NO SECURITIES COMMISSION OR SIMILAR AUTHORITIY IN CANADA HAS IN ANY WAY PASSED ON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE. THIS PROSPECTUS CONSTITUES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY OFFERED FOR SALE AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES.

INITIAL PUBLIC OFFERING **DATED MARCH 9, 2001**

AVIC TECHNOLOGIES INC.
(A Capital Pool Company)

Total Offering $300,000.00
1,500,000 Common Shares
(Without Nominal or Par Value)
PRICE: $0.20 Per Common Share

Avic Technologies Inc. (the "Corporation") hereby offers 1,500,000 common shares (the "Common Shares") to the public at a price of $0.20 per Common Share. The purpose of this issue is to provide the Corporation with a minimum of funds with which to identify and evaluate corporations, properties, assets or businesses with a view to their potential acquisition or the acquisition of an interest therein in order to complete a qualifying transaction ("Qualifying Transaction") approved by the Canadian Venture Exchange Inc. ("CDNX") and a majority of the minority of security holders of the Corporation in accordance with Policy 2.4 of the CDNX Corporate Finance Manual (the "Policy"). See "Use of Proceeds" and "Business of the Corporation".

This offering is not underwritten and is subject to the receipt by the Corporation of a minimum subscription of $300,000.00 for the offering of 1,500,000 Common Shares which must be raised within 90 days of the issuance of a receipt for filing of a final prospectus or such other time as may be authorized by the Executive Director of the Alberta Securities Commission (the "Commission") and agreed to by National Bank Financial Inc. (the "Agent"). The Agent has agreed to act as sponsor of this offering. See "Plan of Distribution".

	Common Shares	Price to Public	Agent's Commission(1)	Net Proceeds to the Corporation(2)
Per Common Share	1	$0.20	$0.02	$0.18
Total Offering(3)	1,500,000	$300,000.00	$30,000.00	$270,000.00

(1) A commission of 10% of gross proceeds will be paid to the Agent. In addition, the Agent will be granted a non-transferable option (the "Agent's Option") to acquire up to 150,000 Common Shares at a price of $0.20 per Common Share exercisable for a period ending eighteen (18) months from the date of listing of the Corporation's Common Shares on CDNX, which option is qualified under this prospectus for distribution. The Agent will be reimbursed for its expenses, set at $8,000.00 plus G.S.T., and will also be reimbursed for its legal expenses incurred pursuant to this offering, estimated at $5,000.00 exclusive of G.S.T. See "Plan of Distribution".

(2) Before deducting the expenses of the Corporation of this issue estimated at $15,000.00 and the Agent's corporate finance and legal expenses to be reimbursed by the Corporation estimated at $13,000.00 and the listing fee paid to CDNX of $4,000.00 for aggregate expenses of the issue estimated at $32,000.00. See "Use of Proceeds".

(3) A total of 1,500,000 Common Shares are offered hereunder. In addition, this prospectus qualifies for distribution the Agent's Option to purchase 150,000 Common Shares and the stock options granted to Directors to purchase 405,000 Common Shares. See "Plan of Distribution" and "Stock Options".

(4) Directors of the Corporation currently hold an aggregate of 1,004,510 Common Shares which equates to 39.32% of the currently issued and outstanding Common Shares and will equate to 24.77% of the issued and outstanding Common Shares if the offering is fully subscribed for.

INVESTMENT IN THE COMMON SHARES SHOULD BE REGARDED AS HIGHLY SPECULATIVE due to the proposed nature of the Corporation's business and its present stage of development. Purchasers acquiring Common Shares under this offering will experience an immediate dilution of 31.55% or $0.0631 per share, based on gross proceeds of this issue, without deduction of selling commissions and related expenses of issue. See "Dilution".

The Corporation was only recently incorporated and owns no assets other than cash, and has no record of earnings nor has it paid any dividends and it is unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future, nor has the Corporation entered into an Agreement in Principle (as defined in the Policy). There is no assurance that the Corporation will identify and successfully negotiate the acquisition of any potential corporations, properties, assets or businesses, or any interests therein. Moreover, additional funds may be required to successfully complete an acquisition, and the Corporation may not be able to obtain 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. Since the Corporation has not placed any geographical restrictions on the location of a potential Qualifying Transaction, such Qualifying Transaction may involve the acquisition of a business located outside of Canada and as such investors should be made aware that it may be difficult or impossible to effect service of notice to commence legal proceedings upon any directors, officers or experts located outside of Canada and that 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. See "Business of the Corporation", "Dilution" and "Speculative Nature of the Securities".

Other than the initial distribution of Common Shares pursuant to this prospectus and the grant of the Agent's option, trading in all securities of the Corporation including all stock options being cleared by this prospectus will not be permitted during the period between the date of the receipt for the prospectus and the time the Common Shares are posted for trading on CDNX except pursuant to the Policy and with the consent of the Commission.

The Common Shares have been conditionally approved for listing on CDNX, subject to the Corporation fulfilling all requirements of CDNX, including distribution of Common Shares to a minimum number of public shareholders.

CDNX may suspend from trading or delist the Common Shares where the Corporation has failed to complete a Qualifying Transaction within eighteen (18) months of the date of listing. Suspension from trading of the Common Shares may, and delisting of the Common Shares will, result in the Commission issuing an interim cease trade order against the Corporation. In addition, delisting of the Common Shares would result in the cancellation of all issued and outstanding Common Shares of the Corporation held by insiders. See "Business of the Corporation", "Dilution" and "Speculative Nature of the Securities".

There is no established market for the Common Shares offered by this Prospectus and purchasers may not be able to dispose of them on a timely basis. The price of this offering has been determined arbitrarily by the directors of the Corporation.

For these reasons, this offering is suitable only to those investors who are willing to rely on the management of the Corporation and who are prepared to risk a loss of their entire investment.

This offering is not underwritten and is subject to a minimum subscription of 1,500,000 Common Shares for total proceeds of $300,000.00. The proceeds are to be held in trust by Montreal Trust Company of Canada, Calgary, Alberta until the total subscription is raised. If the subscription is not raised within ninety (90) days of the issuance of a receipt for the filing of a final prospectus, or such other time as may be authorized by the Executive Director of the Commission and agreed to by the Agent, all subscription monies will be returned to subscribers without interest or deduction. See "Plan of Distribution".

The maximum number of Common Shares which may be directly or indirectly purchased by any one purchaser under this offering is limited to 2% of the total offering representing 30,000 Common Shares ($6,000.00) and the maximum purchase of any one purchaser together with that purchaser's "Associates" and "Affiliates" (as defined in CDNX Policy 1.1) is 4% of the total offering representing 60,000 Common Shares ($12,000.00).

The Common Shares are offered by the Agent, as 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 referred to under "Plan of Distribution" and subject to approval of certain legal matters by Szabo DeVries, Barristers & Solicitors, Calgary, Alberta on behalf of the Corporation, and by Borden Ladner Gervais LLP, Barristers & Solicitors, Calgary, Alberta on behalf of the Agent. Subscriptions will be received subject to rejection or allotment in whole or in part and the Corporation reserves the right to close the subscription books at any time without notice. It is expected that definitive share certificates evidencing the Common Shares will be available for delivery at the closing of this offering.

National Bank Financial Inc.
2150 Canada Trust Tower
421 – 7th Avenue S.W.
Calgary, Alberta
T20 4K9

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PROSPECTUS SUMMARY

The information in this summary is qualified in its entirety by the more detailed information appearing elsewhere in this prospectus.

OFFERING:	A total of 1,500,000 Common Shares at $0.20 per Common Share. In addition, the Corporation will grant an option to the Agent to purchase up to 150,000 Common Shares at $0.20 per Common Share, upon closing of this offering. Further, directors of the Corporation have, subject to regulatory approval, been granted options to purchase in the aggregate up to 405,000 Common Shares at $0.20 per Common Share. Both the Agent's option and the directors' option, and the Common Shares to be issued thereunder, are hereby qualified under this Prospectus. See "Plan of Distribution" and "Stock Options".
CORPORATION:	The principal business of the Corporation will be to identify and evaluate corporations, properties, assets or businesses with a view to their potential acquisition or the acquisition of an interest therein as the Corporation's Qualifying Transaction. As yet, the Corporation has not carried on any business and has not identified any potential acquisition. An acquisition financed by the issuance of treasury shares could result in a change in control of the Corporation and dilute shareholders' interests. See "Business of the Corporation".
USE OF PROCEEDS:	The net proceeds of this offering will be used to provide the Corporation with a minimum of funds with which to identify and evaluate potential acquisitions, and to pay the expenses incurred pursuant to this offering. The Corporation may not have sufficient funds to commit to an acquisition or participation once identified and evaluated, and additional funds may be required. See "Use of Proceeds", "Business of the Corporation - Method of Financing Acquisitions" and "Speculative Nature of the Securities".
DIRECTORS AND MANAGEMENT	**Alan P. Chan** - President, Chief Executive Officer and Director **Richard Y.C. Lee** - Secretary-Treasurer, Chief Financial Officer and Director **Gerald A. Peacock** - Director, Chairman of the Board **Francis Leong** - Director **Edwin S.L. Tam** - Director **Cameron McIntosh** - Director See "Directors and Officers" and "Management and Key Personnel"
ESCROW	All Common Shares issued by the Corporation prior to this offering (2,554,510 Common Shares) have been placed in escrow pursuant to the terms of an escrow agreement and will only be released in predetermined stages in accordance with the terms of such escrow agreement. See "Escrowed Securities"
DIVIDEND POLICY:	It is not contemplated that any dividends will be paid on the Common Shares in the immediate or foreseeable future. See "Dividend Policy".
RISK FACTORS:	Investment in these Common Shares must be regarded as highly speculative due to the proposed nature of the Corporation's business and its present stage of development. This offering is only suitable for those investors who are willing to rely on the management of the Corporation and who are prepared to risk a loss of their entire investment. See "Business of the Corporation", "Speculative Nature of the Securities" and "Conflicts of Interest".

THE CORPORATION

The Corporation was incorporated under the name Avic Technologies Inc. by Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (Alberta) on April 26, 2000. By a Certificate of Amendment issued on December 18, 2000, the Corporation amended its Articles of Incorporation to remove the private company restrictions set forth therein.

The head office and principal office of the Corporation is located at # 333, 1333 – 8th Street S.W., Calgary, Alberta T2R 1M6. The registered office of the Corporation is located at 400, 1111 – 11th Avenue S.W., Calgary, Alberta T2R 0G5.

BUSINESS OF THE CORPORATION

History and Operations of the Corporation

To date, the Corporation has not conducted operations of any kind. The objective of the Corporation is to identify and evaluate assets or businesses, including potential acquisitions of or participation in assets or businesses with a view to completing a Qualifying Transaction approved by CDNX and the majority of the minority of the shareholders in accordance with the Policy. See “Shareholder Approval of Qualifying Transaction”. Once a suitable interest, business or other asset is identified and evaluated, the Corporation will negotiate the terms of an Agreement in Principle (as defined in the Policy) under which such interest, business or asset may be acquired or participated in by the Corporation itself or jointly with others.

Until the completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses in connection with a potential Qualifying Transaction.

Process of Identification of Acquisitions

The Corporation proposes to identify potential acquisitions through discussions with industry contacts and utilization of the professional skills of the officers and directors of the Corporation. The Corporation’s present intention is to pursue business opportunities in the high technology sector.

Criteria for Acquisitions

All potential acquisitions will initially be screened by management of the Corporation to determine their economic viability. The Board of Directors will examine proposed acquisitions having regard to sound business fundamentals utilizing the expertise and experience of the directors. The Corporation will consider acquisitions of assets or businesses operated or located both inside and outside of Canada.

Method of Financing Acquisitions or Participation

The Corporation proposes to use cash, bank financing, issuance of treasury shares, private or public financing or some combination thereof to finance acquisitions. If treasury shares are issued, such issuance could result in a change in control and further dilution to shareholders.

Shareholder Approval of Qualifying Transaction

Any Qualifying Transaction that the Corporation enters into shall be submitted to its shareholders for their approval in accordance with the Policy. Pursuant to the Policy, a Qualifying Transaction must be approved by 50% plus one vote of the votes cast by the Corporation's shareholders; however, such vote must exclude the promoters, officers, directors, control persons or other insiders of the Corporation, as well as associates or affiliates of such persons or companies (the "Related Parties to the Corporation"), and also must exclude the seller(s), the target company and all other parties to, or associated with, the Qualifying Transaction, as well as associates and affiliates of such parties (collectively the "Related Parties to the Qualifying Transaction") at a properly constituted meeting of the Corporation's shareholders (this shareholders' vote is referred to as the "Majority of the Minority Approval").

For the purposes of the Policy, the term "Qualifying Transaction" includes a transaction whereby the Corporation:

(a) issues, or proposes to issue, in consideration for the acquisition of Significant Assets, as defined below, Common Shares or securities convertible, exchangeable or exercisable into Common Shares which, if fully converted, exchanged or exercised would represent more than 25% of the Common Shares of the Corporation issued and outstanding immediately prior to the issuance;

(b) the Corporation enters into an agreement, amalgamation, merger or reorganization (the "Reorganization") with another company with Significant Assets (as defined below) whereby the ratio of securities which are distributed to the Corporation and the other company results in the shareholders of the other company acquiring control of the entity resulting from the Reorganization; or

(c) the Corporation otherwise acquires Significant Assets, other than cash;

but excludes a transaction which, prior to completion of a Qualifying Transaction, consists solely of the issuance for cash by the Corporation of Common Shares or securities convertible, exchangeable or exercisable into Common Shares, representing more than 25% of its issued and outstanding Common Shares immediately prior to such issuance. "Significant Assets" means one or more assets or businesses which, when acquired by the Corporation together with any other concurrent transaction, results in the Corporation meeting the minimum listing requirements set out in CDNX Policy 2.1.

Notwithstanding the definition of a Qualifying Transaction, CDNX, in its discretion, may not approve a Qualifying Transaction where:

(a) the Corporation fails to satisfy the minimum listing requirements of CDNX upon completion of the proposed Qualifying Transaction;

(b) the aggregate number of securities of the Corporation owned, directly or indirectly, by:

    (i) a member of CDNX;

    (ii) registrants, unregistered corporate finance professionals, employee shareholders and partners of the member firm; and

    (iii) associates of any such person,

    collectively, would exceed 20% of the issued and outstanding securities of the Corporation following completion by the Corporation of a Qualifying Transaction;

(c) upon completion of the Qualifying Transaction the Corporation will be a finance company or a mutual fund as defined under the *Securities Act* (Alberta) (the "Act");

(d) the consideration paid either: (i) for the company or entity which is the subject of, or (ii) to the vendor of assets acquired in connection with or in contemplation of the Corporation's Qualifying Transaction, is objectionable to CDNX; or

(e) in the sole discretion of CDNX there is any other valid reason for refusing to approve of a Qualifying Transaction.

Prior to the completion of a Qualifying Transaction or the issuance of any securities of the Corporation pursuant to a Qualifying Transaction, the Corporation shall be required to comply with the Policies and Rules of CDNX and provisions of the Act and the regulations thereto, and submit for review to CDNX an information circular which must comply with the applicable corporate and securities laws and must contain prospectus level disclosure of the Qualifying Transaction and the resulting issuer prepared in accordance with Form 3A of the CDNX Corporate Finance Manual. The information circular must also contain a certificate to the effect that the information circular constitutes full, true and plain disclosure of all material facts relating to particular matters to be acted upon by the shareholder of the Corporation. Upon acceptance by CDNX, the Corporation must then mail the information circular and related proxy material to its shareholders and obtain the Majority of the Minority Approval of the Qualifying Transaction.

In the event that the Qualifying Transaction involves the acquisition of:

(a) a resource property or properties or securities in a mining or oil and gas issuer, CDNX will require the submission of a current independent engineering report or geological report which complies with either National Policy 2A or 2B, as applicable, for the principal properties being acquired; or

(b) securities in a non-resource issuer which has not commenced business or which is entering into a new business or where the Qualifying Transaction involves the acquisition of rights to a product or service, CDNX will require the submission of a current feasibility study and will require a business plan covering the next 24 month period; or

(c) real estate or other Significant Assets of determinate value, including securities of another corporation, CDNX will require the submission of a current valuation for the properties or assets being acquired

with a summary of the above to be included in the information circular presented to the shareholders of the Corporation. The Corporation will also be required to retain a sponsor, who must be a member of CDNX, and who will be required to submit to CDNX a Sponsor Report in accordance with the Policy.

The Corporation will be considered to have completed its Qualifying Transaction on the date of the shareholder meeting of the Corporation at which the Qualifying Transaction was approved, provided that all post-meeting documentation is subsequently filed with CDNX and CDNX has issued a bulletin confirming that the Qualifying Transaction has been completed and that the Corporation is no longer considered a capital pool company (the “Final Exchange Notice”). The Policy shall cease to apply after the Corporation has completed its Qualifying Transaction and such a bulletin has been issued by CDNX, with the exception of Section 14.10 of the Policy and the escrow provisions, described below, which will both continue in full force and effect.

MANAGEMENT AND KEY PERSONNEL

The following is a brief description of the management and key personnel of the Corporation:

Alan P. Chan, President, Chief Executive Officer and Director

Mr. Chan has served as President and CEO of IVG Corporation (CDNX), formerly Asia Pacific Concrete Inc., since 1996. Mr. Chan is a Professional Engineer with over 25 years of engineering and management experience. Since graduation from university, he has worked in various industries in the field of electrical engineering. He was employed by Lafarge Cement for over nine years, where he held various senior technical and management positions.

Richard Y. C. Lee, Secretary, Chief Financial Officer and Director

Since 1989, Mr. Lee served as Vice-President and Secretary of Calgary-based Signature Parke Developments Inc. He is responsible for planning, financing and developing residential lots on 58 acres of land on Signal Hill in Calgary. Mr. Lee also serves as Vice-President of Superior Investment Corporation and Jorokang Management Inc., both of which are investment management firms established in 1989 in the Province of Saskatchewan, which manage various projects and businesses for investor immigration syndicates. He graduated from Southern Alberta Institute of Technology College in 1978 with a diploma in chemistry. Mr. Lee has 16 years experience in the field of commercial and residential property development and management.

Gerald A. Peacock, Chairman of the Board and Director

Mr. Peacock has been acting as a barrister and solicitor in his own law practice since 1992. After obtaining his Bachelor of Arts degree in Political Science from the University of Calgary, he went on to obtain his L.L.B. from the University of Alberta. Currently, he holds a Barrister & Solicitor designation in the Province of Alberta.

Edwin Sui Lam Tam, Director

Mr. Tam has extensive experience in the oil and gas industry. He has worked for Suncor Energy Inc. for over 14 years and developed various projects from conceptual ideas to production. In May 2000 he established his own consulting firm, E. Tam Consulting Inc., which firm provides reservoir engineering consulting services to the oil and gas industry. He is a professional engineer and has a master of science degree in engineering.

Francis Leong, Director

Mr. Leong is City Treasurer for the City of Calgary. He has progressed through a number of senior municipal financial positions in the same organization over the past 25 years. He has a graduate degree from the Marriot School of Management, Brigham Young University, Utah, USA.

Cameron McIntosh, Director

Since 1989, Mr. McIntosh has been the principal of C.A. McIntosh & Associates which specializes in financial and tax consulting advice to corporations and individuals operating overseas. Further, Mr. McIntosh has been a licensed mutual fund representative with TWC Financial Corporation since 1993. Currently Mr. McIntosh also acts in the position of Chairman and Chief Financial Officer for IVG Corporation. During the mid 1980’s, Mr. McIntosh developed the Expatriate Financial Planning Division for the Royal Trust Corporation and was a contributing writer for many newspaper and national magazines on taxation and financial planning issues. Prior to developing his expertise in international financing, Mr. McIntosh was an audit manager for the accounting firm of MacGillivray & Company.

USE OF PROCEEDS

The gross proceeds to be received by the Corporation from the combination of prior sales of Common Shares of $255,451.00 and the sale of all of the Common Shares offered by this prospectus of $300,000.00 will be $555,451.00. The Policy requires that, until completion of the Corporation's Qualifying Transaction and except as otherwise provided by the Policy, a minimum of 70% of the gross proceeds realized from the sale of securities issued by the Corporation may only be used to identify and evaluate assets or businesses for prospective Qualifying Transactions including:

(a) expenses incurred for the preparation of:

  (i) valuations or appraisals;
  (ii) business plans;
  (iii) feasibility studies and technical assessments;
  (iv) geological reports; and
  (v) financial statements, including audited financial statements; and

(b) fees for legal and accounting services,

relating to the identification and evaluation of assets or businesses and the obtaining of shareholder approval for the Corporation's proposed Qualifying Transaction.

In addition to the above, a maximum of $100,000.00 may be used by the Corporation for a deposit or deposits in connection with one or more proposed arm's length Qualifying Transactions. Any deposit is subject to prior acceptance by CDNX, except that up to $25,000.00 may be advanced as a non-refundable deposit, unsecured deposit or advance to preserve assets without prior acceptance by CDNX.

Until the completion of the Corporation's Qualifying Transaction, no more than 30% of the gross proceeds from the sale of all securities issued by the Corporation may be used for purposes other than those described above, including the following expenditures which the Policy specifies as not being expenditures relating to the identification and evaluation of assets or businesses and the obtaining of shareholder approval for a Qualifying Transaction but which are otherwise acceptable under the Policy:

(a) listing and filing fees (including SEDAR fees);
(b) agents fees, costs and commissions;
(c) other costs of the issue of securities, including legal and audit expenses relating to the preparation and filing of this prospectus; and
(d) administrative and general expenses of the Corporation including office supplies, office rent and related utilities, printing costs including printing of this prospectus and share certificates), equipment leases and fees for legal advice and audit expenses relating to matters other than the identification and evaluation of assets and businesses and the obtaining of shareholder approval for the proposed Qualifying Transaction.

Until completion of the Qualifying Transaction, no proceeds from the sale of securities of the Corporation may be used to acquire or lease a vehicle.

Until completion of its Qualifying Transaction, the Corporation may not make any payment, directly or indirectly, to any Related Party to the Corporation or any Related Party to the Qualifying Transaction or to any person engaged in investor relations activities in respect of the Corporation or its securities by any means including remuneration (which includes salaries, consulting fees, management contract fees, directors' fees, finders' fees, loans, advances and bonuses), deposits and similar payments. No such payments may be made by the Corporation or by any party on behalf of the Corporation after the completion of the Corporation's Qualifying Transaction if the payment relates to services rendered or obligations incurred before or in connection with the Qualifying Transaction.

However, the Corporation may reimburse a Related Party to the Corporation for reasonable expenses for office supplies, office rent and related utilities, equipment leases (excluding vehicle leases), legal costs (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) and reasonable out-of-pocket expenses incurred in pursuing the business of the Corporation.

The foregoing restrictions on the use of proceeds and prohibitions on payments to Related Parties and persons engaged in investor relations activities continue to apply until the "Completion of the Qualifying Transaction", as defined in the Policy. The Corporation may be at risk of breaching the Policy in the event such expenditures are made after the shareholder meeting approving the Qualifying Transaction but prior to the issuance by CDNX of the Final Exchange Notice.

It is expected that the proceeds from previous sales of the Corporation's securities ($ 255,451.00) together with the gross proceeds of this issue ($300,000.00) shall be applied as follows:

1.	Estimated costs of identifying, evaluating and making potential acquisitions	$ 443,451.00
2.	Estimated general and administrative expenses until completion of Qualifying Transaction	$ 50,000.00
3.	Costs of this issue including legal, audit and printing costs but excluding listing fees and agent's expenses, fees and commissions	$ 15,000.00
4.	Fee for CDNX listing	$ 4,000.00
5.	Agent's expenses, fees and commission	$ 43,000.00
	Total	**$ 555,451.00**

Notes:

(1) in the event that the Corporation completes an approved Qualifying Transaction prior to spending the entire $443,451.00 on identification and evaluation of assets or businesses, the Corporation may use the remaining funds to finance or partly finance the acquisition of or participation in the Significant Assets or for other purposes;

(2) In the event the Agent exercises the Agent's Option, there will be available to the Corporation a maximum of an additional $30,000 which will be added to the working capital of the Corporation. See "Plan of Distribution".

Until required for the Corporation's purposes, the proceeds will be invested only in securities of, or those guaranteed by, the Government of Canada or any province thereof, or the Government of the United States of America, certificates of deposit or interest bearing accounts of Canadian Chartered banks, trust companies or the Alberta Treasury Branches.

The proceeds of this offering, after deducting the costs of the issue, will be sufficient only to identify a limited number of opportunities. Additional funds may be required to finance an acquisition to which the Corporation may commit. See "Business of the Corporation – Method of Financing Acquisitions or Participation" and "Risk Factors".

PLAN OF DISTRIBUTION

Pursuant to an agency agreement (the "Agency Agreement") dated as of the 31st day of December, 2000 among the Corporation, the Agent and Montreal Trust Company of Canada (the "Trustee"), the Corporation has appointed the Agent as its agent to offer for sale to the public a total of 1,500,000 Common Shares of the Corporation at $0.20 per Common Share. The Agent will receive a commission of $30,000.00 representing 10% of the aggregate gross proceeds from the sale of the Common Shares, and will be reimbursed by the Corporation for its expenses and its legal fees incurred pursuant to this offering which are estimated to be $13,000.00. The Corporation will grant to the Agent upon closing of this offering, a non-transferable option to acquire 150,000 Common Shares at $0.20 per share for an 18-month period from the date of listing on CDNX. No more than 50% of the shares held pursuant to that right may be sold prior to the completion of the Qualifying Transaction. The remaining 50% may only be sold after completion of the Qualifying Transaction.. The option to be granted to the Agent is qualified under this prospectus. The Agent has agreed to use its best efforts to secure subscriptions for all of the Common Shares offered hereunder on behalf of the Corporation and may make co-brokerage arrangements with other investment dealers at no additional cost to the Corporation. The obligations of the Agent under the Agency Agreement may be terminated at its discretion on the basis of its assessment of the state of financial markets or upon the occurrence of certain stated events. All funds received from subscriptions for Common Shares will be held by the Trustee in trust pursuant to the Agency Agreement. If subscriptions have not been raised for the purchase of 1,500,000 Common Shares prior to ninety (90) days from the date of issuance of the receipt for the final prospectus, or such other date as may be permitted by the Executive Director of the Commission and agreed to by the Agent, all funds will be returned to the purchasers without interest or deduction.

The total subscription pursuant to this prospectus is 1,500,000 Common Shares. The maximum allowable purchase by a single purchaser of the offering is 30,000 Common Shares (2% of the total offering) for a total subscription price of $6,000.00 and the maximum purchase of any one purchaser together with that purchaser's Associates and Affiliates (as defined in CDNX Policy 1.1) is 60,000 Common Shares (4% of the total offering) for a total subscription price of $12,000.00.

DESCRIPTION OF SHARE CAPITAL

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares without nominal or par value, of which as at the date hereof; 2,554,510 have been issued and are outstanding as fully paid and non-assessable, 405,000 Common Shares have been reserved under a stock option plan and 150,000 were reserved under the option to the Agent as contemplated under the Agency Agreement. See " Stock Options" and "Plan of Distribution".

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, 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 issued as fully paid and non-assessable.

CAPITALIZATION

Capital	**Amount Authorized**	**Outstanding as at** March 9**, 2001(2)**	**Outstanding After Giving Effect to this Issue (2)(3)**
Common Shares	Unlimited	$ 255,451.00 (2,554,510 Shares)	$ 555,451.00 (4,054,510 Shares)

(1) The Corporation has had no operations since incorporation and accordingly had no retained earnings or deficit as at March 9, 2001.

(2) The Corporation has granted options for an aggregate of 405,000 Common Shares at $0.20 per share to the directors and management. See "Directors and Management Stock Options". The Corporation has reserved

an aggregate of 150,000 Common Shares at $ 0.20 per share pursuant to the Agent's Option. See "Plan of Distribution".

(3) Before deducting the expenses of the offering, estimated at $32,000.00.

DILUTION

Purchasers of Common Shares offered hereunder at $ 0.20 per Common Share will suffer an immediate dilution of approximately $0.0631 per Common Share or 31.55%, on the basis of 4,054,510 Common Shares being issued and outstanding following completion of this offering. Dilution has been calculated on the basis of total gross proceeds from this offering and from prior sales of Common Shares without deduction of commissions or expenses relating to prior sales of shares or to this Offering.

PRIOR SALES

Since the date of incorporation of the Corporation, 2,554,510 Common Shares have been issued as follows:

Date	Number of Shares	Issue Price Per Share	Aggregate Issue Price	Consideration Received
April 26, 2000	10	$ 0.10	$ 1.00	Cash
June 15, 2000	1,292,000	$ 0.10	$ 129,200.00	Cash
July 17, 2000	262,500	$ 0.10	$ 26,250.00	Cash
August 28, 2000	1,000,000	$ 0.10	$ 100,000.00	Cash

PRINCIPAL SHAREHOLDERS

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

Name and Municipality of Residence	Type of Ownership	Number of Shares	Percentage of Shares Owned Before Offering	Percentage of Shares Owned After Offering (Maximum)
IVG Corporation(1) Calgary, Alberta'	of record and beneficially	1,000,000	39.15%	24.66%

Note:

(1) IVG Corporation is publicly listed on CDNX. Alan P. Chan, President and a director of the Corporation is also the President, a director and holds 489,946 common shares (3.9% of issued shares) of IVG Corporation. Cameron McIntosh, a director of the Corporation is also Chairman, C.E.O., director and holds 133,000 common shares (1.05% of issued shares) of IVG Corporation. Certain of the officers, directors and initial seed shareholders of the Corporation are shareholders of IVG Corporation, however, none of them holds more than 10% of IVG Corporation.

ESCROWED SECURITIES

All Common Shares issued by the Corporation before the closing of this offering which are issued at a price that is less than the offering price under this prospectus (the "Discount Seed Shares") must be placed in escrow pursuant to an escrow agreement (the "Discount Seed Share Escrow Agreement") and will be released as to 10% thereof following issuance of the notice by the CDNX ("Final Exchange Notice") of its final acceptance of the Qualifying Transaction, and as to 15% thereof on each of the dates which are 6, 12, 18, 24, 30 and 36 months following the initial release. In the event that as a result of its Qualifying Transaction, the Corporation qualifies as a "Tier I Issuer" for the purposes of CDNX, accelerated escrow release provisions will be available with an initial release of 25% upon issuance of the Final Exchange Notice and the release of an additional 25% thereof on each of the dates which are 6, 12 and 18 months following the initial release. In the event that a Qualifying Transaction is not completed and the Corporation is delisted from CDNX for failing to complete a Qualifying Transaction, Discount Seed Shares will not be released from escrow and such shares held by Insiders (as defined in CDNX Policy 1.1) shall be immediately cancelled pursuant to the terms of the Discount Seed Share Escrow Agreement.

The following table lists the Common Shares of the Corporation held in escrow pursuant to a Discount Seed Share Escrow Agreement dated December 31, 2000 between the Corporation, the Trustee and certain securityholders of the Corporation:

Name of Securityholders	Number of Securities Held in Escrow	Percentage of Shares Owned Before Offering	Percentage of Shares Owned After Giving Effect to this Offering
IVG Corporation	1,000,000	39.15%	24.66%
Francis Leong*	250,000	9.78%	6.16%
Gerry A. Peacock*	150,000	5.87%	3.69%
Edwin Sui Lam Tam*	105,000	4.11%	2.58%
Victor I.H. Sun	150,000	5.87%	3.69%
Hong Gang	150,000	5.87%	3.69%
Louis H. Ladouceur	100,000	3.91%	2.46%
Alan Chan*	150,010	5.87%	3.69%
Cam McIntosh*	150,000	5.87%	3.69%
Richard Lee*	199,500	7.80%	4.92%
Chor Ping Lee	150,000	5.87%	3.69%
Total	**2,554,510**	**100%**	**62.92%**

*Directors and Officers of the Corporation

In addition, all of the following securities (the "Seed Shares") of the Corporation, directly or indirectly, beneficially owned or controlled by Related Parties of the Corporation must be placed in escrow pursuant to an agreement (the "Seed Share Escrow Agreement") and will be released as to 10% thereof following issuance of the Final Exchange Notice, and as to 15% thereof on each of the dates which are 6, 12, 18, 24, 30, and 36 months following the initial release:

(a) all Common Shares issued by the Corporation before the closing of this offering that are not Discount Seed Shares;

(b) all Common Shares issued by the Corporation pursuant to this offering; and

(c) all securities acquired from treasury after the offering but before completion of the Qualifying Transaction, other than in conjunction with the Qualifying Transaction.

In the event that a Qualifying Transaction is not completed, there will be no release of the Common Shares held under the Seed Share Escrow Agreement.

None of the stock options to be issued to the directors and officers of the Corporation may be exercised before the completion of the Qualifying Transaction unless the optionee agrees in writing to deposit the shares into escrow until the issuance of the Final Exchange Notice.

Where Common Shares of the Corporation required to be held in escrow are held by a holding company during the currency of the escrow agreement, the holding company shall not carry out any transactions which would result in a change of control of the holding company without the consent of the CDNX.

In addition, all Common Shares of the Corporation acquired by a "Control Person" of the Corporation in the secondary market before the completion of the Qualifying Transaction must be placed in escrow pursuant to a Seed Share Escrow Agreement. A Control Person means any person or company that holds or is one of a combination of persons or companies that holds a sufficient number 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.

Subject to an exemption from escrow for certain securities issued by way of private placement made in conjunction with the Qualifying Transaction, either at market price or with restricted participation by the Principals (as defined in CDNX Policy 5.4), all securities which are held by Principals of the company which results from the completion of the Qualifying Transaction as of the date of the Final Exchange Notice shall be placed in escrow pursuant to CDNX Policy 5.4 – Escrow and Vendor Consideration.

In addition, any securities issued to any other party in conjunction or contemporaneously with the Qualifying Transaction may be subject to escrow requirements pursuant to CDNX Policy 5.4.

All shares held in escrow will be deposited with an escrow agent pursuant to an escrow agreement which will provide, in addition to the provisions set forth above, that all voting rights attached to the escrowed securities shall be exercised by the registered holder of the shares.

DIRECTORS AND OFFICERS

The following are the names and municipalities of residence of the directors and officers of the Corporation, their positions and offices with the Corporation and their principal occupations during the last five years. (See also "Management and Key Personnel").

Name and Municipality of Residence	Office	Present Occupation and Positions Held During the Last Five Years
Alan P. Chan[(2)] Calgary, Alberta	President, Chief Executive Officer	President of IVG Corporation (formerly Asia Pacific Concrete Inc.) 1996 to present. President of China Pacific Industrial Inc. 1994- 1998.
Richard Y.C. Lee Calgary, Alberta	Secretary, Chief Financial Officer	Vice-President and Secretary of Signature Parke Developments Inc., a real estate development company since 1989.
Gerald A. Peacock[(1)] Calgary, Alberta	Director	Barrister & Solicitor in private practice as a sole practitioner since 1992.
Francis Leong[(1)] Calgary, Alberta	Director	City Treasurer for the City of Calgary since 1999. Manager of Financial Planning, Budget and Reporting for the City of Calgary from 1998-1999. Controller for Transportation Department of the City of Calgary from 1990-1998.
Edwin S.L. Tam Calgary, Alberta	Director	Principal of E. Tam Consulting Inc. Petroleum Engineer for Suncor Energy Inc. from 1986 to 2000.
Cameron McIntosh[(1)(2)] Calgary, Alberta	Director	President of Overseas Tax Consultants and principal of C.A. McIntosh & Associates specializing in financial and tax Consulting since 1993.. Registered mutual fund representative with TWG Financial Corp. since 1993. CFO of IVG Corporation since 1997 and Chairman of IVG

Name and Municipality of Residence	Office	Present Occupation and Positions Held During the Last Five Years
		Corporation since 1999.

Notes:

(1) Directors who are members of the Corporation's audit committee;

(2) Directors with prior public company experience;

(3) The Corporation does not have an executive committee.

All of the directors and officers currently have employment outside of the Corporation.

It is expected that, initially, Alan P. Chan will devote approximately 25% of his time to the affairs of the Corporation. The remaining directors will devote such time and expertise as will be required by the Corporation.

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.

PRELIMINARY EXPENSES

Excluding the costs of this issue, it is estimated that during the 12 month period following the date of this prospectus, administrative expenses of approximately $50,000.00 may be incurred.

These expenses may change if the directors and officers consider a change to be in the best interests of the Corporation. See "Use of Proceeds". No remuneration will be paid for investor relations services performed prior to or in connection with a Qualifying Transaction.

EXECUTIVE COMPENSATION

No remuneration or compensation has been paid by the Corporation to any of its directors or officers since incorporation. No remuneration, compensation or advances of any nature whatsoever will paid, directly or indirectly, to any officer, director or other Related Party of the Corporation prior to completion of the Corporation's Qualifying Transaction or for services rendered or obligations incurred prior to or in connection with a Qualifying Transaction. See "Use of Proceeds". After completion of its Qualifying Transaction, the Corporation may pay remuneration to its officers if the directors feel the Corporation is able to do so. No remuneration is anticipated to be paid to directors in their capacity as directors in the foreseeable future. Directors have been granted options to acquire Common Shares. See "Stock Options".

STOCK OPTIONS

As at September 15, 2000, the Corporation has reserved for issuance, subject to regulatory approval, pursuant to its Stock Option Plan (the "Plan") the following options to purchase Common Shares:

Name	Date of Grant	Number of Shares Under Option	Exercise Price per Common Share	Expiry Date
Alan Chan	September 15, 2000	100,000	$0.20	September 14, 2005
Francis Leong	September 15, 2000	61,000	$0.20	September 14, 2005
Gerald A. Peacock	September 15, 2000	61,000	$0.20	September 14, 2005
Edwin S.L. Tam	September 15, 2000	61,000	$0.20	September 14, 2005
Richard Lee	September 15, 2000	61,000	$0.20	September 14, 2005
Cameron McIntosh	September 15, 2000	61,000	$0.20	September 14, 2005

PROMOTERS

Alan P. Chan, Richard Y.C. Lee, Gerald A. Peacock and IVG Corporation may be considered to be the promoters of the Corporation in that they took the initiative in founding and organizing the Corporation. See "Prior Sales", "Principal Shareholders" and " Stock Options".

MATERIAL CONTRACTS

The Corporation has not entered into any contracts material to purchasers of Common Shares within the two years prior to the date of this prospectus, other than:

1. Agency Agreement dated as of December 31, 2000 among the Corporation, the Agent and Montreal Trust Company of Canada. See "Plan of Distribution".

2. Discount Seed Share Escrow Agreement dated as of December 31, 2000 among the Corporation, Montreal Trust Company of Canada and those shareholders that executed such Discount Seed Share Escrow Agreement. See "Escrowed Securities".

3. Transfer Agent, Registrar and Dividend Disbursing Agent Agreement dated as of September 15, 2000 between the Corporation and Montreal Trust Company of Canada.

Copies of these agreements will be available for inspection at the registered office of the Corporation, at #400, 1111–11th Avenue S.W., Calgary, Alberta T2R 0G5, and at the offices of the Commission during ordinary business hours while the securities offered hereby are in the course of distribution and for a period of 30 days thereafter.

CONFLICTS OF INTEREST

There are potential conflicts of interest to which the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. Some of the directors and officers 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 and officers will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies under the *Business Corporations Act* (Alberta).

RISK FACTORS

There is no established market for the Common Shares of the Corporation. This offering should be considered as highly speculative due to the proposed nature of the Corporation's business and the fact that the Corporation was only recently incorporated and has no assets other than cash nor has it identified any business or assets for acquisition. The Corporation has neither a history of earnings nor has it paid any dividends and it is highly unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future.

The potential business of the Corporation involves a high degree of risk and there is no assurance that the Corporation will be able to identify acquisitions which will be profitable. Moreover, should the Corporation identify any corporations, properties, assets or businesses and determine that an acquisition is warranted, the Corporation may not be able to finance the acquisition and additional funds may be required to meet such obligations. Further, the Corporation may, after identifying a potential acquisition, determine that current markets, acquisition pricing or other terms of the acquisition required by a vendor may make such acquisition uneconomic. See "Business of the Corporation" and "Method of Financing Acquisitions or Participation".

Since the Corporation has not placed any geographical restrictions on the location of a potential Qualifying Transaction, such Qualifying Transaction may involve the acquisition of a business located outside of Canada and as such investors should be made aware that it may be difficult or impossible to effect service of notice to commence legal proceedings upon any directors, officers or experts located outside of Canada and that 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.

CDNX may suspend from trading or delist the Common Shares where the Corporation has failed to complete a Qualifying Transaction within eighteen (18) months of the date of listing. Suspension from trading of the Common Shares may, and delisting of the Common Shares will, result in the Commission issuing an interim cease trade order against the Corporation. In addition, delisting of the Common Shares would result in the cancellation of all issued and outstanding Common Shares of the Corporation held by insiders. See "Business of the Corporation", "Dilution" and "Speculative Nature of the Securities".

CDNX may not approve a Qualifying Transaction where the Corporation fails to meet its minimum listing requirements upon completion thereof.

The dilution factor for subscribers for Common Shares is 31.55% or $0.0631 per common share, calculated on the basis of total gross proceeds to the Corporation from this issue and prior sales without deduction or related expenses. If the Corporation issues treasury shares to finance its acquisitions or participations, control of the Corporation may change and subscribers may suffer additional dilution of their investment.

Following the completion of the offering, the directors, officers and promoters of the Corporation, as a group, will own directly or indirectly 1,004,510 Common Shares which equates to 24.73% of the issued and outstanding

Common Shares of the Corporation. See "Principal Shareholders". In addition if the directors exercise all of the stock options granted to them they would hold amongst themselves 1,409,510 Common Shares which would equate to 31.6% of the issued and outstanding Common Shares of the Corporation after exercise of all directors' options.

As a result of these factors, this offering is only suitable to those investors who are willing to rely on the management of the Corporation and can afford to lose their entire investment. See "Business of the Corporation", "Management and Key Personnel", "Directors and Officers", "Conflict of Interest" and "Use of Proceeds."

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The director's and officers have all acquired Common Shares of the Corporation. See "Principal Shareholders". Alan P. Chan and Cameron McIntosh are directors and shareholders of IVG Corporation which corporation has purchased Common Shares of the Corporation and is a Promoter of the Corporation. See "Promoters".

PURCHASER'S STATUTORY RIGHTS

Sections 106, 168 and 175 of the Act provide, in effect, that when a security is offered in the course of a distribution:

(a) a purchaser will not be bound by a contract for the purchase of such security if written notice of his intention not to be bound is received by the dealer from whom the purchaser purchased the security not later than midnight on the second business day after the latest prospectus or any amendment to the prospectus offering such security is received by the purchaser; and

(b) if a prospectus, together with any amendment to the prospectus, contains a misrepresentation, a purchaser who purchases a security offered thereby during the period of distribution shall be deemed to have relied on such misrepresentation and, subject to the limitations set forth in the Act:

1. has a right of action for damages against:
   (i) the issuer or a selling security holder on whose behalf the distribution is made;
   (ii) each underwriter required to sign the certificate required by Section 91 of the Act;
   (iii) every director of the issuer at the time the prospectus or amendment was filed;
   (iv) every person or corporation whose consent has been filed pursuant to a requirement of the regulations under the Act but only with respect to reports, opinions or statements made by them; and
   (v) every other person or corporation who signed the prospectus or the amendment;

   but no action to enforce the right can be commenced by a purchaser more than the earlier of 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action, or one year from the day of the transaction that gave rise to the cause of the action;

2. where the purchaser purchased the security from a person or corporation referred to in (i) or (ii) above or from another underwriter of the securities, he may elect to exercise a right of rescission against such person, corporation or underwriter, in which case he shall have no right of action for damages against such person, corporation or underwriter, but no action to enforce this right can be commenced by a purchaser more than 180 days after the date of the transaction that gave rise to the cause of action.

Reference is made to the Act for the complete text of the provisions under which the foregoing rights are conferred and the foregoing summary is subject to the express provisions thereof.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are Bleackley Hanson Howden, Chartered Accountants of #462, 301 – 14th Street N.W., Calgary, Alberta T2N 2A1.

Montreal Trust Company of Canada through its principal office in Calgary, Alberta is the transfer agent and registrar for the Common Shares of the Corporation.

AVIC TECHNOLOGIES INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2000

February 21, 2001, except
to Note 5, which is dated
March 9, 2001

AUDITORS' REPORT

To the Directors of
Avic Technologies Inc.

We have audited the balance sheet of Avic Technologies Inc. as at December 31, 2000 and the statements of operations and statement of cash flows for the eight month period then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2000 and the results of its operations and the changes in cash flows for the eight month period then ended in accordance with generally accepted accounting principles.

"BLEACKLEY & COMPANY"

Chartered Accountants

AVIC TECHNOLOGIES INC.

BALANCE SHEET
AT DECEMBER 31, 2000

ASSETS

Current assets:		
Cash and short term deposits	$	216,148
Goods and services tax recoverable		1,487
Prepaid expenses		6,035
		223,670
Capital assets (Note 3)		1,652
	$	225,322

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liability:		
Accounts payable and accrued liabilities	$	2,500
Shareholders' equity:		
Share capital (Note 4)		236,760
Deficit		(13,938)
		222,822
	$	225,322

APPROVED ON BEHALF OF THE BOARD:

"AlanP.Chan"
Alan P. Chan, Director

"RichardY.C.Lee"
Richard Y.C. Lee, Director

AVIC TECHNOLOGIES INC.

STATEMENT OF OPERATIONS AND DEFICIT

FOR THE PERIOD FROM INCORPORATION

TO DECEMBER 31, 2000

Expenses:		
Amortization	$	413
Administration		9,000
Interest and bank charges		189
Office		3,081
Business development		1,255
Net loss for the period, being deficit at end of period	$	13,938

AVIC TECHNOLOGIES INC.

STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM INCORPORATION
TO DECEMBER 31, 2000

Cash flows from (used for) operating activities:		
Net loss for the period	$	(13,938)
Non-cash items:		
Amortization		413
		(13,525)
Increase in goods and services tax recoverable		(1,487)
Increase in prepaid expenses		(6,035)
Increase in accounts payable and accrued liabilities		2,500
		(18,547)
Cash flows from (used for) investing activities:		
Purchase of capital assets		(2,065)
Cash flows from (used for) financing activities:		
Issuance of share capital, net of share issue costs of $18,691		236,760
Increase in cash and cash equivalents for the period, being cash and cash equivalents at end of period	$	216,148

Cash and cash equivalents consist of:		
Cash	$	16,148
Term deposit		200,000
	$	216,148

AVIC TECHNOLOGIES INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000

1. Incorporation –

Avic Technologies Inc. was incorporated under the *Business Corporations Act of Alberta* on April 26, 2000. The Corporation is a Capital Pool Company offering by way of prospectus under Canadian Venture Exchange Inc. Policy 2.4.

2. Significant accounting policies –

(a) Loss per share –

Net loss per share figures have not been presented since they would not be meaningful at the present state of the Corporation's operations.

(b) Capital assets –

Capital assets are stated at cost. Computer equipment is amortized over its estimated useful life using a 30% declining balance method.

(c) Use of estimates –

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of assets and liabilities at the date of the financial statement and the amount of revenues and expenses recorded during the reporting period. Actual results could differ from those estimates and these differences could have a significant impact on the financial statements.

(d) Fair value of financial instruments –

The fair value of financial instruments is determined by reference to various market data another valuation techniques as appropriate. The Corporations financial instruments consist of cash equivalents, goods and services tax recoverable and due to director. The fair value of financial instruments is not estimated by management to be materially different from the carrying value.

3. Capital assets –

	December 31, 2000		
	Cost	Accumulated amortization	Net book value
Computer equipment	$ 1,883	$ 377	$ 1,506
Computer software	182	36	146
	$ 2,065	$ 413	$ 1,652

4. Share capital –

a) Authorized –

Unlimited number of common shares without par value

b) Issued –

	Number of shares		Amount
Issued for cash	2,554,510	$	255,451
Less: share issue costs	-		18,691
Balance at December 31, 2000	2,554,510	$	236,760

5. Subsequent events –

Pursuant to a prospectus filed with the Alberta Securities Commission dated March 9, 2001 and an Agency Agreement dated as at December 31, 2000, the Corporation is offering 1,500,000 common shares at $0.20 per common share to the public. The cost of the issue including legal, audit and printing expenses of $15,000, agent's commission of $30,000 (10% of gross proceeds), agent's expenses and legal fees estimated at $13,000 and a listing fee of $4,000 is estimated to be $62,000. The agent, National Bank Financial Inc., has agreed to use its best efforts to secure subscriptions for these shares.

Pursuant to the Agency Agreement and subject to the closing of this offering, a single, non-transferable option to purchase up to 150,000 common shares of the Corporation at $0.20 per share will be granted to the Agent. The option will expire 18 months from the date of the listing on the shares on The Canadian Venture Exchange.

CERTIFICATE OF THE CORPORATION

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 8 of the *Securities Act (Alberta)* and the regulations thereunder.

DATED: March 9, 2001

"Alan P. Chan" (Signed)
Alan P. Chan
Chief Executive Officer

"Richard Y.C. Lee" (Signed)
Richard Y.C. Lee
Chief Financial Officer

ON BEHALF OF THE BOARD

"Francis Leong" (Signed)
Francis Leong
Director

"Cameron McIntosh" (Signed)
Cameron McIntosh
Director

"Edwin S. L. Tam" (Signed)
Edwin S.L. Tam
Director

CERTIFICATE OF THE PROMOTERS

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 8 of the *Securities Act* (Alberta) and the regulations thereunder.

"Alan P. Chan" (Signed"
Alan P. Chan

"Richard Y.C. Lee" (Signed)
Richard Y.C. Lee

"Gerald A. Peacock" (Signed)
Gerald A. Peacock

IVG Corporation

Per: "Alan Chan" (Signed)

Per: "Cameron McIntosh" (Signed)

CERTIFICATE OF THE AGENT

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 8 of the *Securities Act (Alberta)* and the regulations thereunder.

NATIONAL BANK FINANCIAL INC. :an indirect wholly-owned subsidiary of a Canadian chartered bank.

DATED: March 9, 2001

Per: “Ronald T. Riley” (Signed)
Vice-President