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

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 **February 13, 2006**

SCOSS CAPITAL CORP.
(a capital pool company)

$750,000
(3,750,000 Common Shares)

Price: $0.20 per Common Share

The purpose of this offering (the “Offering”) is to provide SCOSS Capital Corp. (the “Corporation”) with a minimum of funds with which to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction, as hereafter defined. The Corporation hereby offers up to 3,750,000 common shares (“Common Shares”) to the public at a price of $0.20 per share. Any 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, must also receive Majority of the Minority Approval, as hereafter defined, in accordance with Exchange Policy 2.4 (the “CPC Policy”). The Corporation is a Capital Pool Company (“CPC”). It has not commenced commercial operations and has no assets other than a minimum amount of cash. Except as specifically contemplated in the CPC Policy, until the Completion of the Qualifying Transaction (as defined below), the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Corporation currently intends to pursue a Qualifying Transaction through the acquisition of real property, preferably in the self-storage sector, and the reorganization into a real estate investment trust by way of a plan of arrangement. See “Business of the Corporation”.

The Offering is made on a best efforts basis by Canaccord Capital Corporation (the “Agent”) and is subject to a subscription of up to 3,750,000 Common Shares for total gross proceeds to the Corporation of $750,000 and to approval of certain legal matters by Stewart McKelvey Stirling Scales on behalf of the Corporation and by Goodmans LLP on behalf of the Agent. The offering price of the Common Shares was determined arbitrarily by the directors of the Corporation and the Agent. All funds received from subscriptions for Common Shares will be held by the Agent pursuant to the terms of the Agency Agreement, as hereinafter defined. If the subscription for 3,750,000 Common Shares for gross proceeds of $750,000 is not completed within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by persons or companies who subscribed within that period, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent. 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	$0.012	$0.188
Total Offering.............................	3,750,000	$750,000	$45,000	$705,000

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(1) A commission equal to 6% of the gross proceeds will be paid to the Agent. The Corporation will pay to the Agent the reasonable fees and disbursements of counsel to the Agent incurred in connection with this Offering, subject to a maximum of $10,000 plus applicable taxes. See “Plan of Distribution”.

(2) Before deducting the expenses of the Offering estimated at $50,000 and the listing fee payable to the Exchange of $10,000 plus taxes. See "Use of Proceeds".

The Corporation has applied to list the securities distributed under this prospectus on the Exchange. Listing will be subject to the Corporation fulfilling all the listing requirements of the Exchange.

Other than the initial distribution of the Common Shares pursuant to this prospectus and the grant of stock options to the directors and officers of the Corporation, trading in all securities of the Corporation is prohibited during the period between the date a receipt for the preliminary prospectus in respect of this Offering is issued by the applicable securities regulatory authorities and the time the Common Shares are listed for trading except, subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities regulatory authorities grant a discretionary order.

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

The Corporation was only recently incorporated, owns no assets other than cash, has no record of earnings and has not entered into an Agreement in Principle (as defined hereafter) with respect to a potential acquisition. The proposed business of the Corporation involves a degree of risk and there is no assurance that the Corporation will identify assets or businesses which warrant acquisition or participation. Moreover, if a potential asset or business is identified and an acquisition or participation therein is warranted, additional funds may be required and there is no assurance that the Corporation will be able to obtain such financing. Subscribers hereunder will experience immediate dilution of approximately $0.04 per share or 20%, prior to deduction of selling commissions and related expenses. An acquisition financed by the issuance of additional Common Shares may result in further dilution and a change of control of the Corporation. In the event the Corporation identifies and completes the acquisition of a corporation or assets located outside of Canada, it may be difficult or impossible to effect service or notice to commence legal proceedings on any directors, officer and experts located outside of Canada. It may not be possible to enforce, against such persons or such corporation, judgments obtain in Canadian courts predicated on the civil liability provisions of the applicable securities laws in Canada. For these reasons, an investment herein is suitable only to those investors who are willing to rely solely on the management of the Corporation and who can afford to lose all of their investment. See "Business of the Corporation", "Capitalization" and "Risk Factors".

The Corporation currently intends to pursue a Qualifying Transaction through the acquisition of real property, preferably in the self-storage sector, and the reorganization into a real estate investment trust by way of a plan of arrangement, however there is no assurance that the Qualifying Transaction will involve the acquisition of Significant Assets in the real estate sector or that a reorganization of the Corporation into a real estate investment trust will occur.

The Exchange may suspend from trading or delist the Common Shares of the Corporation if the Corporation fails to complete a Qualifying Transaction (as defined herein) within twenty-four (24) months following the date the Common Shares are listed on the Exchange. 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 will result in the cancellation of all of the currently issued and outstanding shares of the Corporation held by insiders.

Pursuant to the CPC Policy, no purchaser of the Common Shares is permitted to directly or indirectly purchase more than 2% or 75,000 of the total number of Common Shares offered under this prospectus. In addition, the maximum number of Common Shares that may directly or indirectly be purchased by that purchaser, together with any Associates or Affiliates of that purchaser, is 4% or 150,000 of the total number of Common Shares offered under this prospectus.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that share certificates evidencing the Common Shares in definitive form will be available for delivery on the closing date.

TABLE OF CONTENTS

GLOSSARY

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

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

(a) one of them is the subsidiary of the other, or

(b) each of them is controlled by the same Person.

A Company is “controlled” by a Person if:

(a) voting securities of the Company are held, other than by way of security only, by or for the benefit of that Person, and

(b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the Company.

A Person beneficially owns securities that are beneficially owned by:

(a) a Company controlled by that Person, or

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

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

(a) identifies assets or a business to be acquired which would reasonably appear to constitute Significant Assets and the acquisition of which would reasonably appear to constitute a Qualifying Transaction;

(b) identifies the parties to the Qualifying Transaction;

(c) identifies the consideration to be paid for the Significant Assets or otherwise identifies the means by which the consideration will be determined; and

(d) identifies the conditions to any further formal agreements to complete the transaction, and

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

"**Associate**" when used to indicate a relationship with a person or company, means

(a) an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer,

(b) any partner of the person 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

  (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 with respect to that Member firm, Member corporation or holding company.

"**CPC**" means a corporation:

(a) that has been incorporated or organized in a jurisdiction in Canada;

(b) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with the CPC Policy; and

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

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

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

"**Control Person**" means any person or company that holds or is one of a combination of persons or companies that holds 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.

"**Eligible Charitable Organization**" means:

(a) any Charitable Organization[1] or Public Foundation[1] which is a Registered Charity[1], but is not a Private Foundation[1]; or

(b) a Registered National Arts Service Organization[1].

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

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

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

(a) a director or senior officer of the Issuer;

(b) a director or senior officer of the Company that is an Insider or subsidiary of the Issuer;

(c) a Person that beneficially owns or controls, directly or indirectly, Voting Shares carrying more than 10% of the voting rights attached to all outstanding Voting Shares of the Issuer; or

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

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

(a) Non Arm's Length Parties to the CPC;

(b) Non Arm's Length Parties to the Qualifying Transaction; and

(c) in the case of a Related Party Transaction:

(i) if the CPC holds its own shares, the CPC, and

(ii) a Person acting jointly or in concert with a Person referred to in paragraph (a) or (b) in respect of the transaction

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

"**NEX**" means the separate trading board of the TSX Venture Exchange which provides a trading market for the securities of an issuer that has ceased to meet the tier 2 maintenance requirements of the TSX Venture Exchange.

"**Non Arm's Length Party**" means in relation to a Company, a promoter, officer, director, other insider or Control Person of that Company (including an Issuer) and any Associates or Affiliates of any such Persons. In relation to an

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[1] These terms are defined in the *Income Tax Act* (Canada), as amended from time to time.

individual, means any Associate of the individual or any Company of which the individual is a promoter, officer, director, insider or Control Person.

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

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

"**Person**" means a Company or individual.

"**Principal**" means:

(a) a person or Company who acted as a promoter of the issuer within two years or their respective Associates or Affiliates, before the initial public offering ("IPO") prospectus or Exchange Bulletin confirming final acceptance of a transaction ("Final Exchange Bulletin");

(b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the IPO prospectus or Final Exchange Bulletin;

(c) a 20% holder – a person 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 10% holder – a person or Company that

  (i) holds securities carrying more than 10% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's IPO or immediately after the Final Exchange Bulletin for non IPO transactions; and

  (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries.

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

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

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

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

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

"**Seed Shares**" means the 8,750,000 Common Shares issued and outstanding prior to the Offering.

"**Significant Assets**" means one or more assets or businesses which, when purchased, optioned or otherwise acquired by a 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 Exchange Policy 2.2 – Sponsorship and Sponsorship Requirements.

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

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

PROSPECTUS SUMMARY

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

Offering: A total of 3,750,000 Common Shares are being offered under this prospectus at a price of $0.20 per share. The Offering is made on a best efforts basis. The Corporation also intends to grant stock options to purchase an aggregate of 1,250,000 Common Shares to directors and officers of the Corporation under the Corporation's Stock Option Plan, all of which options are qualified for distribution under this prospectus. See "Plan of Distribution" and "Options to Purchase Securities".

Corporation: The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Corporation has not commenced commercial operations and has no assets other than a minimum amount of cash. An acquisition financed by the issuance of treasury shares could result in a change in control of the Corporation and may cause the shareholders' interests in the Corporation to be reduced. See "Business of the Corporation".

Use of Proceeds: The net proceeds to the Corporation will be $705,000, after deducting the Agent's commission but before deducting expenses of the issue. The net proceeds of this Offering will be used to provide the Corporation with funds to be used to identify and evaluate assets or businesses for acquisition with a view to completing a Qualifying Transaction. The Corporation may not have sufficient funds to secure such business or assets once identified and evaluated and additional funds may be required. Subject to approval by the Exchange, 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 from the sale of all securities issued by the Corporation and $210,000, excluding the Agent's commission of $45,000, may be used for purposes other than evaluating businesses or assets. See "Use of Proceeds", "Business of the Corporation - Method of Financing" and "Risk Factors".

Directors and Management:

John D. Bartkiw – Chief Financial Officer
Greg A. Burk - Director
Philip D. Fraser - Director
Thomas E. Gualtieri-Walters – Chief Operating Officer and Secretary
James C. Lawley - Director
Louis J. Maroun - Director
T. James Tadeson - Director and Chief Executive Officer

See "Directors, Officers and Promoter".

Escrow Provisions: A total of 6,711,962 Common Shares, will be deposited in escrow pursuant to the terms of an Escrow Agreement, as hereafter defined, and will be released from escrow in stages over a period of up to three years after the date of the Final Exchange Bulletin. See "Escrow Securities".

Risk Factors: Investment in the Common Shares must be regarded as highly speculative due to the proposed nature of the Corporation's business and its present stage of development. The Corporation was only recently incorporated and has no active business or assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. The Offering is suitable only to investors who are prepared to rely entirely on the directors and management of the Corporation and can afford to risk the loss of their entire investment. The directors and officers of the Corporation will devote only 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 may be subject in connection with the operations of the Corporation. Assuming completion of the Offering, an investor will suffer an immediate dilution on investment of approximately $0.04 per share or 20%, prior to deduction of selling commissions and related expenses. There can be no assurance that an active and liquid market for the Corporation's Common Shares will develop and an investor may find it difficult to resell the Common Shares. Until Completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The 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. The Corporation has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Corporation will be able to identify or complete a suitable Qualifying Transaction. See "Risk Factors".

THE CORPORATION

SCOSS Capital Corp. (the "Corporation") was incorporated under the *Canada Business Corporations Act* (the "CBCA") on January 12, 2006. The head office and the registered office of the Corporation are located at Suite 900, Purdy's Wharf Tower One, 1959 Upper Water Street, Halifax, Nova Scotia.

BUSINESS OF THE CORPORATION

Preliminary Expenses

To date, the Corporation has incurred administrative or development expenses of approximately $5,000 representing the costs of incorporation and organization. Part of the net proceeds of the Offering may be utilized to satisfy the obligations of the Corporation related to this Offering, including the expenses of its auditors, legal counsel and the Agent's legal counsel. See "Use of Proceeds".

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 and does not own any assets, other than cash. **The Corporation currently intends to pursue a Qualifying Transaction through the acquisition of real property, preferably in the self-storage sector, and the reorganization into a real estate investment trust by way of a plan of arrangement, however there is no assurance that the Qualifying Transaction will involve the acquisition of Significant Assets in the real estate sector or otherwise or that a reorganization of the Corporation into a real estate investment trust will occur.** See "Potential Qualifying Transaction".

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 and of the applicable securities regulatory authorities, this may include the raising of additional funds in order to finance an acquisition. Except as described under "Use of Proceeds - Private Placements for Cash", and "Restrictions on Use of Proceeds", the funds raised pursuant to this Offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions and not for any deposit, loan or direct investment in a potential acquisition.

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

Method of Financing

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

Criteria for a Qualifying Transaction

The Board of Directors of the Corporation must approve any proposed Qualifying Transaction. In exercising their powers and discharging their duties in relation to a proposed Qualifying Transaction, the directors will act honestly and in good faith with a view to the best interests of the Corporation and will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. All potential acquisitions will be screened initially by management of the Corporation to determine their economic viability. The Board of Directors will examine proposed acquisitions having regard to sound business fundamentals, utilizing the expertise and experience of the directors.

Process of Identification of a Qualifying Transaction

The Corporation proposes to identify acquisitions of interests in assets or businesses through discussions with various contacts of certain of the officers and directors of the Corporation. Once a prospective acquisition target has been identified and evaluated, the Corporation will proceed to negotiate the terms upon which it may acquire an interest in the assets or business.

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 Corporation's Common Shares until the filing requirements of the Exchange have been satisfied as set forth under "Business of the Corporation - 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 and the applicable securities regulatory authorities 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 or where a shareholders' approval is otherwise required. A filing statement must be submitted where the Qualifying Transaction is not a Non Arm's Length Qualifying Transaction or where shareholders' approval is not otherwise required to be obtained. The information circular or filing statement, as applicable, must contain prospectus level disclosure of the assets or business to be acquired and the Corporation, assuming Completion of the Qualifying Transaction, and be prepared in accordance with the CPC Policy and Form 3B1, in the case of an information circular, or Form 3B2 in the case of a filing statement. Upon acceptance by the Exchange and the applicable securities regulatory authorities, the Corporation must then either:

(a) file the filing statement on SEDAR at least seven business days prior to closing 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 required 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 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.

Potential Qualifying Transaction

The Corporation intends to focus on developing a Qualifying Transaction with real estate businesses or assets preferably within the self-storage sector. The Corporation has had preliminary discussions with several businesses to determine whether there is a mutual interest in the Corporation concluding an acquisition. None of these discussions have progressed to the point where the Corporation is close to having an Agreement in Principle or where any particular acquisition would be described as probable.

Minimum Listing Requirements

The Resulting Issuer must satisfy the Exchange's minimum 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 includes the submission of a Sponsorship Acknowledgement Form, where the Qualifying Transaction is subject to sponsorship. In addition, personal information forms for all individuals who may be directors, senior officers, promoters or insiders of the Resulting Issuer must be filed with the Exchange and any preliminary background searches that the Exchange considers necessary or advisable must also be completed before the trading halt will be lifted by the Exchange. Even if all filing requirements have been satisfied and preliminary background checks completed, the Exchange may continue or reinstate a halt in trading of the Common Shares for public policy reasons including:

(a) the unacceptable nature of the business of the Resulting Issuer; or

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

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

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 CPC within 24 months of the date of listing. If the Common Shares of the Corporation are delisted by the Exchange, then within 90 days from the date of such delisting, the Corporation shall wind up and liquidate its assets pursuant to the CBCA and shall make a pro rata distribution of its remaining assets to its shareholders unless, within that 90 day period and pursuant to a majority vote of shareholders, exclusive of the vote of Non Arm's Length Parties to the Corporation, the shareholders determine to deal with the remaining assets in some other manner. See "Business of the Corporation - Filings and Shareholders' Approval of a Non Arm's Length Qualifying Transaction".

Refusal of Qualifying Transaction

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

(a) the Resulting Issuer fails to satisfy the applicable minimum 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 the 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

(a) The gross proceeds received by the Corporation from the sale of 8,750,000 common shares prior to the date of this prospectus amount to $1,250,000.

(b) The Corporation incurred expenses and costs totalling approximately $5,000 with respect to incorporation and organization (including the issue of common shares referred to in (a) above).

(c) The gross proceeds to be received by the Corporation from the sale of the Common Shares distributed under this prospectus amount to $750,000.

(d) The expenses and cost of this Offering, including the Agent's commission and listing fees, incurred to date and expected to be incurred, amount to $105,000.

(e) The Corporation estimates that an amount of $1,890,000 will be available to it from the sale of the Common Shares distributed under this prospectus and prior sales of Common Shares.

The following indicates the principal uses which the Corporation proposes for the total funds available to it upon the completion of this Offering, a portion of which has already been spent, as reflected in the Corporation's balance sheet as at February 10, 2006:

	Offering
Cash proceeds raised prior to this Offering(1)	$1,250,000
Expenses and costs relating to raising the cash proceeds	(5,000)
Cash proceeds to be raised pursuant to this Offering(2)	750,000
Expenses and costs relating to the Offering (including listing fees, Agent's commission, legal fees, audit fees and expenses)	(105,00)
Estimated funds available (on completion of the Offering)	$1,890,000
Funds available for identifying and evaluating assets or business prospects(3)	$1,790,000
Estimated general and administrative expenses until completion of a Qualifying Transaction	100,000
	$1,890,000

(1) See "Prior Sales".

(2) In the event that the directors and officers exercise their respective options, there will be available to the Corporation an additional $250,000, which will be added to the working capital of the Corporation. 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 amount of funds available for identifying and evaluating assets or business prospects, the remaining funds may be used to finance or partially finance the acquisition of Significant Assets or for working capital after Completion of the Qualifying Transaction.

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

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

Permitted Use of Funds

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

Subject to approval by the Exchange, until Completion of a Qualifying Transaction, not more than the lesser of 30% of the gross proceeds from the sale of all securities issued by the Corporation and $210,000, excluding the Agent's commission, will be used for purposes other than those described above. For greater certainty, expenditures which are not included as "Permitted Uses of Funds" listed above, include: (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: (i) office supplies, office rent and related utilities; (ii) printing costs (including the printing of this prospectus and share certificates); (iii) equipment leases; and (iv) fees for legal advice and audit expenses, other than those described above under "Permitted Use of Funds". No proceeds will be used to acquire or lease a vehicle.

Private Placements for Cash

After the closing of the Offering and until the Completion of the Qualifying Transaction, the Corporation will not issue any securities unless written acceptance of the Exchange is obtained before issuance. Prior to the Completion of the Qualifying Transaction, the Exchange generally will not accept a private placement by the Corporation where the gross proceeds raised from the issuance of securities both prior to and pursuant to the Offering, together with any proceeds anticipated to be raised upon closing of the private placement, will exceed $2,000,000. 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 a Qualifying Transaction if such payment relates to services rendered or obligations incurred prior to or in connection with the Qualifying Transaction.

Notwithstanding the foregoing, 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 more 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

Name of Agent and Agent's Compensation

Pursuant to an agency agreement (the "Agency Agreement") dated ●, 2006 between the Corporation and the Agent, the Corporation has appointed the Agent as its agent to offer for sale on a best efforts basis to the public of 3,750,000 Common Shares, as provided in this prospectus, at a price of $0.20 per Common Share, for gross proceeds of $750,000, subject to the terms and conditions in the Agency Agreement. The Agent will receive a commission equal to 6% of the aggregate gross proceeds from the sale of the Common Shares. The Corporation will also pay to the Agent the reasonable fees and disbursements of counsel to the Agent incurred in connection with this Offering, subject to a maximum of $10,000 plus applicable taxes.

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.

The obligations of the Agent under the Agency Agreement may be terminated at its discretion on the basis of its assessment of the state of financial markets and may also be terminated on the occurrence of certain events as stated in the Agency Agreement.

Offering Amount

The Offering is for 3,750,000 Common Shares at a price of $0.20 per share for total gross proceeds of $750,000. The Offering price was determined arbitrarily by the directors of the Corporation and the Agent. Under the CPC Policy, no purchaser of the Common Shares is permitted to purchase more than 2% of the total number of Common Shares in the Offering, representing 75,000 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 under the Offering representing 150,000. The funds received from the Offering will be held by the Agent and will not be released until $750,000 has been deposited. A subscription of $750,000 must be raised within 90 days of the date a receipt for the prospectus is issued, or such other time as may be consented to by 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 up to 1,250,000 Common Shares to directors and officers pursuant to the Corporation's Stock Option Plan and in accordance with the policies of the Exchange.

Determination of Price

The Offering price was determined arbitrarily by the directors of the Corporation and the Agent.

Listing Application

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

Restrictions on the Agent

Until Completion of the Qualifying Transaction, the aggregate number of Common Shares permitted to be owned directly or indirectly by the Agent, its directors, officers, employees or contractors or Affiliates or Associates of the foregoing parties, is 20% of the number of issued and outstanding Common Shares of the Corporation, exclusive of Common Shares reserved for issuance at a future date.

Restrictions on Trading

Other than the initial distribution of the Common Shares pursuant to this prospectus and the grant of options to the directors and officers 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 in respect of this Offering is issued by the applicable securities regulatory authorities and the time the Common Shares are listed for trading on the Exchange, except subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities regulatory authorities grant a discretionary order.

DESCRIPTION OF SHARE CAPITAL

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, 8,750,000 are issued and outstanding as fully paid and non-assessable Common Shares. In addition, the Board of Directors intends to grant options to directors and officers of the Corporation in respect of a maximum of 1,250,000 Common Shares pursuant to the Corporation's Stock Option Plan. See "Options to Purchase Securities" and "Plan of Distribution".

The holders of the Common Shares are entitled to: (a) vote at all meetings of shareholders, except meetings at which only holders of a specified class of shares are entitled to vote; (b) receive any dividend declared by the Corporation on the Common Shares; and (c) subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, receive the remaining property of the Corporation upon dissolution, liquidation or winding-up of the Corporation.

Preferred Shares

The Corporation is also authorized to issue an unlimited number of preferred shares, none of which are currently issued and outstanding. The preferred shares may be issued in one or more series, with such rights and conditions as may be determined by the Board of Directors. There are no voting rights attached to the preferred shares except as prescribed by law. The preferred shares will rank ahead of the Common Shares with respect to the payment of dividends and return of capital in the event of the liquidation, dissolution or other distribution of assets of the Corporation for the purpose of winding-up its affairs.

CAPITALIZATION

The following table sets forth the capitalization of the Corporation on an unaudited basis as at February 10, 2006 and the pro forma capitalization after giving effect to this Offering assuming the distribution of all Common Shares offered:

Designation of security	Amount Authorized	Outstanding as at February 10, 2006(1)	Amount to be outstanding after giving effect to the Offering(2)(3)
Common Shares	Unlimited	$1,250,000 (8,750,000 Common Shares)	$2,000,000 (12,500,000 Common Shares)

(1) As at February 10, 2006, the Corporation has not commenced commercial operations.

(2) The Board of Directors intends to grant stock options to directors and officers of the Corporation in respect of an aggregate of 1,250,000 Common Shares at an exercise price of $0.20 per share pursuant to the Corporation's Stock Option Plan. See "Options to Purchase Securities".

(3) Funds estimated available on completion of Offering amount to $1,890,000, after deducting the estimated expenses of the Offering. See "Use of Proceeds – Proceeds and Principal Purposes".

OPTIONS TO PURCHASE SECURITIES

After the closing of this Offering, the Board of Directors intends to grant options to directors and officers in respect of an aggregate of 1,250,000 Common Shares pursuant to the Corporation's Stock Option Plan, as set out in the table below.

Name of Optionee	Number of Common Shares reserved under option	Exercise Price	Expiration Date
John D. Bartkiw	100,000	$0.20	●, 2011
Greg A. Burk	122,222	$0.20	●, 2011
Philip D. Fraser	122,222	$0.20	●, 2011
Thomas E. Gualtieri-Walters	261,111	$0.20	●, 2011
James C. Lawley	122,222	$0.20	●, 2011
Louis J. Maroun	261,112	$0.20	●, 2011
T. James Tadeson	261,111	$0.20	●, 2011
Total	**1,250,000**		

Stock Option Plan

The Board of Directors of the Corporation has adopted the Stock Option Plan. Under the Stock Option Plan, the Board of Directors of the Corporation may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants of the Corporation, non-transferable options to purchase Common Shares, or such other shares as may be substituted therefore, exercisable for a period of up to five years from the date of grant. The number of Common Shares reserved for issuance under the Stock Option Plan is equal to 10% of the issued and outstanding Common Shares of the Corporation, from time-to-time. The number of Common Shares reserved for issuance to any one individual under the Stock Option Plan will not exceed 5% of the issued and outstanding Common Shares, the number of Common Shares reserved for issuance to any one consultant under the Stock Option Plan will not exceed 2% of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to all individuals employed to provide investor relations activities under the Stock Option Plan will not exceed 2% of the issued and outstanding Common Shares. Options may be exercised no later than 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation of such position was by reason of death or permanent disability, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. If an optionee shall cease to be a director of the Corporation upon the Corporation successfully completing its Qualifying Transaction, then all unexercised options granted to such optionee shall expire one year from the date of the Final Exchange Bulletin issued by the Exchange in connection with such Qualifying Transaction. In the event that any options granted to such optionee are subject to vesting provisions, those options will automatically vest as at the date of the Final Exchange Bulletin. 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 “Escrow Securities”.

There are additional restrictions contained in the Stock Option Plan which apply while the Corporation remains a CPC. In particular, so long as the Corporation remains a CPC, the following shall apply:

(a) stock options under the Stock Option Plan or any other plan of the Corporation shall only be granted to directors, officers and technical consultants of the Corporation;

(b) stock options granted under the Stock Option Plan or any other plan of the Corporation shall only entitle the holder to acquire Common Shares;

(c) the number of Common Shares reserved for issuance to all technical consultants under the Stock Option Plan or any other plan of the Corporation shall not exceed 2% of the issued and outstanding Common Shares;

(d) the Corporation is prohibited from granting options to any person providing investor relations activities, promotional or market-making services; and

(e) options granted to any person that does not continue as a director, officer, technical consultant or employee of the resulting issuer have a maximum term of the later of 12 months after the Completion of the Qualifying Transaction and 90 days after such person ceases to become a director, officer, employee or technical consultant of the Resulting Issuer.

PRIOR SALES

Since the date of incorporation, the Corporation has issued 8,750,000 Common Shares, as follows:

Date	Number of Common Shares	Issue price per share	Aggregate issue price	Nature of Consideration received
January 12, 2006	1	$0.10	$0.10	cash
February 10, 2006	4,999,999	$0.10	$499,999.90	cash
February 10, 2006	3,750,000	$0.20	$750,000.00	cash

ESCROW SECURITIES

Securities Escrowed Prior to the Completion of the Qualifying Transaction

A total of 6,711,962 Common Shares, being those issued prior to this Offering at a price below $0.20 per Common Share or to Non Arm’s Length Parties and all Common Shares that may be acquired by Non Arm’s Length Parties of the Corporation either under the Offering or otherwise prior to Completion of the Qualifying Transaction will be deposited with Computershare Investor Services Inc. under an escrow agreement dated ●, 2006 (the “Escrow Agreement”).

All Common Shares acquired on exercise of stock options prior to the completion of a 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 a Qualifying Transaction by any person or company who becomes a Control Person are required to be deposited in escrow. Subject to certain exemptions permitted by the Exchange, all securities of the Corporation held by Principals of the Resulting Issuer will also be escrowed.

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

Name and municipality of residence of shareholder	Common Shares	Number of Common Shares held in escrow	Percentage of Common Shares prior to giving effect to the Offering	Percentage of Common Shares after giving effect to Offering
John D. Bartkiw Toronto, ON	176,631	176,631	2.0%	1.4%
Justin Bosa Toronto, ON	35,125	35,125	0.4%	0.3%
Greg A. Burk Halifax, NS	732,187	732,187	8.4%	5.9%
Robert Chalmers Toronto, ON	35,125	35,125	0.4%	0.3%
Paul Dykeman Halifax, NS	454,407	277,777	3.1%	2.2%
Philip D. Fraser Halifax, NS	555,556	555,556	6.3%	4.4%
Matthew Gaasenbeek Toronto, ON	35,125	35,125	0.4%	0.3%
David Graham Halifax, NS	454,408	277,778	3.1%	2.2%
David Greenwood Halifax, NS	454,407	277,777	3.1%	2.2%
Thomas E. Gualtieri -Walters Toronto, ON	732,187	732,187	8.4%	5.9%
Howard Hall Wells, Maine, USA	454,408	277,777	3.1%	2.2%
James C. Lawley Halifax, NS	732,187	732,187	8.4%	5.9%
Louis J. Maroun Toronto, ON	732,187	732,187	8.4%	5.9%
Mark Maybank Toronto, ON	35,125	35,125	0.4%	0.3%
Rob Richardson Halifax, NS	454,407	277,777	3.1%	2.2%
Ronald Rimer Toronto, ON	35,125	35,125	0.4%	0.3%
Jeff Rymer Toronto, ON	163,043	163,043	1.9%	1.3%
Graham Saunders Toronto, ON	35,125	35,125	0.4%	0.3%
Ron Sedran Toronto, ON	35,125	35,125	0.4%	0.3%
Dan Sheremeto Toronto, ON	9,965	9,965	0.1%	0.1%
Charles Shin Toronto, ON	35,125	35,125	0.4%	0.3%
T. James Tadeson Toronto, ON	732,187	732,187	8.4%	5.9%
Eric Thompson Halifax, NS	454,408	277,778	3.1%	2.2%
Greg Thompson Toronto, ON	163,043	163,043	1.9%	1.3%
Geordie Walker Mississauga, ON	35,125	35,125	0.4%	0.3%
Total		**6,711,962**	**76.40%**	**53.90%**

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

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

If the Resulting Issuer meets the Exchange's Tier 1 minimum 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 the Final Exchange Bulletin is not issued, the escrowed Common Shares will not be released. Under the Escrow Agreement each Non Arm's Length Party to the Corporation who holds escrowed Common Shares acquired at a price below the Offering price under this prospectus has irrevocably authorized and directed Computershare Investor Services Inc. 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 CPC at a discount from the IPO price, namely $0.20 per Common Share, 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 $0.20.

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

The principal distinction between a Value Security Escrow Agreement and a Surplus Security Escrow Agreement is the time period for release of securities from escrow. In the case of a Resulting Issuer that will be a Tier 2 issuer when the Final Exchange Bulletin is issued, the Value Security Escrow Agreement provides for a three year escrow release mechanism with 10% of the escrowed securities being releasable at the time of the Final Exchange Bulletin, and 15% of the escrowed securities being releasable every six months thereafter, on each of the six, twelve, 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, when the Final Exchange Bulletin is issued, the Surplus Security Escrow Agreement provides for a six year escrow release mechanism with: (a) 5% of the escrowed securities being releasable in six month intervals on each of the six, twelve, 18 and 24 month anniversaries of the Final Exchange Bulletin; and (b) 10% of the escrowed securities being releasable in six month intervals on each of the 30, 36, 42, 48, 54, 60, 66 and 72 month anniversaries of 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 six months thereafter. In the case of a Resulting Issuer that will be a Tier 1 issuer when the Final Exchange Bulletin is issued, the Surplus Security Escrow Agreement provides for a three year escrow release mechanism with: (a) 10% of the escrowed securities being releasable upon the issuance of the Final Exchange Bulletin; and (b) 15% of the escrowed securities being releasable in six month intervals on each of the six, twelve, 18, 24, 30 and 36 month anniversaries of 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 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 the proposed Resulting Issuer; (ii) if subscribers, other than Principals of the Corporation or the proposed Resulting Issuer, will obtain securities subject to hold periods, then in addition to any resale restrictions under applicable securities legislation, any securities issued to such Principals will be subject to a four month hold period; and (iii) none of the proceeds of the private placement are allocated to pay compensation or to settle indebtedness owing to Principals of the Resulting Issuer.

PRINCIPAL SHAREHOLDERS

As at the date hereof, there are no persons who own of record or beneficially, directly or indirectly, 10% or more of the issued and outstanding Common Shares of the Corporation.

DIRECTORS, OFFICERS AND PROMOTER

Name, Address, Occupation, Security Holding and Involvement with other Reporting Issuers

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:

Name, age and municipality of residence	Office	Principal occupation and positions held[1]
John D. Bartkiw, 41 Toronto, Ontario	Chief Financial Officer	Chief Financial Officer of the Corporation
Greg A. Burk, 49 Halifax, Nova Scotia	Director	Dental Specialist, Endodontist
Philip D. Fraser, 44 Halifax, Nova Scotia	Director	President and Chief Executive Officer, Killam Properties Inc.
Thomas E. Gualtieri-Walters, 60 Toronto, Ontario	Chief Operating Officer and Secretary	Chief Operating Officer and Secretary of the Corporation

James C. Lawley, 47 Halifax, Nova Scotia	Director	General Manager, Scotia Fuels Ltd.
Louis J. Maroun, 55 Toronto, Ontario	Director	President and Chief Executive Officer, Summit Real Estate Investment Trust
T. James Tadeson, 41 Toronto, Ontario	Promoter, Director and Chief Executive Officer	President and Chief Executive Officer of the Corporation

(1) Each of the persons have held these positions for five years other than as described in the résumés that follow.

All of the directors and officers currently have employment outside of the Corporation and will devote such time as is required to the affairs of the Corporation, although it is contemplated that each of the following persons will initially be available to devote the following percentage of his time to the affairs of the Corporation: T. James Tadeson (50%), Thomas E. Gualtieri-Walters (50%) and John Bartkiw (50%).

The following are brief résumés of the directors and officers of the Corporation:

John D. Bartkiw

John D. Bartkiw has 14 years of experience in corporate financial management. In June 2005, Mr. Bartkiw opened his own consulting practice providing corporate finance and strategic planning services to growth oriented companies. Several of Mr. Bartkiw's clients were in the real-estate industry. Prior to that, Mr. Bartkiw was employed by Firan Technology Group Corporation, a TSX listed company, as Vice-President and Chief Financial Officer from May 1999 to June 2005 and as Director, Investor Relations and Strategic Planning from September 1998 to April 1999. Mr. Bartkiw worked for Sprint Canada Inc. from 1996 to 1998 in a variety of financial and business development roles. From 1992 to 1996, Mr. Bartkiw was employed by Ernst and Young LLP. Prior to that Mr. Bartkiw worked for Royal LePage Real Estate Services Ltd. and Vancastle Developments Inc. where he was involved in commercial real estate brokerage and commercial and residential development. Mr. Bartkiw graduated with an Honours Degree in Business Administration from the Richard Ivey School of Business in 1987, a Masters Degree in Business Administration from the University of Windsor in 1990, and obtained his Charted Accountant designation in 1995.

Greg A. Burk

Greg A. Burk has practiced as a certified dental specialist in Halifax since 1983. Dr. Burk has varied business interests in a number of operating companies including co-founding and operating a mail order dental supply company, E/T Endodontic Technologies Ltd., serving the North American market. He has experience in residential and commercial real estate and is co-owner of a self-storage facility in Halifax. Dr. Burk earned a Bachelor of Science from Dalhousie University in 1977, a Doctor of Dental Surgery degree in 1981 from Dalhousie University, and a Certificate in Endodontics from Tufts School of Dental Medicine, Boston, in 1983.

Philip D. Fraser

Philip D. Fraser is the President, Chief Executive Officer and a Director of Killam Properties Inc. ("Killam"). Killam is a publicly traded real estate company based in Halifax, Nova Scotia. Prior to May 2000, Mr. Fraser was a self employed consultant. From July 1997 to March 1999, Mr. Fraser was the Vice President and from March 1999 to March 2000, the Chief Financial Officer and Vice President, of Pacrim Developments Inc., a wholly-owned subsidiary of Pacrim International Capital Inc. a publicly traded company listed on the Toronto Stock Exchange. Mr. Fraser obtained his Master of Business Administration from Saint Mary's University in 1988, his Master of Urban and Rural Planning from Technical University of Nova Scotia (now Dalhousie University) in 1988 and his Bachelor of Commerce from Dalhousie in 1983. Mr. Fraser is also a part-time faculty member and holds the title of Adjunct Professor in the Department of Urban and Rural Planning at Dalhousie University.

Thomas E. Gualtieri-Walters

Thomas E. Gualtieri-Walters has more than 25 years of experience in the Canadian commercial real estate industry. Mr. Gualtieri-Walters founded Carttera Private Equities Inc., a private investment company with Mr. Tadeson in mid-2005. In addition, from June 1998 to December 2005, Mr. Gualtieri-Walters was a Senior Vice President of Corporate Development with O&Y Enterprises Real Estate Services, where he was responsible for business development, acquisition identification and strategic planning. While at O&Y Enterprises Real Estate Services, Mr. Gualtieri-Walters was the National Client Manager for Retrocom Mid-Market Real Estate Investment Trust, where he was involved in re-positioning 20 community shopping centres across Canada, and was National Client Manager for Summit Real Estate Investment Trust, where he was involved in Summit's acquisition of Avista Real Estate Investment Trust. From October 1997 to June 1998, when the business was sold to O&Y Enterprises Real Estate Services, Mr. Gualtieri-Walters was a Partner - Corporate Development of Enterprise Property Group. From May 1991 to February 1997, Mr. Gualtieri-Walters was Partner and the Managing Director for Eastern Canada for Pioneer Property Group where he held overall responsibility for the management and leasing of a 6 million square foot portfolio of properties owned by pension funds and life insurance companies. From April 1988 to May 1991, Mr. Gualtieri-Walters was Senior Principal of Retford Group Inc. (retail development and leasing consultant) and from October 1980 to April 1988, Mr. Gualtieri-Walters was Vice President Corporate Development of St. Clair Paint and Wallpaper Corporation.

James C. Lawley

James C. Lawley has been employed since 1982 by Scotia Fuels Ltd., a residential fuel oil supplier based in Halifax, Nova Scotia, and has held the position of General Manager since 1992. Mr. Lawley has been a director of Killam since 2000. Mr. Lawley is a property developer and co-owns a number of apartment and commercial buildings in Halifax, Nova Scotia. Mr. Lawley is also the co-owner of Camp Bonaventure Ltd., a commercial sporting lodge, since 1984 and is a director of the Atlantic Salmon Federation. Mr. Lawley obtained his Bachelor of Commerce from Dalhousie University in 1982.

Louis J. Maroun

Louis J. Maroun began his real estate career in 1982. As a partner with Roycom Securities and Advisors he helped build the Summit Real Estate Mutual Funds, the predecessor vehicle to Summit Real Estate Investment Trust ("Summit REIT"). Summit Real Estate Mutual Funds became a real estate investment trust in January 1996 and has grown dramatically since that time to become one of the largest real estate investment trusts in Canada and is the country's largest publicly owned industrial landlord with approximately $2.75 to $3 billion in assets. In his capacity as Chief Executive Officer, Mr. Maroun is directly responsible to the Board of Summit REIT and oversees all operations. Real estate transactions, asset and property management, capital markets, finance, investor relations and company strategic direction all fall under his area of responsibility.

Mr. Maroun also has long been a believer in the responsibility of the business community to contribute meaningfully to charitable and community endeavours. Over the years he has participated on a number of charitable boards, contributing financially and contributing his time. He currently sits as National Chair of the MS Society of Canada, is a board member of the MS Research Foundation, is a board member and co-founder, with his wife Kathryn, of Casting for Recovery Canada, is a Board Member of the Atlantic Salmon Federation, an international conservation organization and Chair of the development committee of Atlantic Salmon Federation.

T. James Tadeson

T. James Tadeson has more than 18 years of experience in the real estate industry. Mr. Tadeson founded Carttera Private Equities Inc., a private investment company with Mr. Gualtieri-Walters in 2005. In addition, prior to January 2006, Mr. Tadeson was Senior Vice President of Talisker Corporation responsible for acquiring, structuring, financing, developing, re-developing, managing and disposing of a wide and varied portfolio of real estate assets. Talisker Corporation is a privately held investment and development company involved with office, retail, industrial, multi and single family residential, land leases, golf and ski resort development, in Canada, the U.S.A. and the United Kingdom. While with

Talisker Corporation, Mr. Tadeson formulated and executed disposition strategies for over 40 industrial, retail, and office properties, and has structured, negotiated and closed dozens of acquisitions for development land, shopping centres, entertainment centres, office buildings, industrial buildings, joint-ventures, co-investments, and private equity investments. He has led the development and/or re-development and construction of all properties types, negotiated leases with national and international tenants, and has been the primary lender relationship contact on a variety of project loans. As part of his role, Mr. Tadeson maintained overall responsibility for the management of Talisker's entire real estate portfolio.

Prior to joining Talisker in 1998, Mr. Tadeson was Vice President, Acquisitions & Development for Morguard Investments Limited from September 1997 to March 1998 and earlier from September 1993 to September 1997 was a Partner with Ticor Realty Investment Advisors. Mr. Tadeson obtained a Bachelor of Business Administration (Honours) degree in 1987 from the Richard Ivey Business School at the University of Western Ontario, is a Chartered Financial Analyst charterholder, a member of the CFA Institute and the Toronto CFA Society, a registered Real Estate Broker in the Province of Ontario, and is a director and immediate Past-President of the Greater Toronto Chapter of National Association of Industrial and Office Properties (NAIOP).

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, on a collective basis, possess the appropriate experience, qualifications and history to be capable of identifying, investigating and acquiring a Significant Asset.

As a group, the directors and officers of the Corporation exercise control or direction over 4,393,122 Common Shares of the Corporation, which represents 50.2% of the issued and outstanding Common Shares prior to this Offering. They will represent 35.1% of the issued and outstanding Common Shares after the Offering.

The directors, as a group, shall be entitled to options in respect of an aggregate of 1,250,000 Common Shares. See "Options to Purchase Securities".

Other Reporting Issuer Experience

The following table sets out the directors, officers and promoter(s) of the Corporation that are, or have been within the last ten 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 of market (if applicable)**	**Position**	**From**	**To**
John D. Bartkiw	Firan Technology Group Corporation	TSX	Vice-President and Chief Financial Officer	1999	2005
Philip D. Fraser	Killam Properties Inc.	TSX	Director, President and Chief Executive Officer	2000	Present
Thomas E. Gualtieri-Walters	St. Clair Paint and Wallpaper Corporation	TSX	Director	1987	1989
James C. Lawley	Killam Properties Inc.	TSX	Director	2000	Present
Louis J. Maroun	Summit Real Estate Investment Trust	TSX	Director, President and Chief Executive Officer	1996	Present
	Acadian Timber Income Fund	TSX	Trustee	2006	Present

Conflict of Interest

There are potential conflicts of interest to which some of the directors, officers, insiders and promoter of the Corporation will be subject in connection with the operations of the Corporation. Some of the directors, officers, insiders and promoter are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the search by the Corporation for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where some of 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 as provided under the CBCA.

Promoter

T. James Tadeson may be considered to be the promoter of the Corporation in that he took the initiative in founding and organizing the Corporation. Mr. Tadeson owns 732,187 Common Shares representing 8.4% of those outstanding before the Offering and 5.9% of those outstanding after the Offering. Mr. Tadeson will not receive any compensation in his capacity as promoter of the Corporation. See “Principal Shareholders” and “Options to Purchase Securities”.

EXECUTIVE COMPENSATION

Remuneration

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 to indirectly, by the Corporation to a Non Arm’s Length Party to the Corporation or a Non Arm’s Length Party to the Qualifying Transaction, or to any person engaged in investor relations activities in respect of the securities of the Corporation or any Resulting Issuer by any means, including: (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”). No reimbursement may be made for any payment made to lease or buy a vehicle. Since its incorporation, the Corporation has not incurred any such expenses.

The Corporation has reserved 1,250,000 Common Shares for stock options to be issued to its directors and officers pursuant to the Stock Option Plan. See “Options to Purchase Securities”.

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

DILUTION

Purchasers of Common Shares under this prospectus will suffer an immediate dilution of approximately $0.04 per Common Share or 20%, prior to deduction of selling commissions and related expenses. Dilution has been computed on the basis of total gross proceeds to be raised by this prospectus and from sales of securities prior to filing this prospectus, without deduction of commissions or related expenses incurred by the Corporation.

RISK FACTORS

The following is a list of risk factors that a prospective investor should consider before subscribing for Common Shares:

Recent Incorporation

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 will not generate earnings or pay dividends until at least after Completion of the Qualifying Transaction.

Nature of Business

Investment in the Common Shares offered by the prospectus is highly speculative given the proposed nature of the Corporation's business and its present stage of development.

Conflicts of Interest

The directors and officers of the Corporation will devote only 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.

Dilution

Assuming completion of the Offering, an investor will suffer an immediate dilution to its investment of dilution of approximately \$0.04 per Common Share or 20%, prior to deduction of selling commissions and related expenses.

Absence of Liquid Market

There can be no assurance that an active and liquid market for the Corporation's Common Shares will develop and an investor may find it difficult to resell its Common Shares.

Limitations on Business

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.

Limited Funds

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.

Completion of Qualifying Transaction

Even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction. 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, the Majority of the Minority Approval.

Absence of Right to Dissent

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 right to dissent and no entitlement to payment by the Corporation of the fair value for the Common Shares.

Halts in Trading

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.

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.

Suspension of Trading or Delisting

The Exchange will generally suspend trading in the Corporation's Common Shares or delist the Corporation in the event that the Exchange has not issued a Final Exchange Bulletin within 24 months from the date of listing.

Merits of the Qualifying Transaction

Neither the Exchange nor any securities regulatory authority passes upon the merits of the proposed Qualifying Transaction.

Foreign Business

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.

Dilution upon Qualifying Transaction

The Qualifying Transaction may be financed in all or in part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation.

Recovery of Loans

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.

As a result of these factors, this Offering is suitable only 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.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are KPMG LLP, Commerce Court West, 199 Bay Street, Suite 3300, P.O. Box 31, Stn Commerce Ct., Toronto, Ontario, M5L 1B2.

Computershare Investor Services Inc., at its principal offices in Halifax and Toronto, is the transfer agent and registrar for the Common Shares.

RELATIONSHIP BETWEEN THE CORPORATION AND THE AGENT

The Agent for the Offering is Canaccord Capital Corporation, BCE Place, Canada Trust Tower, 29th Floor, Toronto, Ontario,M5J 2S1. Legal counsel to the Agent is Goodmans LLP.

The Agent does not own Common Shares. The employees, officers and directors of the Agent own 326,090 Common Shares. The partners and associates of Goodmans LLP, do not own any Common Shares but may subscribe for Common Shares pursuant to the Offering.

RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS

The legal counsel of the Corporation is Stewart McKelvey Stirling Scales, 1959 Upper Water Street, Suite 900, Halifax, Nova Scotia, B3J 2X2. The partners and associates of Stewart McKelvey Stirling Scales do not own any Common Shares, but may subscribe for Common Shares pursuant to the Offering.

LEGAL PROCEEDINGS

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

MATERIAL CONTRACTS

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

(a) Transfer Agent and Registrar Agreement dated ●, 2006 between the Corporation and Computershare Investor Services Inc.;

(b) Agency Agreement dated ●, 2006 between the Corporation and the Agent, referred to under "Plan of Distribution"; and

(c) Escrow Agreement dated ●, 2006, among the Corporation, Computershare Investor Services Inc. and those shareholders that executed such Escrow Agreement, referred to under "Escrow Securities".

Copies of these agreements will be available for inspection at the offices of Stewart McKelvey Stirling Scales, counsel to the Corporation, during ordinary business hours and will be available on the System for Electronic Document Retrieval and Analysis at www.sedar.com.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces provides purchasers with the right to withdraw from an agreement to purchase securities within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages 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 the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

AUDITORS' CONSENT

We have read the preliminary prospectus of SCOSS Capital Corp. (the "Corporation") dated February 13, 2006 relating to the sale and issuance of 3,750,000 common shares of the Corporation. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the above-mentioned preliminary prospectus of our report to the directors of the Corporation on the balance sheet of the Corporation as at February 10, 2006. Our report is dated ●, 2006 except for note 2 which is as of ●, 2006.

Toronto, Ontario
February ●, 2006

●
Chartered Accountants

AUDITORS' REPORT

To the Board of Directors of SCOSS Capital Corp.

We have audited the balance sheet of SCOSS Capital Corp. as at February 10, 2006. This financial statement is the responsibility of the Corporation's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

In our opinion, the balance sheet presents fairly, in all material respects, the financial position of the Corporation as at February 10, 2006 in accordance with Canadian generally accepted accounting principles.

Chartered Accountants
Toronto, Canada
February 10, 2006, except for note 2, which is as of ●, 2006

SCOSS CAPITAL CORP.
Balance Sheet

February 10, 2006

Assets	
Cash	$ 1,250,000
Liabilities and Shareholders' Equity	
Accrued Liabilities	$ 5,000
Capital stock (note 1)	$ 1,245,000
Subsequent events (note 2)	
	$ 1,250,000

See accompanying notes to balance sheet.

On behalf of the Corporation:

________________________________ Director

________________________________ Director

SCOSS CAPITAL CORP.
Notes to Balance Sheet

February 10, 2006

SCOSS Capital Corp. (the "Corporation") was incorporated under the Canada Business Corporations Act on January 12, 2006 and to date there have been no operations.

1. Capital stock:

Authorized:	
Unlimited common shares	
Issued:	
8,750,000 common shares (net of costs)	$ 1,245,000

On February 10, 2006, the Corporation issued 8,750,000 common shares for cash consideration of $1,250,000. Issuance costs associated with these shares, together with costs associated with incorporation and organization, amounted to $5,000.

2. Subsequent events:

On ●, the Corporation filed a final prospectus for the sale of 3,750,000 common shares at a price of $0.20 per share, payable on closing for the aggregate gross proceeds of $750,000, prior to the deduction of issue costs.

On February 13, 2006, the Corporation adopted a Stock Option Plan (the “Plan”). Under the terms of the Plan, the Board of Directors of the Corporation may from time to time, in its discretion, and in accordance with TSX Venture Exchange requirements, grant to directors, officers, employees and consultants to the Corporation, non-transferable options to purchase common shares, exercisable for a period of up to five years from the date of grant. The number of common shares is reserved for issuance under the Plan is equal to 10% of the issued and outstanding common shares of the Corporation from time to time. The number of common shares reserved for issuance to any individual director or officer under the Plan shall not exceed 5% of the issued and outstanding common shares of the Corporation and the number of common shares reserved for issuance to any one consultant shall not exceed 2% of the issued and outstanding common shares.

In connection with the offering, the Corporation intends to grant, on closing of the offering, stock options to the directors and officers of the Corporation to purchase 1,250,000 common shares at $0.20 per share. The stock options will expire five years from the date the options are granted.

CERTIFICATE OF THE CORPORATION

February 13, 2006

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

(signed) T. James Tadeson Chief Executive Officer	(signed) John D. Bartkiw Chief Financial Officer

ON BEHALF OF THE BOARD

(signed) Philip D. Fraser Director	(signed) Greg A. Burk Director

CERTIFICATE OF THE PROMOTER

February 13, 2006

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

(signed) T. James Tadeson

CERTIFICATE OF THE AGENT

February 13, 2006

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 securities legislation of the provinces of Nova Scotia, Ontario and Alberta, and the regulations thereunder.

CANACCORD CAPITAL CORPORATION

per: (signed) Ronald Rimer