction

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

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

USE OF PROCEEDS

Proceeds and Principal Purposes

The aggregate gross proceeds received by the Corporation from the sale of Common Shares prior to the Offering were \$115,000. The expenses and costs of the prior sales of Common Shares are \$2,777. The aggregate gross proceeds expected to be received by the Corporation from the sale of the Common Shares offered by this prospectus will be \$500,000. The costs of this issue are estimated at \$134,925, inclusive of taxes and disbursements (of which approximately \$● has been incurred to date). Accordingly, the estimated funds to be available to the Corporation will be \$477,298.

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

	Offering
Cash proceeds raised prior to this Offering ⁽¹⁾	\$115,000

	<u>Offering</u>
Expenses and costs relating to raising the cash proceeds raised prior to this Offering	(\$2,777)
Cash proceeds to be raised pursuant to this Offering ⁽²⁾	\$500,000
Estimated expenses and costs relating to the Offering:	
Agent's commission	(\$50,000)
Agent's corporate work fee	(\$10,000)
Agent's legal fees & expenses	(\$15,000)
Corporation's legal fees and costs	(\$26,925)
Corporation's audit fees and expenses	(\$8,000)
Listing and filing Fees	(\$25,000)
Estimated funds available (on completion of the Offering)	\$477,298
<hr/>	
Funds available for identifying and evaluating assets or business prospects ⁽³⁾	\$407,298
Estimated general and administrative expenses until Completion of a Qualifying Transaction	\$70,000
Total Net Proceeds	\$477,298

Notes:

- (1) See "Prior Sales".
- (2) In the event that the Agent exercises the Agent's Warrant and the directors and officers exercise their options, there will be available to the Corporation an additional amount of \$123,000, which amount will be added to the working capital of the Corporation. See "Plan of Distribution". There is no assurance that any of these options will be exercised.
- (3) In the event that the Corporation enters into an Agreement in Principle prior to spending the entire net proceeds, being \$477,298, 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, all proceeds will only be invested in securities of, or those guaranteed by, the Government of Canada, any province or territory thereof or the Government of the United States of America, in certificates of deposit or in interest bearing accounts of Canadian chartered banks and/or trust companies, or a combination thereof.

The proceeds of this Offering and any prior sale of Common Shares, after deducting the costs of this Offering, will only be sufficient to identify a limited number of opportunities. Additional funds may be required to finance any acquisition to which the Corporation may commit. See "Business of the Corporation", "Method of Financing Acquisition or Participation Opportunities" and "Risk Factors".

Permitted Use of Funds

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

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

- (a) valuations or appraisals;
- (b) business plans;
- (c) feasibility studies and technical assessments;
- (d) sponsorship reports;
- (e) engineering or geological reports;
- (f) financial statements, including audited financial statements;
- (g) fees for legal and accounting services, and
- (h) Agent's fees, costs and commissions,

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

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

Restrictions on Use of Proceeds

Until Completion of the Qualifying Transaction, not more than the lesser of 30% of the aggregate gross proceeds from the sale of all securities issued by the Corporation or \$210,000 shall be used for purposes other than those described above, including the following expenditures which the CPC Policy specifies as not being expenditures to identify and evaluate assets or businesses:

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

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

Private Placements for Cash

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

Prohibited Payments to Non-Arm's Length Parties

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

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

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

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

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

PLAN OF DISTRIBUTION

The Agent and the Agent's Compensation

Pursuant to the Agency Agreement, the Corporation has appointed the Agent as its agent to offer for sale on a best-efforts basis to the public in the Applicable Jurisdictions, 5,000,000 Common Shares as provided in this prospectus at \$0.10 per Common Share for aggregate gross proceeds of \$500,000, subject to the terms and conditions in the Agency Agreement. The Offering is subject to receiving subscriptions for 5,000,000 Common Shares (minimum funds of \$500,000). The Agent will receive a commission of 10% of the aggregate gross proceeds from the sale of the Common Shares. The Agent will be reimbursed for its expenses and legal fees incurred pursuant to the Offering, which are estimated to be at \$15,000, plus disbursements and taxes, and for which a retainer in the amount of \$10,000 has already been provided to the Agent. The Agent has also received a corporate work fee of \$10,000 plus applicable taxes. The Corporation will grant to the Agent and its sub-agents, if any, at the closing of the Offering the Agent's Warrant to acquire Common Shares in number equal to 10% of the number of Common Shares sold under the Offering, being 500,000 Common Shares, at \$0.10 per share for a 24 month period following the date of listing of the Common Shares on the Exchange. The Agent's Warrant is qualified under this prospectus. Pursuant to the CPC Policy, where the Agent receives an option or the right to subscribe for a certain number of shares as consideration for acting as Agent, 50% of the options exercised or 50% of the shares held pursuant to that right may be sold prior to Completion of the Qualifying Transaction. The remaining 50% may only be sold after Completion of the Qualifying Transaction.

This prospectus qualifies the distribution of 5,000,000 Common Shares, the issuance of options to purchase a number of Common Shares equal to 10% of the number of Common Shares issued and outstanding upon completion of the Offering to be granted to officers and directors of the Corporation and the Agent's Warrant. See "Options to Purchase Securities".

Best-Efforts Offering and Minimum Distribution

The Agent has agreed to use its best-efforts to secure subscriptions for the Common Shares offered hereunder on behalf of the Corporation and may make co-brokerage arrangements with other investment dealers at no additional

cost to the Corporation but is not obligated to do so. 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 stated in the Agency Agreement.

The Corporation has also granted the Agent a right of first refusal to participate as lead agent and sole bookrunner in any equity or debt financing that the Corporation may undertake, and to serve as the Corporation's Sponsor with respect to any potential Qualifying Transaction by the Corporation, for a period ending 24 months from the date of the closing of the Offering.

The Offering is subject to receiving subscriptions for 5,000,000 Common Shares (minimum funds of \$500,000).

Total Subscription

The total Offering is of 5,000,000 Common Shares for aggregate gross proceeds of \$500,000. Under the CPC Policy, no purchaser of the Common Shares is permitted to purchase more than 2% of the total Common Shares in the Offering, or 100,000 Common Shares. In addition, the maximum number of Common Shares permitted to be purchased by that purchaser together with any Associates or Affiliates of that purchaser is 4% of the total number of Common Shares in the Offering, or 200,000 Common Shares. The funds received from the Offering will be deposited with the Agent, and will not be released until the full amount of the Offering proceeds has been deposited. The Offering must be raised within 90 days of the date a final receipt for this prospectus is issued, or such other time as may be permitted by applicable securities legislation and 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 to be Distributed

The Corporation also proposes to grant options to purchase a number of Common Shares equal to 10% of the number of Common Shares issued and outstanding upon completion of the Offering, being 730,000 Common Shares, to directors and officers of the Corporation in accordance with the policies of the Exchange, and the Common Shares to be issued upon exercise of options are qualified for distribution under this prospectus.

Determination of Price

The offering price of the Common Shares was determined by negotiation between the Corporation and the Agent.

Listing Application

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

Subscription by and Restrictions on the Agent

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 of the foregoing have subscribed for Common Shares.

All subscriptions by any member of the Aggregate Pro Group are subject to the applicable client priority rules and the general rule of the CPC Policy that no purchaser can: (i) directly or indirectly purchase more than 2% of the total Common Shares offered under this 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 owned directly or indirectly by the Aggregate Pro Group cannot exceed 20% of the total and outstanding Common Shares exclusive of Common Shares reserved for issuance at a future date. The Exchange will require that any securities issued to the Pro Group in connection with or in contemplation of the Qualifying Transaction will be required to be subject to a four month

Exchange hold period and the securities certificate(s) legended accordingly, as prescribed by Exchange Policy 3.2 “Filing Requirements and Continuous Disclosure.”

Restrictions on Trading

Other than the initial distribution of the Common Shares pursuant to this prospectus, the grant of the Agent’s Warrant and the grant of options to the officers and directors of the Corporation, 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 Applicable Securities Commissions and the time the Common Shares are listed for trading on the Exchange, except subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities regulatory authorities grant a discretionary order.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

The Corporation is authorized to issue an unlimited number of Common Shares of which, as at the date of this prospectus, 2,300,000 Common Shares are issued and outstanding as fully paid and non-assessable Common Shares. 5,000,000 Common Shares are being qualified for distribution under this prospectus. In addition, pursuant to the Agent’s Warrant, the number of Common Shares equal to 10% of the Common Shares issued pursuant to this Offering, being 500,000 Common Shares, will be reserved for issuance. Common Shares will also be reserved for issuance under options to be granted to directors and officers of the Corporation in the amount equal to 10% of the Common Shares issued and outstanding immediately upon closing of the Offering, being 730,000 Common Shares. See “Plan of Distribution” and “Options to Purchase Securities”.

Common Shares

The holders of the 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 liquidation, dissolution or winding-up of the Corporation to receive such assets of the Corporation as are distributable to the holders of the Common Shares. All of the Common Shares to be outstanding on completion of this Offering will be fully paid and non-assessable.

CAPITALIZATION

Capital	Amount Authorized	Amount outstanding as of the date of the most recent balance sheet contained in this prospectus ⁽¹⁾	Amount outstanding as at [Date within 30 days of the date of the prospectus], 2018	Amount to be outstanding upon completion of the Offering ⁽²⁾⁽³⁾⁽⁴⁾
Common Shares	Unlimited	\$115,000 (2,300,000 Common Shares)	\$115,000 (2,300,000 Common Shares)	\$615,000 (7,300,000 Common Shares)

Notes:

- (1) At this date, the Corporation had not commenced commercial operations.
- (2) Excluding up to 730,000 Common Shares issuable at \$0.10 per share, expiring 5 years from the date of being granted, pursuant to stock options to be granted to directors and officers of the Corporation.
- (3) Excluding 500,000 Common Shares issuable at \$0.10 per share, expiring 24 months from the date of listing of the Common Shares on the Exchange, pursuant to the Agent’s Warrant. See “Plan of Distribution”.
- (4) Funds estimated to be available on completion of the Offering amount to \$477,298 after deducting expenses relating to prior issuance, the selling commissions and related expenses incurred by the Corporation. See “Use of Proceeds – Proceeds and Principal Purposes”.

OPTIONS TO PURCHASE SECURITIES

The Corporation has established a stock option plan for its officers, directors, consultants and employees to which the Corporation may grant options to acquire a maximum number of Common Shares equal to 10% of the total issued and outstanding Common Shares of the Corporation.

Upon closing of the Offering, the Corporation proposes to enter into stock option agreements pursuant to the Stock Option Plan as follows:

Name	Number of Shares Under Option if Offering is Subscribed	Exercise Price per Share	Expiry Date
Paul Barbeau	167,900	\$0.10	Five years from date of grant
David Randall Chow	167,900	\$0.10	Five years from date of grant
Patrick André Murphy	131,400	\$0.10	Five years from date of grant
Michael Labiak	131,400	\$0.10	Five years from date of grant
John Kutkevicius	131,400	\$0.10	Five years from date of grant
Total:	730,000		

Stock Option Terms

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

The options to be granted to directors and officers of the Corporation to purchase a number of Common Shares equal to 10% of the number of Common Shares issued and outstanding upon completion of the Offering are qualified for distribution under this prospectus.

PRIOR SALES

Since the date of incorporation, 2,300,000 Common Shares have been issued and are currently outstanding as follows:

<u>Date Issued</u>	<u>Number of Common Shares</u>	<u>Issue Price per Common Share</u>	<u>Aggregate Issue Price</u>	<u>Nature of Consideration</u>
May 31, 2018	2,300,000	\$0.05	\$115,000	Cash
Total	2,300,000⁽¹⁾		\$115,000	

Notes:

(1) All of these Common Shares will be placed 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 2,300,000 Common Shares issued prior to this Offering at a price below \$0.10 per Common Share, all Common Shares that have been or may be acquired by Non-Arm’s Length Parties of the Corporation either under the Offering or otherwise prior to Completion of the Qualifying Transaction and all Common Shares acquired by members of the Aggregate Pro Group prior to this Offering will be deposited with the Escrow Agent under the Escrow Agreement. As of the date hereof, 2,300,000 Common Shares will be held by the Escrow Agent pursuant to the Escrow Agreement.

All Common Shares acquired on exercise of stock options prior to the Completion of the Qualifying Transaction must also be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

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

The following table sets out, as at the date hereof, the number of Common Shares of the Corporation that are held pursuant to the Escrow Agreement:

<u>Name and Municipality of Residence of Shareholder</u>	<u>Number of Common Shares held in Escrow</u>	<u>Percentage of Common Shares prior to giving effect to the Offering</u>	<u>Percentage of Common Shares after giving effect to the Offering⁽¹⁾⁽²⁾⁽³⁾</u>
Paul Barbeau Ottawa, Ontario	500,000	21.74%	6.85%
2091376 Ontario Ltd. ⁽⁴⁾ Ottawa, Ontario	400,000	17.39%	5.48%
Patrick André Murphy Gatineau, Québec	100,000	4.35%	1.37%
Michael Labiak La Salle, Ontario	500,000	21.74%	6.85%
John Kutkevicius Toronto, Ontario	500,000	21.74%	6.85%
Paul James Harding Ottawa, Ontario	100,000	4.35%	1.37%

Hazlo Management Services Inc. ⁽⁵⁾ Ottawa, Ontario	100,000	4.35%	1.37%
MEA Management Services Company Inc. ⁽⁶⁾ Ottawa, Ontario	100,000	4.35%	1.37%
Total	2,300,000	100%	31.51%

Notes:

- (1) Assuming these shareholders do not acquire any Common Shares under the Offering.
- (2) Excluding up to 730,000 Common Shares issuable at \$0.10 per share, expiring 5 years from the date of being granted, pursuant to stock options to be granted to directors and officers of the Corporation.
- (3) Excluding 500,000 Common Shares issuable at \$0.10 per share, expiring 24 months from the date of listing of the Common Shares on the Exchange, pursuant to the Agent's Warrant. See "Plan of Distribution".
- (4) 2091376 Ontario Ltd. is a company in which David Randall Chow and Kathi Snell Chow are the only shareholders.
- (5) Hazlo Management Services Inc. is a company of which Mr. Hugues Boisvert is the sole shareholder.
- (6) MEA Management Services Company Inc. is a company of which Mr. Martin Aquilina is the sole shareholder.

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

Upon the Corporation completing a Qualifying Transaction, the escrowed securities shall be released as to 10% immediately following the issuance of the Final Exchange Bulletin (the "**Initial Release**") and 15% on each of the dates that is 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release, pursuant to the terms of the Escrow Agreement.

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

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

If a Final Exchange Bulletin is not issued, the escrowed Common Shares will not be released. Under the Escrow Agreement, each Non-Arm's Length Party to the Corporation who holds escrowed Common Shares acquired at a price below the offering price of this prospectus has irrevocably authorized and directed the Escrow Agent to immediately: (a) cancel all of those escrowed Common Shares upon the issuance by the Exchange of a bulletin delisting the Common Shares of the Corporation; or (b) if the Corporation lists on NEX, either (i) cancel all Seed Shares purchased by Non-Arm's Length Parties to the Corporation at a discount from the IPO price, in accordance with section 11.2(a) of the CPC Policy, or (ii) subject to majority shareholder approval, cancel an amount of Seed Shares purchased by Non-Arm's Length Parties to the Corporation so that the average cost of the remaining Seed Shares is at least equal to the IPO price.

Escrowed Securities on Qualifying Transaction

Generally, if at least 75% of the securities issued pursuant to the Qualifying Transaction are "Value Securities", then all the securities issued to Principals of the Resulting Issuer pursuant to the Qualifying Transaction will be deposited into escrow pursuant to a value security escrow agreement ("**Value Security Escrow Agreement**"). Value Securities

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

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

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

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

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

The escrow agreements described above provide, *inter alia*, that all voting rights attached to escrowed securities shall be exercised by the registered holder of such securities.

PRINCIPAL SHAREHOLDERS

The following table lists those persons who own of record or who are known to the Corporation as at the date hereof to own beneficially, directly or indirectly, more than 10% of the issued and outstanding Common Shares of the

Corporation, or exercise control or direction over, more than 10% of the issued and outstanding Common Shares of the Corporation:

Name and Municipality of Residence	Type of Ownership	Number of Shares⁽¹⁾	Percentage of Shares Owned before the Offering	Percentage of Shares Owned after giving effect to the Offering⁽²⁾
Paul Barbeau Ottawa, Ontario	Of Record and Beneficial	500,000	21.74%	6.85%
David Randall Chow Ottawa, Ontario	Beneficial and Indirect ⁽³⁾	400,000	17.39%	5.48%
Michael Labiak La Salle, Ontario	Of Record and Beneficial	500,000	21.74%	6.85%
John Kutkevicius Toronto, Ontario	Of Record and Beneficial	500,000	21.74%	6.85%
Total		1,900,000	82.61%	26.03%

Notes:

- (1) Subject to the Escrow Agreement. See “Escrowed Securities”.
- (2) Reflecting the assumption that the Agent’s Warrant is fully exercised and that all options are granted as stated on pages 9 and 10 of this prospectus and that they are all exercised, Mr. Barbeau would own 667,900 Common Shares, which would constitute 7.83% of the Corporation’s outstanding Common Shares on a fully diluted basis; Messrs. Labiak and Kutkevicius would each own 631,400 Common Shares, which would constitute 7.40% of the Corporation’s outstanding Common Shares on a fully diluted basis; and Mr. Chow would own 567,900 Common Shares, which would constitute 6.66% of the Corporation’s outstanding Common Shares on a fully diluted basis.
- (3) Mr. Chow holds all of his 400,000 Common Shares through 2091376 Ontario Ltd., a company in which Mr. Chow and his spouse, Kathi Snell Chow, are the only shareholders. Figures provided for percentage of shares owned by Mr. Chow after giving effect to the Offering reflect the Common Shares Mr. Chow will hold indirectly through 2091376 Ontario Ltd.

The directors and officers, together with the Associates and Affiliates of the directors and officers, as a group beneficially own and control 2,000,000 Common Shares, which represents 86.96% of the issued Common Shares of the Corporation before giving effect to this Offering and which will represent 27.40% of the issued Common Shares of the Corporation upon completion of the Offering.

DIRECTORS, OFFICERS AND PROMOTERS

The following are the names and municipalities of residence of the directors and officers 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, (Age) and Municipality of Residence	Position or Office	Present Principal Occupation	Percentage and number of Common Shares Held Prior to Offering	Percentage and Number of Common Shares Held Upon Completion of Offering⁽¹⁾
Paul Barbeau (49) Ottawa, Ontario	Director, Chairman, Chief Executive Officer	President, hyperNet Inc.	500,000 Common Shares 21.74%	500,000 Common Shares 6.85%

David Randall Chow (53) Ottawa, Ontario	Director, Chief Financial Officer ⁽³⁾	President, CFO, Stoneworks Technologies Inc.	400,000 Common Shares ⁽²⁾ 17.39%	400,000 Common Shares ⁽²⁾ 5.48%
Patrick André Murphy (50) Gatineau, Québec	Secretary and Director	HellermanTyton Canada Inc.	100,000 Common Shares 4.35%	100,000 Common Shares 1.37%
Michael Labiak (55) LaSalle, Ontario	Director ⁽³⁾	Retired, former General Manager, Windsor Honda Automotive	500,000 Common Shares 21.74%	500,000 Common Shares 6.85%
John Kutkevicius (59) Toronto, Ontario	Director ⁽³⁾	Lawyer, Wildeboer Dellelce LLP	500,000 Common Shares 21.74%	500,000 Common Shares 6.85%

Notes:

- (1) Before the exercise of stock options by the directors and officers, the exercise of the Agent's Warrant and assuming that no Common Shares are purchased by these shareholders under this Offering. See "Plan of Distribution".
- (2) Mr. Chow holds all of his 400,000 Common Shares through 2091376 Ontario Ltd., a company in which Mr. Chow and his spouse, Kathi Snell Chow, are the only shareholders. Figures provided for percentage of shares owned by Mr. Chow after giving effect to the Offering reflect the Common Shares Mr. Chow will hold through 2091376 Ontario Ltd.
- (3) Member of the Audit Committee.

In addition to any other requirements of the Exchange, the Exchange expects management of the Corporation to meet a high management standard. The directors and officers of the Corporation believe that, on a collective basis, management possesses the appropriate experience, qualifications and history to be capable of identifying, investigating and acquiring a Significant Asset. As at the date of this prospectus, the directors and officers own 2,000,000 Common Shares representing 86.96% of the issued and outstanding Common Shares, which number of Common Shares will represent 27.40% of the issued Common Shares of the Corporation upon completion of the Offering, before the exercise of stock options by the directors and officers and the Agent's Warrant and assuming that no Common Shares are purchased by these shareholders under the Offering.

Each director will devote such time as is required in connection with the management of the corporation and completion of the Qualifying Transaction.

The following are brief biographies of the Directors and Officers of the Corporation:

Paul Barbeau, Director, Chief Executive Officer and Promoter.

Mr. Barbeau is the President of the privately owned hyperNet Inc., an application development and services company. Mr. Barbeau was President, CEO and a director of NPN Investment Group Inc., a company listed on the Exchange (TSX-V:NPN), from April 2004 to June 2007. NPN was a CPC that completed its Qualifying Transaction in June 2007.

Mr. Barbeau incorporated NPN Communications Group Limited ("NCG"), a company focused on custom database application development, in 1994 and sold it to Prospectus Inc., a privately owned publisher of multimedia business information. After the acquisition of NCG by Prospectus, Mr. Barbeau remained the sole director and officer of NCG, which continued to carry on business as a wholly owned subsidiary of Prospectus Inc. and changed its name to hyperNet Inc. in December 1998. As one of the principal shareholders and a director of Prospectus Inc., Mr. Barbeau was involved in taking it public in October 1997 by effecting a reverse takeover ("RTO") and private placement with MTU Investments Inc., a junior capital pool company at the time listed on the Alberta Stock Exchange. Following the RTO, the company changed its name to The Prospectus Group Inc. ("PGI"). PGI is a developer and seller of business-to-business software and hardware. At various times, Mr. Barbeau was CTO and director of PGI and Prospectus Inc.

and Corporate Secretary of PGI. PGI recently completed an RTO with IP Co. Limited. The resulting company, which continues to trade on the Exchange (TSX-V: ROI), has been renamed Route1 Inc.

Mr. Barbeau was President, CEO and board member of YOW Capital Corp., a company listed on the Exchange (TSX-V:YOW; currently trading under TSX-V:GRAT), from August 2007 to August 2009. YOW was a CPC that completed its Qualifying Transaction of 1618254 Ontario Ltd.'s advanced-stage copper project in August 2009. He remained a director until 2011.

Mr. Barbeau was President, CEO and board member of Panda Capital Inc., a company listed on the Exchange (TSX-V:PDA), from August 2007 to May 2017. Mr Barbeau was also the CFO of the company from November 2014 to May 2017. PDA was a CPC that completed its Qualifying Transaction of ABCann Global Corporation (TSX-V:ABCN), a cannabis producer, in May 2017.

Mr. Barbeau is 49 years old and is a Canadian citizen resident in Kanata, Ontario. He will devote such time as is required in connection with the management of the Corporation and completion of the Qualifying Transaction.

David Chow – Chief Financial Officer and Director

Mr. Chow is a professional executive officer with over 20 years of experience developing and selling to technology markets. Mr. Chow is currently President and CFO of Stoneworks Technologies Inc., an Ottawa based systems integration and value-added reseller company focused on security and cloud products for enterprise customers, and he is also a director of Leonovus Inc. (TSXV:LTV) a distributed data storage company offering secure cloud-based storage solutions. Mr. Chow is a graduate of Queens University with a degree in Economics.

Patrick André Murphy – Secretary and Director

Mr. Murphy is Regional Sales Manager for HellermannTyton Canada Inc., a global leader in cable management and protection products, identification systems and network connectivity solutions. He has over 25 years of entrepreneurial experience in all layers of the IT industry, including computer hardware, software development and network cabling.

In 1990, Mr. Murphy established The Clones Society Inc, an Ottawa-based company specializing in computer and communication hardware sales, service and support. The company was acquired in 2002 by Prospectus Group Inc. (TSXV:PSE), a company listed on the Exchange. Mr. Murphy remained as President of The Clones Society Inc., a wholly-owned subsidiary of Route1 Inc. (formerly PGI) until 2005.

Mr. Murphy was previously a board member of two capital pool companies, YOW Capital Corporation and NPN Investment Group. Both companies have completed their Qualifying Transactions.

Michael Labiak – Director

Mr. Labiak is an entrepreneur and active investor. Until his retirement in August 2014, Mr. Labiak had been the general manager of Windsor Honda Automotive, where he had been employed since 1991. Between July 2011 and December 2013, Mr. Labiak was the Chief Operating Officer and an Executive Vice President of Essex Angel Capital Inc. (TSXV:EXC), a publically listed investment company. He is also the founding shareholder of Vier Capital Corp., a capital pool company (TSXV:VIE.P) and was a director of Soleil Capital Corp. (TSXV:SOLE.P), a capital pool company, from January 2017 to March 2018. Soleil Capital Corp. completed its Qualifying Transaction and started

trading as Goldplay Exploration Ltd. (TSXV:GPLY) on March 6, 2018. Mr. Labiak resigned as a director of Soleil Capital Corp. on March 1, 2018.

Mr. Labiak holds a Bachelor of Arts, Finance, from Michigan State University.

John Kutkevicius - Director

Mr. Kutkevicius is a lawyer with over 30 years of experience, currently practicing with the Toronto law firm of Wildeboer Dellelce LLP in the area of income tax law.

Mr. Kutkevicius has a considerable amount of experience on boards of public companies. Since April of 2013 Mr. Kutkevicius has served as a director of Barkerville Gold Mines Ltd. (TSXV:BGM) and has previously served as director and Chair of the audit committee of Chariot Resources Limited (TSX:CHD) between December 2004 and June 2010, and as director and member of the audit committee of Changfeng Energy Inc. (TSXV:CFY) between June of 2012 and June of 2015.

Mr. Kutkevicius holds a Bachelor of Commerce degree from Queen’s University, a Bachelor of Laws degree from the University of Western Ontario and a Masters of Law degree (in taxation) from York University.

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 or promoters of other Issuers that are, or were reporting issuers in any Canadian jurisdiction:

Name	Name of Reporting Issuer	Name of Exchange or Market	Position	From	To
Paul Barbeau	Panda Capital Inc.	TSX-V ⁽¹⁾	President, CEO, Director	August 2007	May 2017
			CFO	November 2014	May 2017
David Chow	Leonovus Inc.	TSX-V	Director	November 2016	Present
Michael Labiak	Soleil Capital Corp. ⁽²⁾	TSX-V	Director	January 2017	March 2018
	Essex Angel Capital Inc.	TSX-V	COO, Executive Vice President	December 2010	December 2013
John Kutkevicius	Barkerville Gold Mines Ltd.	TSX-V	Director	April 2013	Present
	Changfeng Energy Inc.	TSX-V	Director	June 2012	June 2015

Notes:

(1) TSX-V means the TSX Venture Exchange.

(2) Soleil Capital Corp. was a Capital Pool Company that completed its Qualifying Transaction and started trading as Goldplay Exploration Ltd. in March 2018 (TSXV:GPLY).

Corporate Cease Trade Orders or Bankruptcies

Other than as set forth below, no director, officer, Insider or promoter of the Corporation, or a shareholder of the Corporation holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is, or within 10 years before the date of this prospectus has been, a director, officer, Insider or Promoter of any other issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or, an order that denied the other issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days; or
- (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

John Kutkevicius has been a director of Barkerville Gold Mines Ltd. (“**Barkerville**”), a public company trading on the Exchange, since April 2013. On August 14, 2012 Barkerville was the subject of a cease trade order under section 164(1) of the *Securities Act*, R.S.B.C. 1996, c.418, as a result of Barkerville filing a technical report dated August 13, 2012 that was not in the required form under National Instrument 43-101 *Standards of Disclosure for Mineral Projects*. Barkerville subsequently applied for revocation of the cease trade order and the cease trade order was revoked on July 15, 2013.

Penalties or Sanctions

No director, officer, Insider or promoter of the Corporation, or a shareholder of the Corporation holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by 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

No director, officer, Insider or promoter of the Corporation, or a shareholder of the Corporation holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, or a personal holding company of any such person has, within 10 years before the date of this prospectus, as applicable, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or has instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such person’s assets.

Conflicts of Interest

There are potential conflicts of interest to which the directors, officers, insiders and promoters of the Corporation will be subject in connection with the operations of the Corporation. Some of the directors, officers, Insiders and promoters 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, and situations may arise where the directors, officers, Insiders and promoters will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies under the *Canada Business Corporations Act*.

EXECUTIVE COMPENSATION

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

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

However, the Corporation may reimburse Non-Arm's Length Parties for the Corporation's reasonable allocation of rent, secretarial services and other general administrative expenses, at fair market value ("**Permitted Reimbursement**"), which reimbursements, since incorporation, have totaled \$2,000 as of the date hereof. No reimbursement may be made for any payment made to lease or acquire a vehicle.

The directors and officers of the Corporation may also be granted stock options.

No payment other than the Permitted Reimbursements will be made by the Corporation or by any party on behalf of the Corporation, after Completion of the Qualifying Transaction, if the payment relates to services rendered or obligations incurred or in connection with the Qualifying Transaction.

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

DILUTION

Purchasers of Common Shares under this prospectus will suffer an immediate dilution on investment of 15% or \$0.02 per Common Share. Dilution has been computed on the basis of total gross proceeds to be raised under this prospectus and from sales of securities prior to filing this prospectus, without deduction of commissions or of related expenses incurred by the Corporation, and without taking into account the Agent's Warrant or any of the options described under "Options to purchase securities".

Item	Offering
Gross proceeds of prior share issuances	\$115,000
Gross proceeds of this Offering	\$500,000
	<hr/>
Total gross proceeds after this Offering	\$615,000
	<hr/>
Offering price per share	\$0.10

Proceeds per share after this Offering	\$0.084
	<hr/>
Dilution per share to subscriber	\$0.016
	<hr/>
Percentage of dilution in relation to offering price	16%

RISK FACTORS

Prior to making a decision to invest, prospective purchasers in the Offering should consider their own position, and all of the risks of investing in the Common Shares. The following are risk factors associated with the Corporation:

- (a) the Corporation was only recently incorporated, has not commenced commercial operations and has no assets other than cash. It has no history of earnings, and shall not generate earnings or pay dividends until at least after Completion of the Qualifying Transaction;
- (b) **investment in the Common Shares offered by this prospectus is highly speculative given the proposed nature of the Corporation’s business and its present stage of development;**
- (c) the directors and officers of the Corporation will only devote a portion of their time to the business and affairs of the Corporation and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time, see “Conflicts of Interest”;
- (d) investors will suffer an immediate dilution on investment of 16% or \$0.016 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 fair value for the Common Shares;
- (k) upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares of the Corporation will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained and certain preliminary reviews have been conducted. The Common Shares of the Corporation will be reinstated to trading before the Exchange has reviewed the

transaction and before the Sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Corporation completing the proposed Qualifying Transaction;

- (l) trading in the Common Shares of the Corporation may be halted at other times for other reasons, including for failure by the Corporation to submit documents to the Exchange in the time periods required;
- (m) the Exchange will generally suspend trading in the Common Shares or delist the Corporation in the event that the Exchange has not issued a Final Exchange Bulletin within 24 months of the date of listing;
- (n) if the Corporation does not list the Common Shares on the Exchange prior to the time of closing and does not make an election to be a “public corporation” for purposes of the ITA 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 Plans (each as defined hereafter under the heading “Eligibility for Investment”);
- (o) neither the Exchange nor any securities regulatory authority passes upon the merits of the proposed Qualifying Transaction;
- (p) in the event that management of the Corporation resides outside of Canada or the Corporation identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts;
- (q) the Qualifying Transaction may be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation;
- (r) subject to prior Exchange acceptance, the Corporation may be permitted to loan or advance up to an aggregate of \$250,000 of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Corporation will be able to recover that loan; and
- (s) the Corporation is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Corporation is dependent upon the efforts and abilities of its management team. The loss of any member of the management team could have a material adverse effect upon the business and prospects of the Corporation. In such event, the Corporation will seek satisfactory replacements but there can be no guarantee that appropriate personnel may be found.

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

See “Business of the Corporation”, “Method of Financing Acquisition or Participation Opportunities” and “Directors and Officers”.

LEGAL PROCEEDINGS

There are no actual or, to the knowledge of the Corporation, pending legal proceedings to which the Corporation is or is likely to be a party or of which any of its assets are likely to be subject.

RELATIONSHIP BETWEEN THE CORPORATION AND THE AGENT

The Agent for the Offering is Industrial Alliance Securities Inc. Legal counsel to the Agent is Burstall LLP.

The Corporation is not a “related issuer” or “connected issuer” of the Agent as such terms are defined in National Instrument 33-105 - Underwriting Conflicts. The employees, officers and directors of the Agent do not own any Common Shares.

RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS

As of the date hereof, Hugues Boisvert, director and chief executive officer of Hazlo Law Professional Corporation, legal counsel to the Corporation, owns 100,000 Common Shares through Hazlo Management Services Inc. a company of which he is the sole shareholder.

As of the date hereof, Martin Aquilina, director and chief operating officer of Hazlo Law Professional Corporation, legal counsel to the Corporation, owns 100,000 Common Shares through MEA Management Services Company Inc., a company of which he is the sole shareholder.

MNP LLP, auditors of the Corporation, are independent of the Corporation within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

As of the date hereof, partners and associates of Burstall LLP do not own, directly or indirectly, any Common Shares.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are MNP LLP, 800-1600 Carling Avenue Ottawa, Ontario K1Z 1G3.

The Transfer Agent and Registrar for the Common Shares of the Corporation is TSX Trust Company.

MATERIAL CONTRACTS

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

- (a) The Agency Agreement. See “Plan of Distribution”.
- (b) The Transfer Agency and Registrar Agreement dated September 17, 2018 between the Corporation and the Registrar and Transfer Agent.
- (c) The Escrow Agreement. See “Escrowed Securities”.
- (d) The Stock Option Plan. See “Options to Purchase Securities”.

Copies of these agreements will be available for inspection at the registered office of the Corporation at 11-300 Earl Grey Drive, Ottawa, Ontario K2T 1C1, and at the office of the Commission 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.

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.

INDEBTEDNESS OF DIRECTORS, OFFICERS, PROMOTERS AND OTHERS

No director, officer, or promoter or other member of management of the Corporation, or any Associate or Affiliate of any such person, is or has been indebted to the Corporation.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The officers, directors and promoter have all acquired Seed Shares and an aggregate number of Common Shares equal to 10% of the number of Common Shares issued and outstanding upon completion of the Offering will be reserved for stock options to be granted to them. See “Options to Purchase Securities”.

As of the date hereof, the Corporation is a party to an agreement with hyperNET Inc., a corporation of which Paul Barbeau is the sole shareholder, pursuant to which hyperNET Inc. provides office space and administrative services to the Corporation. The consideration paid by the Corporation to hyperNET pursuant to this agreement amounts to less than \$5,000 annually.

ELIGIBILITY FOR INVESTMENT

In the opinion of Hazlo Law Professional Corporation, counsel to the Corporation, based on the current provisions of the Tax Act, the regulations thereto in force as of the date hereof (the “**Regulations**”), all amendments to the Tax Act and Regulations publically announced by the Minister of Finance as of the date hereof (the “**Proposed Amendments**”) and counsel's understanding of the current published administrative practices of the Canada Revenue Agency (the “**CRA**”), provided the Common Shares are listed on a designated stock exchange, the Common Shares will be qualified investments under the Tax Act and the Regulations in effect on the date hereof for trusts governed by registered retirement savings plans (“**RRSPs**”), registered retirement income funds (“**RRIFs**”), deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts (“**TFSAs**”), all as defined in the Tax Act (the “**Plans**”).

Notwithstanding that the Common Shares may be a qualified investment for a trust governed by a TFSA, RRSP or RRIF, the holder of a TFSA or an annuitant of an RRSP or an RRIF will be subject to a penalty tax on the Common Shares held in the TFSA, RRSP or RRIF, as the case may be, if such shares are a “prohibited investment” for the purposes of the Tax Act. The Common Shares will generally be a “prohibited investment” for a TFSA, RRSP, or RRIF if the holder or annuitant thereof 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.

Prospective investors who intend to hold Common Shares in their Plans are urged to consult their own tax advisors as to whether the Common Shares will be a qualified investment 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 the prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed.

PURCHASER’S STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

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

NBS Capital Inc.
Financial Statements
June 30, 2018

	Page
Independent Auditors' Report	
Financial Statements	
Statement of Financial Position.....	1
Statement of Loss and Other Comprehensive Loss.....	2
Statement of Changes in Equity.....	3
Statement of Cash Flows.....	4
Notes to the Financial Statements.....	6-12

Independent Auditors' Report

To the Shareholders of NBS Capital Inc.:

We have audited the accompanying financial statements of NBS Capital Inc., which comprise the statements of financial position as at June 30, 2018, and the statements of loss and other comprehensive loss, changes in equity and cash flows for the period from incorporation (March 1, 2018) to June 30, 2018, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of NBS Capital Inc. as at June 30, 2018 and its financial performance and its cash flows for the period from incorporation (March 1, 2018) to June 30, 2018 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 in the financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of NBS Capital Inc. to continue as a going concern.

Ottawa, Ontario
October 11, 2018



Chartered Professional Accountants
Licensed Public Accountants

NBS Capital Inc.
Statement of Financial Position
As at June 30, 2018

	2018
Assets	
Current	
Cash	88,466
Subscription receivable	5,000
Prepaid expenses	19,040
	<hr/> 112,506
Liabilities	
Current	
Trade and payables	283
Equity	
Share capital (Note 7)	115,000
Deficit	(2,777)
	<hr/> 112,223
	<hr/> 112,506

Approved by the board of directors:

(SIGNED) Paul Barbeau
Chief Executive Officer and Director

(SIGNED) David Randall Chow
Chief Financial Officer and Director

The accompanying notes are an integral part of these financial statements

NBS Capital Inc.
Statement of Loss and Other Comprehensive Loss
For the period ended June 30, 2018

	2018
Expenses	
Professional fees	2,260
Office expenses	416
Meals and entertainment	79
Bank charges	22
	2,777
Loss and other comprehensive loss	2,777
Basic and diluted loss per share	(0.001)

The accompanying notes are an integral part of these financial statements

NBS Capital Inc.
Statement of Changes in Equity
For the period ended June 30, 2018

	Share Capital		Deficit	Total
	Number of shares	\$	\$	\$
Balance, March 1, 2018	-	-	-	-
Shares issued	2,300,000	115,000	-	115,000
Net loss and comprehensive loss	-	-	(2,777)	(2,777)
Balance, June 30, 2018	2,300,000	115,000	(2,777)	112,223

The accompanying notes are an integral part of these financial statements

NBS Capital Inc.
Statement of Cash Flows
For the period ended June 30, 2018

	2018
Operating activities	
Net loss and other comprehensive loss for the period	(2,777)
Changes in working capital accounts	
Subscription receivable	(5,000)
Prepaid expenses	(19,040)
Trade and other operating liabilities	283
	<u>(23,757)</u>
Cash provided by operating activities	<u>(26,534)</u>
Financing activities	
Shares issued	115,000
	<u>115,000</u>
Increase in cash	88,466
Cash , beginning of the period	-
	<u>-</u>
Cash , end of the period	<u>88,466</u>

The accompanying notes are an integral part of these financial statements

NBS Capital Inc.
Notes to the Financial Statements
From the date of incorporation (March 1, 2018) to June 30, 2018
(Expressed in Canadian Dollars)

1. DESCRIPTION OF BUSINESS

NBS Capital Inc. (the "Corporation") was incorporated under the Canada Business Corporations Act on March 1, 2018 with the intent of being classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange") Corporate Finance Manual. The Corporation has no assets other than cash, amounts receivable and prepaid expenses. The Corporation's purpose is to identify and evaluate potential assets or businesses, with a view to completing a Qualifying Transaction, as defined in Exchange Policy 2.4.

The Corporation operates from its primary office in Ottawa, Ontario, Canada. Its registered office is located at 11 – 300 Earl Grey Drive, Ottawa, ON K2T 1C1.

2. BASIS OF CONSOLIDATION AND PRESENTATION

Statement of Compliance

These financial statements of the Corporation (the "Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The accounting policies applied in these financial statements are presented in Note 3.

The preparation of the financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgements in applying the Corporation's accounting policies. The areas involving a higher degree of judgements or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Basis of Presentation and Going Concern

The Financial Statements reflect the financial position, results of operations and cash flows of the Corporation.

The Financial Statements of the Corporation have been prepared in accordance with IFRS on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Corporation is in its first year of operation and, as at June 30, 2018, had a deficit of \$2,777. The success of the Corporation is dependent upon the Corporation's ability to identify and evaluate potential assets or businesses and, once identified, negotiate and acquire such assets or businesses. The Corporation, as at June 30, 2018, had cash balances of \$88,466 and current liabilities of \$283. The Corporation will require additional financing to continue to pursue its identification and acquisition activities, and to meet its general and administrative costs for at least the next 12 months from the reporting period. These factors indicate the existence of a material uncertainty that may cast doubt as to the Corporation's ability to continue as a going concern and accordingly use accounting principles applicable to a going concern.

Basis of measurement

The Financial Statements have been prepared on a historical cost basis.

Functional currency and currency of presentation

The Financial Statements are presented in Canadian dollars which is also the functional currency of the Corporation.

NBS Capital Inc.
Notes to the Financial Statements
From the date of incorporation (March 1, 2018) to June 30, 2018
(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES

A) Cash

Cash consists of amounts on deposit with high credit quality financial institutions.

B) Income taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income (loss).

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax basis, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period, the Corporation reassesses unrecognized deferred tax assets. The Corporation recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

C) Loss per share

Basic loss per share is computed by dividing the loss for the period by the weighted-average number of shares outstanding during the period. Diluted earnings per share is calculated giving effect to potential dilution that would occur if stock options, warrants or other dilutive instruments were exercised. The dilutive impact is determined by assuming that any proceeds upon exercise for which market price exceeds exercise price, would be used to purchase shares at the average market price for the period. The number of additional shares included in the calculation is based on the treasury stock method for options and warrants. Diluted loss per share does not include the effect of potentially issuable common shares if their effect is anti-dilutive.

D) Financial instruments

Financial assets and financial liabilities are recognized when the Corporation becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires.

NBS Capital Inc.

Notes to the Financial Statements

From the date of incorporation (March 1, 2018) to June 30, 2018

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial assets and financial liabilities are measured initially at fair value plus transactions costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value.

Financial assets and financial liabilities are measured subsequently as described below.

Financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortized cost
- fair value through profit or loss (“FVTPL”)
- fair value through other comprehensive income (“FVOCI”).

The classification is determined by both:

- the entity’s business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

The category determines subsequent measurement and whether any resulting income and expense is recognized in profit or loss or in other comprehensive income (loss) (all income and expenses relating to financial assets that are recognized in profit or loss are presented within finance income or other financial items).

Subsequent measurement of financial assets

Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category includes non-derivative financial assets like loans and receivables with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Corporation’s cash and the subscription receivable fall into this category of financial assets.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model than ‘hold to collect’ or ‘hold to collect and sell’, and financial assets the contractual cash flows of which are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a

NBS Capital Inc.
Notes to the Financial Statements
From the date of incorporation (March 1, 2018) to June 30, 2018
(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

valuation technique, where no active market exists. The Corporation does not have any financial instruments in this category as at June 30, 2018.

Financial assets at fair value through other comprehensive income (FVOCI)

The Corporation accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is hold to collect the associated cash flows and sell and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in OCI will be recycled upon derecognition of the asset. The Corporation does not have any financial instruments in this category as at June 30, 2018.

Impairment of financial assets

IFRS 9's new impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss' ("ECL") model. The Corporation considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the financial instrument. In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1") and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2").

"Stage 3" would cover financial assets that have objective evidence of impairment at the reporting date. However, none of the Corporation's financial assets fall into this category.

"12-month expected credit losses" are recognised for the first category while "lifetime expected credit losses" are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and measurement of financial liabilities

The Corporation's financial liabilities include trade and payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Corporation designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortized cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

NBS Capital Inc.

Notes to the Financial Statements

From the date of incorporation (March 1, 2018) to June 30, 2018

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

E) Equity

Share capital represents the amount received on the issue of shares. Transaction costs directly attributable to the issuance of common shares are recognized as a reduction of share capital.

F) Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of the assets, liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. The Corporation has identified the following critical accounting policies under which significant judgments, estimates and assumptions are made and where actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

In particular, the Corporation has identified the following areas where significant judgments, estimates, and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the Financial Statements.

Significant management judgments

The following are significant management judgments in applying the accounting policies of the Corporation and have the most significant effect on the Financial Statements.

- *Going concern*

The assessment of the Corporation's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and fund the identification, evaluation and completion of a Qualifying Transaction, involves significant judgments based on expectation of future events that are believed to be reasonable under the circumstances.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Corporation based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Corporation. Such changes are reflected in the assumptions when they occur.

- *Accruals*

The Corporation records accruals based on estimates. Management has made significant assumptions about the future and, in the event that actual results differ from assumptions made, a material adjustment could result.

NBS Capital Inc.
Notes to the Financial Statements
From the date of incorporation (March 1, 2018) to June 30, 2018
(Expressed in Canadian Dollars)

4. RECENT ACCOUNTING PRONOUNCEMENTS

The following standards are effective for the Corporation's annual periods beginning after July 1, 2018, with earlier adoption permitted. The Corporation has not early adopted these standards and is currently assessing the impact they will have on the Financial Statements

IFRS 16 Leases ("IFRS 16") eliminates the classification of leases as either operating or finance leases for a lessee. Instead, all leases are capitalized by recognizing the present value of lease payments and recognizing an asset and a financial liability representing an obligation to make future lease payments. The principles in IFRS 16 provide a more consistent approach to acquiring the use of an asset whether by leasing or purchasing the asset.

The new leasing standard is applicable to all entities and will supersede current lease accounting standards under IFRS. Prospective application is required beginning on or after January 1, 2019 with early adoption permitted only if an entity early-adopts IFRS 15 as well. The Corporation plans to adopt the new standard on the required effective date.

5. CAPITAL MANAGEMENT

The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern and allow it to identify an appropriate business or asset in order to acquire such a business or asset.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Corporation, is reasonable. The Corporation monitors its cash as capital. There were no changes in the Corporation's approach to capital management during the period ended June 30, 2018. The Corporation's investment policy is to hold cash in interest bearing bank accounts. The Corporation is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products. The Corporation expects its current capital resources to be sufficient to carry out its activities for the next twelve months.

6. FINANCIAL INSTRUMENTS

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – valuation based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities.

Level 2 – valuation techniques based on inputs that are quoted prices or similar instruments in active markets; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – valuation techniques with significant unobservable market inputs.

As at June 30, 2018, the Corporation did not have any financial instruments carried at fair value and that require classification within the fair value hierarchy.

NBS Capital Inc.

Notes to the Financial Statements

From the date of incorporation (March 1, 2018) to June 30, 2018

(Expressed in Canadian Dollars)

6. FINANCIAL INSTRUMENTS (Continued)

Financial Risk Factors

The Corporation has exposure to credit risk, liquidity risk and market risk. The Corporation's Board of Directors has the overall responsibility for the oversight of these risks and reviews the Corporation's policies on an ongoing basis to ensure that these risks, which are summarized below, are appropriately managed:

Credit risk

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations, as and when they fall due. It is inherent to the Corporation as potential losses may arise due to a failure of its counterparties to fulfill their obligations on maturity periods or due to adverse market conditions. The Corporation's financial assets exposed to credit risk are primarily composed of cash and a subscription receivable. Maximum exposure is equal to the carrying values of these assets. The Corporation's cash is kept in a Canadian bank. The financial assets of the Corporation are neither past due nor impaired as at June 30, 2018.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due. As at June 30, 2018, the Corporation had a cash balance of \$88,466 to settle current liabilities of \$283. To the extent that the Corporation believes it has sufficient liquidity to meet its current obligations, the Board of Directors may consider securing additional funds through equity or partnering transactions to finance future operations. All of the Corporation's financial liabilities are normally paid within 30 days and are subject to normal trade terms. The Corporation has no source of operating cash flow to fund its evaluation of a potential Qualifying Transaction. Funding for a potential Qualifying Transaction requires equity or debt financing. The Corporation has limited financial resources and there is no assurance that funding will be available to allow the Corporation to complete a Qualifying Transaction.

7. SHARE CAPITAL

Authorized share capital

An unlimited number of common shares with no par value.

Issued and outstanding

	June 30, 2018	
	Number of Common Shares	Amount
		\$
Opening Balance March 1, 2018	-	-
Private Placement – Common Shares	2,300,000	115,000
Ending Balance June 30, 2018	2,300,000	115,000

On August 28, 2018 the subscription receivable of \$5,000 was received by the Corporation.

NBS Capital Inc.

Notes to the Financial Statements

From the date of incorporation (March 1, 2018) to June 30, 2018

(Expressed in Canadian Dollars)

8. INCOME TAXES

(a) Provision for income taxes

Major items causing the Corporation's effective income tax rate to differ from the combined Canadian federal and provincial statutory rate of 26.5% were as follows:

	2018
	\$
Loss before income taxes	(2,777)
Expected income tax recovery based on statutory rate	(736)
Benefit of tax losses not recognized	736
Deferred income tax provision (recovery)	-

(b) Deferred income taxes

The Corporation has approximately \$2,777 of non-capital losses in Canada, which under certain circumstances can be used to reduce the taxable income of future years. The Canadian losses expire in the following periods:

<u>Year</u>	<u>Amount (\$)</u>
2038	<u>2,777</u>
	<u>2,777</u>

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Corporation can use the benefits.

CERTIFICATE OF THE CORPORATION

October 12, 2018

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

(SIGNED) Paul Barbeau
Chief Executive Officer and Director

(SIGNED) David Randall Chow
Chief Financial Officer and Director

ON BEHALF OF THE BOARD

(SIGNED) Patrick André Murphy
Secretary and Director

(SIGNED) Michael Labiak
Director

CERTIFICATE OF THE AGENT

October 12, 2018

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

INDUSTRIAL ALLIANCE SECURITIES INC.

38 Auriga Drive, Suite 228

Ottawa, Ontario

K2E 8A5

Per:

(SIGNED) Frederik Westra, Executive VP,
Managing Director and Head of Capital
Markets