*A copy of this preliminary prospectus has been filed with the securities regulatory authorities in the Provinces of British Columbia and Alberta and with the TSX Venture Exchange Inc. (the "**Exchange**") 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 in each of the Provinces of British Columbia and Alberta.*

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. These securities have not and will not be registered under the United States Securities Act of 1933, as amended, or the securities laws of any state of the United States of America, and may not be offered or sold in the United States unless registered under applicable securities laws or unless an exemption from such registration is available.

Initial Public Offering | Preliminary Prospectus | Dated: July 5, 2007

CAPSTOCK FINANCIAL INC.
(a Capital Pool Company)

6975 Balaclava Street, Vancouver, B.C. V6N 1M4
Telephone: (604) 689-4733
Fax: (604) 251-1721

$200,000
2,000,000 common shares

PRICE: $0.10 PER COMMON SHARE

Capstock Financial Inc. (the "**Corporation**") hereby offers (the "**Offering**") through its agent, PI Financial Corp. (the "**Agent**"), 2,000,000 common shares (the "**Common Shares**") in the capital of the Corporation for sale to the public at a price of $0.10 per share. The purpose of the Offering is to provide 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). Any proposed Qualifying Transaction must be approved by the Exchange and in the case of a Non Arm's Length Qualifying Transaction, must also receive Majority of the Minority Approval (as hereafter defined), in accordance with Exchange Policy 2.4 ("**Policy 2.4**"). The Corporation is a Capital Pool Company ("**CPC**") as defined in Policy 2.4. It has not commenced commercial operations and has no assets other than a minimum amount of cash. Except as specifically contemplated in Policy 2.4, until the Completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a proposed Qualifying Transaction. See "Business of the Corporation" and "Use of Proceeds".

	Price to the Public	**Agent's Commission**[(2)]	**Proceeds to the Corporation**[(3)]
Per common share	$0.10	$0.01	$0.09
Total Offering[(1)(4)]	$200,000	$20,000	$180,000

Notes:

(1) A total of 2,000,000 Common Shares are offered hereunder, not including the Agent's Option (as defined herein). The Agent's Option is qualified and distributed under this prospectus. See "Plan of Distribution" and "Options to Purchase Securities".

(2) PI Financial Corp. will act as Agent under the Offering. The Agent will receive a total commission (the "**Agent's Commission**") equal to 10% of the gross proceeds of this Offering payable in cash. In addition, the Agent will be granted an option to purchase up to 200,000 Common Shares which expires 24 months from the date the Corporation's common shares are listed for trading on the Exchange and which may be exercised at a price of $0.10 per Common Share ("**Agent's Option**"). The Corporation will reimburse the Agent for out-of-pocket expenses incurred in connection with this Offering including legal fees, estimated at $10,000 plus taxes and disbursements. See "Plan of Distribution". The Corporation will pay the Agent a corporate finance fee of $10,000 plus G.S.T.

(3) Before deducting the costs of this issue, estimated at approximately $45,600 exclusive of the Agent's Commission and pre-offering costs of $15,000.

(4) The latest date that the distribution is to remain open as may be permitted by securities legislation is the earlier of 90 days after the date of issuance of a receipt for the final prospectus by the Executive Director of the British Columbia Securities Commission (the "Securities Regulatory Authority") and 12 months from the date of issuance of a receipt for the preliminary prospectus by the Securities Regulatory Authority.

This Offering is made on a best efforts basis by the Agent and is subject to a minimum subscription of 2,000,000 Common Shares for total gross proceeds to the Corporation of $200,000. The Offering price of the Common Shares was determined by negotiation between the Corporation and the Agent. All funds received from subscriptions for Common Shares will be held by the Agent pursuant to the terms of the Agency Agreement (as defined herein). If the minimum subscription is not raised within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by persons or companies who subscribed within that period, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent.

Pursuant to the Agency Agreement, the Agent will be granted the Agent's Option". The Agent's Option is qualified under this prospectus for distribution.

Other than the initial distribution of the Common Shares pursuant to this prospectus and the grant of the Agent's Option, trading in all securities of the Corporation is prohibited during the period between the date a receipt for this preliminary prospectus is issued by the Securities Regulatory Authority, 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 Securities Regulatory Authority grants a discretionary order.

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

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".

There is no market through which the Common Shares offered by this Prospectus may be sold and purchasers may not be able to dispose of them on a timely basis. Upon completion of this Offering, purchasers will suffer an immediate dilution (based on the gross proceeds from this and prior issues per Common Share of approximately $0.0172 or 17.2%. The Corporation was only recently incorporated and has no active business and does not currently own any assets other than cash. The business objective of the Corporation is to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction approved by the Exchange and if the proposed transaction is non-arm's length, it is also subject to the approval of the Majority of the Minority Approval (as defined herein) of the Corporation's shareholders; however, there can be no assurance that the Corporation will successfully complete a Qualifying Transaction. **Although the Corporation has commenced the process of identifying potential acquisitions, the Corporation has yet to enter into any negotiations with respect to such potential acquisitions and may determine that current markets, terms of acquisition, or pricing conditions make such potential acquisitions uneconomic.** The Corporation has not entered into an Agreement in Principle (as hereafter defined). The Corporation may find that even if the terms of a potential acquisition are economic, the Corporation may not be able to finance such acquisition and additional funds may be required to meet such obligations. Since the Corporation has not placed any geographical restrictions on the location of a Qualifying Transaction, such Qualifying Transaction may involve the acquisition of a business located outside of Canada and, as such, investors should be aware that it may be difficult or may not be possible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and that it may not be possible to enforce against such persons or the Corporation, judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada. Where the investment or acquisition is financed by the issuance of shares from the Corporation's treasury, control of the Corporation may change and shareholders may suffer further dilution of their investment. The Corporation will be in competition with other corporations with greater resources. The Corporation has neither a history of earnings nor has it paid any dividends and it is unlikely to generate earnings or pay dividends in the immediate or foreseeable future. The Exchange may suspend from trading or delist the Common Shares where the Corporation has failed to complete a Qualifying Transaction within 24 months of the date of listing. The Executive Director of the British Columbia Securities Commission may issue a cease trade order if the Corporation is delisted from the Exchange. In addition, delisting of the Common Shares may result in the cancellation of all of the Common Shares of the Corporation owned by insiders issued prior to this Offering. Investors must rely solely on the expertise of the Corporation's promoters, directors and officers for any possible return on their investment. The Corporation's promoters, directors, officers and control persons, and their associates and affiliates, as a group, beneficially own or control, directly or indirectly, 2,100,000 Common Shares, which represents 51.2% of the issued and outstanding Common Shares before giving effect to this Offering and approximately 34.4% of the issued and outstanding Common Shares after giving effect to this Offering. The directors and officers of the Corporation will only devote part of their time to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. See "Dilution", "Business of the Corporation", "Directors, Officers and Promoters", "Use of Proceeds", "Conflicts of Interest", and "**Risk Factors**".

No person is authorized by the Corporation to provide any information or to make any representations other than those contained in this prospectus in connection with the issue and sale of the securities offered pursuant to this prospectus. See “Plan of Distribution”.

The Shares are offered subject to prior sale, if, as, and when issued and in accordance with the conditions contained in the Agency Agreement referred to under “Plan of Distribution” and subject to the approval of Lang Michener LLP, Barristers and Solicitors, Vancouver, B.C. on behalf of the Corporation and by Miller Thomson LLP, Vancouver, B.C. on behalf of the Agent, of such legal matters for which approval has been specifically sought by the Corporation or the Agent. Pursuant to Policy 2.4, no purchaser of the Common Shares is permitted to directly or indirectly purchase more than 2% or 40,000 ($4,000) of the total 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 80,000 ($8,000) 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 date the Offering is closed.

Exclusive Agent for the Offering:

PI FINANCIAL CORP.
Park Place – 19th Floor
Suite 1900, 666 Burrard Street
Vancouver, British Columbia
V6C 3N1
Telephone: (604) 664-2900
Fax: (604) 664-2666

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.

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

“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 Policy 2.4; 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 of 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 a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

"Corporation" means Capstock Financial Inc.

"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.

"Listing Date" means the date upon which the Common Shares are posted for trading on the Exchange.

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

"Majority of the Minority Approval" means the approval of 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 market on which former Exchange and Toronto Stock Exchange issuers that do not meet Exchange tier maintenance requirements for Tier 2 issuers may continue to trade.

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

"Non-Arm's Length 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.

"Policy 2.4" means TSX Venture Exchange Policy 2.4 – Capital Pool Companies, available for review at www.tsx.com/en/pdf/Policy2-4.pdf.

"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 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.

"Pro Group" means:

(a) Subject to subparagraphs (b), (c) and (d) "Pro Group" shall include, either individually or as a group:

(i) the Member;

(ii) employees of the Member;

(iii) partners, officers and directors of the Member;

(iv) Affiliates of the Member; and

(v) Associates of any parties referred to in subparagraphs (i) through (iv).

(b) The Exchange may, in its discretion, include a Person or party in the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is not acting at arm's length to the Member;

(c) The Exchange may, in its discretion, exclude a Person from the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is acting at arm's length of the Member;

(d) The Member may deem a Person who would otherwise be included in the Pro Group pursuant to subparagraph (a) to be excluded from the Pro Group where the Member determines that:

(i) the Person is an affiliate or associate of the Member acting at arm's length of the Member;

(ii) the associate or affiliate has a separate corporate and reporting structure;

(iii) there are sufficient controls on information flowing between the Member and the associate or affiliate; and

(iv) the Member maintains a list of such excluded Persons.

“Qualifying Transaction” 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 securities issued before an issuer’s IPO, or by a private Target Company before a reverse take-over, change of business or Qualifying Transaction, regardless of whether the securities are subject to Resale Restrictions or are free trading.

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

CORPORATION:	The Corporation was incorporated in British Columbia on May 31, 2006 under the name of Capstock Financial Inc. See "Narrative Description of the Business."
BUSINESS OF THE CORPORATION:	The Corporation is a Capital Pool Company as defined in Policy 2.4. The principal business of the Corporation will be 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. See "Business of the Corporation".
OFFERING:	A total of 2,000,000 Common Shares are being offered under this prospectus at a price of $0.10 per Common Share. In addition, the Corporation will grant an option to the Agent to purchase up to 200,000 Common Shares at a price of $0.10 per Common Share which will be exercisable for a period of 24 months from the date of listing of the Common Shares on the Exchange, which option is qualified under this prospectus.
DIRECTORS AND MANAGEMENT:	The Directors and Officers of the Corporation are as follows: R.A. Bruce McDonald – *Chief Executive Officer, Chief Financial Officer and Director* Dora Antulov-Sanvido - *Corporate Secretary and Director* Marcus Arnold – *Director* Ian McDonald – *Director* See "Management and Key Personnel" and "Directors, Officers and Promoters".
AGENT:	PI Financial Corp. (the "Agent").
USE OF PROCEEDS:	The proceeds net of commissions to the Corporation will be $180,000. The net proceeds of this Offering after expenses of approximately $45,600 will be used together with the net proceeds from the prior sale of common shares in the amount of $290,000 to provide the Corporation with a minimum of funds with which to identify and evaluate assets or businesses, for acquisition with a view to completing a Qualifying Transaction. The Corporation may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. Until Completion of the Qualifying Transaction and except as otherwise provided in Policy 2.4, a maximum of the lesser of 30% of the gross proceeds realized or $210,000 may be used for purposes other than evaluating business or assets.
ESCROWED SECURITIES:	All of the Common Shares which were issued to Insiders, of the Corporation or any Pro Group members, being 2,100,000 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 "Escrowed Securities".

RISK FACTORS:	Investment in the Common Shares must be regarded as highly speculative due to the proposed nature of the Corporation's business and its present stage of development. The Corporation has no active business or assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. The Offering is only suitable to investors who are prepared to rely entirely on the directors and management of the Corporation and can afford to risk the loss of their entire investment. The directors and officers of the Corporation will only devote part of their time and attention to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. Assuming completion of the Offering, an investor will suffer an immediate dilution on investment of approximately 17.2% or $0.0172 per Common Share. 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 Transactions. The Corporation has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the CPC will be able to identify or complete a suitable Qualifying Transaction. 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

Capstock Financial Inc. was incorporated on May 31, 2006 under the *Business Corporations Act* (British Columbia). The Corporation is a Capital Pool Company as defined in Policy 2.4 (more particularly described below).

The head office of the Corporation is located at 6975 Balaclava Street, Vancouver, B.C. V6N 1M4, telephone: (604) 689-4733, fax: (604) 251-1721. The registered office of the Corporation is located at Suite 1500, 1055 West Georgia Street, Vancouver, B.C., V6E 4N7, telephone: (604) 689-9111, fax: (604) 685-7084.

The Corporation has no subsidiaries.

BUSINESS OF THE CORPORATION

Preliminary Expenses

As of the date hereof, the Corporation has incurred or accrued preliminary expenses with respect to legal and auditing fees and expenses, a deposit of $10,600 with the Agent for expenses, including legal counsel to the Agent, in the aggregate amount of approximately $25,600, $20,600 of which expenses have been incurred or accrued since the date of the financial statements included in this prospectus.

Upon completion of the Offering, the deposit of $10,600, which has been paid to the Agent, will be applied towards the payment of the expenses of the Agent and its legal counsel. The Corporation has also incurred legal expenses, including expenses in respect of the prior issuances of Common Shares, general legal services and costs associated with the incorporation and organization of the Corporation.

Certain of the Offering proceeds will be utilized to satisfy the obligations of the Corporation related to the present Offering, including the expenses of its auditors, legal counsel, the Agent's legal counsel, the fees of the Exchange and the Securities Regulatory Authority. 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 Policy 2.4. The Corporation has not conducted commercial operations. The Corporation currently intends to pursue a Qualifying Transaction in the resource sector, but there is no assurance that this will, in fact, be the business sector of a proposed Qualifying Transaction or of the Corporation following Completion of the 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, this may include the raising of additional funds in order to finance an acquisition. Except as described under the headings "Private Placement 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 the Qualifying Transaction, the Corporation has not yet entered into an Agreement in Principle.

Method of Financing

The Corporation may use either cash, bank financing, the issuance of treasury shares or public financing of debt or equity, or a combination of the foregoing, 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.

Filing 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 the heading "Trading Halts, Suspensions and Delisting". Within 75 days after issuance of such news release, the Corporation shall be required to submit for review to the Exchange either an information circular that complies with applicable corporate and securities laws or a filing statement that complies with Exchange requirements. An information circular must be submitted where there is a Non-Arm's Length Qualify Transaction. A filing statement must be submitted where the Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction. The information circular or filing statement, as applicable, must contain prospectus level disclosure of the Target Company and the Corporation, assuming Completion of the Qualifying Transaction, and be prepared in accordance with Policy 2.4 and Form 3B1/Form 3B2. Upon acceptance by the Exchange, the Corporation must then either:

(a) file the filing statement on SEDAR at least seven business days prior to closing of the Qualifying Transaction, and issue a news release which discloses the scheduled closing date for the Qualifying Transaction as well as the fact that the filing statement is available on SEDAR, or

(b) mail the information circular and related proxy materials to its shareholders in order to obtain the Majority of the Minority Approval of the Qualifying Transaction or other request 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:

(i) in the case of a Non-Arm's Length Qualifying Transaction, confirmation of Majority of Minority Approval of the Qualifying Transaction;

(ii) confirmation of closing of the Qualifying Transaction, and

(iii) all post-meeting or final documentation, as applicable, otherwise required to be filed with the Exchange pursuant to Policy 2.4.

Upon issuance of the Final Exchange Bulletin, Policy 2.4 will generally cease to apply, with the exception of the escrow provisions of Policy 2.4 and the restrictions in Policy 2.4 precluding the Corporation from completing a reverse take-over for a period of one year from the Completion of the Qualifying Transaction.

Potential Qualifying Transactions

There are no Qualifying Transactions currently being reviewed by the Corporation.

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 Acknowledgment Form, where the Qualifying Transaction is subject to sponsorship. In addition, personal information forms or, if applicable, declarations for all individuals who may be directors, senior officers, promoters, or insiders of the Resulting Issuer must be filed with the Exchange and any preliminary background searches that the Exchange considers necessary or advisable, must also be completed, before the trading halt will be listed 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 the 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. In the event that the Common Shares of the Corporation are delisted by the Exchange, within 90 days from the date of such delisting, the Corporation shall wind up and shall make a pro rata distribution of its remaining assets to its shareholders, unless shareholders, pursuant to a majority vote exclusive of the votes of Non-Arm's Length Parties to the Corporation, determine to deal with the issuer or its remaining assets in some other manner.

If the CPC has not completed a Qualifying Transaction within the time frame prescribed by Policy 2.4, it may apply for listing on NEX rather than be delisted. In order to be eligible for NEX, the CPC must:

(a) obtain majority shareholder approval for the transfer to NEX exclusive of the votes of Non-Arm's Length Parties to the CPC; and

(b) either

    (i) cancel all Seed Shares purchased by Non Arm's Length Parties to the CPC at a discount to the IPO price, in accordance with Policy 2.4, as if the CPC had delisted from the Exchange; or

    (ii) subject to majority shareholder approval, cancel an amount of the Seed Shares purchased by Non-Arm's Length Parties to the CPC so that the average cost of the remaining Seed Shares is at least equal to the IPO price.

CPCs listing on NEX must continue to comply with all of the requirements and restrictions of Policy 2.4.

Refusal of Qualifying Transaction

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

(c) the Resulting Issuer fails to satisfy the applicable minimum listing requirements of the Exchange;

(d) the aggregate number of securities of the Resulting Issuer owned, directly or indirectly, by

(iii) a member firm of the Exchange;

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

(v) associates of any such person,

collectively, would exceed 20% of the issued and outstanding securities of the Resulting Issuer;

(e) the Resulting Issuer will be a financial institution, finance company, finance issuer or mutual fund, as defined in the securities legislation;

(f) 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;

(g) notwithstanding the definition of a Qualifying Transaction, there is any other reason for denying acceptance of the Qualifying Transaction.

USE OF PROCEEDS

Proceeds and Principal Purposes

The gross proceeds to be received by the Corporation from the sale of the Common Shares offered by this prospectus will be $200,000, which, together with $279,400 working capital on hand as of the date hereof ($305,000 proceeds from the sale of Seed Shares, less $25,600 spent to date), provides a total of $479,400 available for expenditure had the Offering completed on that date. The balance of the Offering expenses are estimated at $35,000 and after the deduction of commission of $20,000, the net proceeds to the Corporation will be $424,400. Assuming the Corporation requires the maximum period of 24 months to identify a Qualifying Transaction, corporate and administrative expenses and legal, audit and other fees not related to the Qualifying Transaction are estimated to be $50,000, leaving the Corporation with $374,400 (excluding interest thereon) to identify and evaluate potential acquisitions and complete the Qualifying Transaction. The following indicates the principle uses to which the Corporation proposes to use the total funds available to it upon the completion of this Offering:

Cash proceeds raised prior to this Offering[1]	$305,000	
Interest income	0	
Expenses and costs relating to raising the cash proceeds prior to this Offering and deposit with Agent relating to this Offering.	(25,600)	
Cash on hand	$279,400	$279,400
Cash proceeds to be raised pursuant to this Offering[2]	200,000	
Less: Commissions	(20,000)	
	180,000	
Estimated expenses and costs relating to the Offering (including listing fees, legal fee, audit fees and expenses but excluding deposit with Agent)	(35,000)	
Net Proceeds after expenses: legal fees, audit fees and agent's expenses)	145,000	145,000
Estimated funds available (on completion of the Offering)		$424,400
Use of Proceeds:		
Estimated funds available for identifying and evaluating assets or Business proposals		$374,400
Estimated general and administrative expenses until Completion of a Qualifying Transaction[3]		50,000
Total net proceeds[4]:		**$424,400**

Notes:

(1) See "Prior Sales".

(2) In the event the Agent exercises the Agent's Option, there will be available to the Corporation a maximum of an additional $20,000 which will be added to the working capital of the Corporation. There is no assurance that any of these options will be exercised.

(3) This estimate assumes that it takes the Corporation the full 24 months to identify and complete a Qualifying Transaction.

(4) In the event that the Corporation enters into an Agreement in Principle prior to spending the entire $374,400 on identifying and evaluating assets or businesses, the remaining funds may be used to finance or partially finance the acquisition of Significant Assets or for working capital after Completion of the Qualifying Transaction.

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

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

Permitted Use of Funds

Until the Completion of the Qualifying Transaction and except as otherwise specifically provided by Policy 2.4 and described in "Restrictions on Use of Proceeds", "Private Placements for Cash" and "Prohibited Payments to Related Parties", the gross proceeds realized from the sale of all securities issued by the Corporation will be used by the Corporation only to identify and evaluate businesses or assets and obtain shareholder approval for a proposed Qualifying Transaction.

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

(i) valuation or appraisals;

(ii) business plans;

(iii) feasibility studies and technical assessments;

(iv) sponsorship reports;

(v) engineering or geological reports;

(vi) financial statements, including audited financial statements;

(vii) fees for legal and accounting services; and

(viii) Agent's fees, costs and commissions,

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

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

Restrictions on Use of Proceeds

Until Completion of a Qualifying Transaction, no more than the lesser of 30% of the gross proceeds from the sale of all securities issued by the Corporation or $210,000, will be used for purposes other than those described above. For greater certainty, expenditures which are not included as "Permitted 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 above, the Corporation may reimburse a Non-Arm's Length Party to the Corporation for reasonable expenses for office supplies, office rent and related utilities, equipment leases (excluding vehicle leases), and legal services (provided that neither the lawyer providing the legal services nor any member of the law firm providing the services is a promoter of the Corporation or in the case of a law firm, no member of the firm, owns greater than 10% of the outstanding Common Shares of the Corporation), and the Corporation may also reimburse a Non-Arm's Length Party to the Corporation for reasonable out-of-pocket expenses incurred in pursuing the business of the Corporation described in "Permitted Use of Funds."

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

PLAN OF DISTRIBUTION

Name of Agent and Agent's Compensation

Pursuant to an agency agreement (the "**Agency Agreement**") dated ◆, 2007 between the Corporation and PI Financial Corp., the Corporation has appointed the Agent as its agent to offer for sale on a best efforts basis to the public 2,000,000 Common Shares as provided in this prospectus, at a price of $0.10 per Common Share, for gross proceeds of $200,000, subject to the terms and conditions in the Agency Agreement. The Agent will receive a commission of $20,000 (10%) of the aggregate gross proceeds from the sale of the Common Shares. In addition, the Corporation will pay to the Agent a corporate finance fee of $10,000 plus GST and will pay the Agent's expenses, including legal fees, estimated at $10,000 plus taxes and disbursements.

The Corporation has also agreed to grant to the Agent the Agent's Option to purchase 200,000 Common Shares at a price of $0.10 per Common Share, which may be exercised for a period of 24 months from the Listing Date. All of the Agent's Option is qualified under this prospectus. Not more than 50% of the Common Shares that may be acquired on the exercise of the Agent's Option may be sold by the Agent prior to the Completion of the Qualifying Transaction. The remaining 50% may be sold after the Completion of the Qualifying Transaction. 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.

Best Efforts Offering and Minimum Distribution

The total Offering is 2,000,000 Common Shares for total gross proceeds of $200,000. Under Policy 2.4, no purchaser of the Common Shares is permitted to purchase more than 2% or 40,000 of the total Common Shares in the Offering. In addition, the maximum number of Common Shares permitted to be purchased by that purchaser together with any Associates of Affiliates of that purchaser is 4% or 80,000 of the total number of Common Shares under the Offering. The funds received from the Offering will be deposited with the Agent, and will not be released until a minimum of $200,000 has been deposited**.** The total subscription 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.

The Offering will be made in accordance with the rules and policies of the Exchange which will be on or before the earlier of 90 days from the date of issue of the final receipt for this prospectus and 12 months from the date of issue by the Securities Regulatory Authority of the preliminary receipt for this prospectus. All subscription funds will be deposited with the Agent and if the total subscription is not raised, subscription funds will be returned to subscribers without interest or deduction.

Determination of Price

The distribution price of the 2,000,000 Common Shares offered hereunder was determined by negotiation between the Corporation and the Agent.

Listing Application

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

Subscriptions by and Restrictions on the Agent

All subscriptions by any member of the Aggregate Pro Group are subject to the applicable client priority rules and the general rule of Policy 2.4 that no purchaser can: (i) directly or indirectly purchase more than 2% of the total Common Shares offered under this Offering; and (ii) together with any Associates or Affiliates purchase more than 4% of the total Common Shares offered under this Offering. Any Common Shares issued to any member of the Aggregate Pro Group prior to the date of this prospectus will be held in escrow pursuant to Policy 2.4.

Until Completion of the Qualifying Transaction, the aggregate number of Common Shares permitted to be owned directly or indirectly by the members of the Pro Group is 20% of the issued and outstanding Common Shares of the Corporation exclusive of Common Shares reserved for issuance at a future date. The Exchange will require that any securities issued to the Pro Group in connection with or in contemplation of the Qualifying Transaction will be required to be subject to a four month Exchange hold period and the securities certificate(s) legended accordingly, as prescribed by Exchange Policy 3.2 "*Filing Requirements and Continuous Disclosure*".

The Agent has advised the Corporation that to the best of its knowledge and belief, no directors, officers, employees or contractors of the Pro Group or any Associate or Affiliate of the foregoing have subscribed for Common Shares of the Corporation.

Restrictions on Trading

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

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Common Shares

The authorized capital of the Corporation consists of an unlimited number of common shares without par value and unlimited preferred shares without par value. As of the date hereof, there are 4,100,000 common shares issued and outstanding and no preferred shares outstanding.

The holders of Common Shares are entitled to dividends, as and when declared by the board of directors, to one vote per Common Share at meetings of shareholders of the Corporation and, upon liquidation, to receive such assets of the Corporation as are distributable to the holders of Common Shares. All Common Shares to be outstanding on completion of this Offering will be fully paid and non-assessable.

CAPITALIZATION

	Amount authorized or to be authorized	Amount outstanding as of the date of the most recent balance sheet contained in the prospectus(1)	Amount outstanding as at the date hereof, before giving effect to the Offering(1)	Amount to be outstanding if all Common Shares being offered are sold(2)(3)
Common Shares	Unlimited	$105,000 2,100,000 shares	$305,000 4,100,000 shares	$505,000 6,100,000 shares
Preferred Shares	Unlimited	None	None	None
Options	610,000	None	None	None
Agent's Options	200,000	None	None	200,000(4)

Notes:

1. As of the date hereof, the Corporation had not commenced actively searching for a business of merit.
2. The gross proceeds to be received by the Corporation from the sale of the Common Shares offered by this prospectus will be $200,000, which, together with $279,400 working capital on hand as at the date hereof ($305,000 proceeds from the sale of Seed Shares less $25,600 spent to date), provides a total of $479,400 available for expenditure had the Offering completed on that date. The balance of the Offering expenses are estimated at $35,000, and after deduction of commission of $20,000 the net proceeds to the Corporation will be $424,400.
3. 2,100,000 Common Shares issued to Insiders of the Corporation are held in escrow in accordance with Policy 2.4. See "Escrowed Shares".
4. These options will be issued to the Agent concurrently with Closing of the Offering. See "Plan of Distribution".

Authorized and Issued Shares

The authorized capital of the Corporation consists of an unlimited number of common shares without par value and unlimited preferred shares without par value. As of the date hereof, there are 4,100,000 common shares issued and outstanding and no preferred shares outstanding. See "Prior Sales".

Fully Diluted Share Capital

		Number of Securities	Percentage of Total
(a)	Issued as of the date of this Prospectus(1)	4,100,000	59.3%
(b)	Offered under the prospectus	2,000,000	29.0%
(c)	Securities reserved for future issue	810,000 (2)	11.7%
Total		**6,910,000**	**100%**

Notes:

(1) See “Prior Sales”.

(2) The following shares of the Corporation are reserved for future issuance: 200,000 common shares on exercise of the Agent’s Option and 610,000 common shares pursuant to the stock option plan.

Agent’s Option

The Corporation will grant to the Agent, upon completion of this Offering, a non-transferable option to purchase up to 200,000 common shares at a price of $0.10 per common share which may be exercised for a period of 24 months following the date of listing of the Corporation’s common shares on the Exchange. A total of fifty (50%) percent of the common shares which may be acquired pursuant to the exercise of the Agent’s Option may be sold by the Agent prior to completion of a Qualifying Transaction by the Corporation. The remaining fifty (50%) percent may only be sold after completion of a Qualifying Transaction. The Agent’s Option is qualified for distribution under this prospectus. See “Plan of Distribution”.

OPTIONS TO PURCHASE SECURITIES

Stock Option Plan

The Corporation has adopted a “rolling” stock option plan (the “**Plan**”), pursuant to which a maximum of 10% of the issued and outstanding Common Shares of the Corporation at the time an option is granted, less any outstanding stock options previously granted, will be reserved for issuance as options and will be granted at the discretion of the Corporation’s Board of Directors to eligible optionees (the “Optionees”) under the Plan. While the Plan is in effect there can never be more than 10% of the Corporation’s issued and outstanding Common Shares reserved for issuance at any point in time. A maximum of 610,000 Common Shares may be issued under the Plan until completion of the Qualifying Transaction.

Until the Corporation completes its Qualifying Transaction and ceases to be a CPC, all stock options granted under the Plan will be subject to the terms and conditions of Policy 2.4.

Eligible Optionees

Under the policies of the Exchange, to be eligible for the issuance of a stock option under the Plan an Optionee must either be a director, officer, employee, consultant or an employee of a company providing management or other services to the Corporation or a subsidiary at the time the option is granted.

Options may be granted only to an individual or to a non-individual that is wholly owned by individuals eligible for an option grant. If the option is granted to a non-individual, it must provide the Exchange with an undertaking that it will not permit any transfer of its securities, nor issue further securities, to any individual or other entity as long as the option remains in effect, without the consent of the Exchange.

Terms of the 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 director, officers, and technical consultants to the Corporation, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance, will not exceed 10% of the issued and outstanding Common Shares exercisable for a period of up to 5 years from the date of grant. The number of Common Shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding Common Shares. Options may be exercised the greater of 12 months after the Completion of the Qualifying Transaction and 90 days following cessation of the Optionee’s position with the Corporation, provided that if the cessation of office, directorship or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any Common Shares acquired pursuant to the exercise of options prior to the Completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. See "Escrowed Shares".

Options

As of the date hereof, the Corporation has not granted any stock options.

PRIOR SALES

Since the date of incorporation of the Corporation, 4,350,002 Common Shares have been issued as follows:

Date	Number of Common Shares	Issue Price per Common Share	Aggregate Issue Price	Consideration Received
June 2, 2006	1[(1)]	$0.10	$0.10	Cash
June 2, 2006	1[(2)]	$0.10	$0.10	Cash
May 11, 2007	2,100,000[(3)]	$0.05	$105,000	Cash
May 15, 2007	2,000,000[(4)]	$0.10	$200,000	Cash
June 29, 2007	250,000	$0.10	$25,000	Cash

Notes:

(1) Initial incorporator's share, which was subsequently repurchased by the Corporation.

(2) Subsequently repurchased by the Corporation.

(3) All of these shares were issued to Insiders and are escrowed. See "Escrowed Shares".

(4) 250,000 of these shares were subsequently repurchased by the Corporation.

ESCROWED SHARES

Securities Escrowed Prior to Completion of the Qualifying Transaction

All of the 2,100,000 Common Shares issued prior to this Offering at a price below $0.10 per Common Share, all Common Shares that may be acquired by Non Arm's Length Parties of the Corporation either under the Offering or otherwise prior to Completion of the Qualifying Transaction and all Common Shares acquired by members of the Aggregate Pro Group prior to this Offering will be deposited with Pacific Corporate Trust Company under an escrow agreement dated ◆, 2007 (the "**Founder's 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	No. of Common Shares held Prior to Offering	Percentage Prior to Offering	No. of Common Shares held in Escrow	No. of Common Shares held After Offering	Percentage After Offering
Noramco Capital Corp.(1)	1,500,000	36.6%	1,500,000(2)	1,500,000	24.6%
Dora Antulov-Sanvido	200,000	4.9%	200,000(2)	200,000	3.3%
Marcus Arnold	200,000	4.9%	200,000(2)	200,000	3.3%
Ian McDonald	200,000	4.9%	200,000(2)	200,000	3.3%

Notes:

(1) The principal of which is R.A. Bruce McDonald.

(2) Escrow shares purchased for $0.05 per share. These shares are held in escrow pursuant to the Founder's Escrow Agreement.

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 Founder's Escrow Agreement, has agreed, or will agree, not to carry out any transactions during the currency of the Founder's 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 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 Founder's Escrow Agreement, 10% of the escrowed Common Shares will be released from escrow on the issuance of the Final Exchange Bulletin (the "**Initial Release**") and an additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release.

If the Resulting Issuer meets the Exchange's Tier 1 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 a Final Exchange Bulletin is not issued, the escrowed Common Shares will not be released. Under the Founder's 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 Pacific Corporate Trust Company 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, in accordance with section 11.2(a) of Policy 2.4, or

 (ii) subject to majority shareholder approval, cancel an amount of Seed Shares purchased by Non-Arm's Length Parties to the CPC so that the average cost of the remaining Seed Shares is at least equal to the IPO Price.

Escrowed Securities on Qualifying Transaction

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

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

(b) 10% of the escrowed securities being releasable in 6 month intervals on each of the 30, 36, 42, 48, 54, 60, 66 and 72 months after the Final Exchange Bulletin.

In the case of a Resulting Issuer that will be a Tier 1 issuer when the Final Exchange Bulletin is issued, the Value Security Escrow Agreement provides for an 18 month escrow release mechanism with 25% of the escrowed securities being releasable at the time of the Final Exchange Bulletin, with 25% of the escrowed securities being releasable every 6 months thereafter. In the case of a Resulting Issuer that will be a Tier 1 issuer when the Final Exchange Bulletin is issued, the Surplus Security Escrow Agreement provides for 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 6 month intervals on each of the 6, 12, 18, 24, 30 and 36 months after the Final Exchange Bulletin.

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

(a) the private placement is announced at least five trading days after the news release announcing the Agreement in Principle and the pricing for the financing is at not less than the discounted market price, as determined in accordance with the policies of the Exchange; or

(b) the private placement is announced concurrently with the Agreement in Principle and

  (i) at least 75% of the proceeds from the private placement are not from Principals of the Corporation or the proposed Resulting Issuer,

  (ii) if subscribers, other than Principals of the Corporation or the proposed Resulting Issuer, will obtain securities subject to hold periods, then in addition to any resale restrictions under applicable securities legislation, any securities issued to such Principals will be subject to a four month hold period, and

(iii) none of the proceeds of the private placement are allocated to pay compensation or to settle indebtedness owing to Principals of the Resulting Issuer.

PRINCIPAL SHAREHOLDERS

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

Name and Municipality of Residence	Type of Ownership	No. of Common Shares	Percentage of Common Shares Owned Before Offering	Percentage Owned After Offering	Percentage Owned After Offering on a fully diluted basis (1)
Noramco Capital Corp.(2) Vancouver, B.C.	Direct	1,500,000	36.6%	24.6%	21.7%

Notes:

(1) Assuming the exercise of the Agent's Options and assuming the Corporation grants 610,000 stock options.

(2) The principal of which is R.A. Bruce McDonald.

DIRECTORS, OFFICERS AND PROMOTERS

Name, Address, Occupation, Security Holding and Involvement with Other Report Issuers

The following are the names, ages and municipalities of residence of the directors and officers of the Corporation, their positions and offices with the Corporation, their principal occupations during the past five years and the number, class and kind of securities of the Corporation held by each of them as of the date hereof. See also "Management and Key Personnel".

Name, Age and Municipality of Residence	Position Held	Principal Occupation(1)	Number of Securities of the Corporation Held Directly or Indirectly (% of class)			
			Common Shares Before Offering	(% of class)	Common Shares After Offering	(% of class)
R.A. Bruce McDonald(2), 67, Vancouver, B.C.	C.E.O, C.F.O. and Director	Businessman	1,500,000	36.6%	1,500,000	24.6%
Dora Antulov-Sanvido 51, Vancouver, B.C.	Corporate Secretary and Director	Executive Assistant, Bookeeper	200,000	4.9%	200,000	3.3%
Marcus Arnold(2), 37, Vancouver, B.C.	Director	Businessman	200,000	4.9%	200,000	3.3%
Ian McDonald(2), 20, Vancouver, B.C.	Director	Businessman	200,000	4.9%	200,000	3.3%
TOTAL SECURITIES			**2,100,000**	**51.2%**	**2,100,000**	**34.4%**

Notes:

(1) See “Management and Key Personnel” for additional information regarding the principal occupations of the Corporation’s directors and officers.

(2) Member of the audit committee.

Management and Key Personnel

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

R.A. Bruce McDonald – *Chief Executive Officer, Chief Financial Officer and Director*

Mr. McDonald, 67, is a Vancouver-based businessman. He has had involvement with numerous companies, both public and private, since the mid-1980s. Mr McDonald has been the CEO and a director of Capella Resources Inc., an Exchange listed mineral exploration and development company, since August 24, 2006. Mr. McDonald has also been a director of Iciena Ventures Inc., an Exchange listed mineral company since October, 2006. Mr. McDonald has been a director of Mayen Minerals Ltd., since February, 1986.

Mr. McDonald is now, or has been in the last five years a director or officer of two public companies or reporting issuers being Capella Resources Inc. and Iciena Ventures Inc.. Mr. McDonald will devote approximately 20% of his time to the business of the Corporation.

Dora Antulov-Sanvido, *Corporate Secretary and Director*

Dora Antulov-Sanvido, 51, is a director and officer of Noramco Capital Corp., a private merchant bank, since 1989. Since October, 2006, Ms. Antulov-Sanvido has been the CFO of Capella Resources Inc. a junior mining company listed on the Exchange. Ms. Antulov-Sanvido will devote approximately 20% of her time to the business of the Corporation.

Marcus Arnold - *Director*

Marcus Arnold, 37, received a diploma in Aviation Manufacturing Engineering Technology from Confederation College in June, 1993. Mr. Arnold has been the President of Euro-Bancorp Ltd. since June, 2002, and its secretary treasurer since May, 2004. His responsibility lies in their leasing operations as well as in the portfolio management of investors’ assets. He has not been an officer or director of a public company within the last 5 years. Mr. Arnold will devote approximately 20% of his time to the business of the Corporation.

Ian McDonald, *Director*

Ian McDonald, 20, is a co-founder of Greenlight Mobile Inc. and was its Marketing Director from May, 2005 until March, 2006. He has been a director of Capella Resources Inc., an Exchange listed mineral exploration and development company, since March 1, 2007. Mr. McDonald will devote approximately 10% of his time to the business of the Corporation.

In addition to any other requirements of the Exchange, the Exchange requires management of the Corporation to meet a high management standard. The directors and officers of the Corporation believe that, on a collective basis, management posses the appropriate experience, qualifications and history to be capable of identifying, investigating and acquiring a Significant Asset.

Given its size, the Corporation does not have an executive committee of its directors or any other committee except the audit committee.

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 five years, directors, officers or promoters of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name	Name of Reporting Issuer	Name or Exchange or Market	Position	From	To
R.A. Bruce McDonald	Capella Resources Inc.	TSX Venture	CEO and Director	September 2006	Present
	Iciena Ventures Inc.	TSX Venture	Director	October 2006	Present
Dora Antulov-Sanvido	Capella Resources Inc.	TSX Venture	CFO	September 2006	Present
Ian McDonald	Capella Resources Inc.	TSX Venture	Director	March, 2007	Present

Corporate Cease Trade Orders or Bankruptcies

No director, officer, insider or promoter of the Corporation or a shareholder holding a sufficient number of securities of to affect materially the control of the Corporation is, or within the ten years prior to the date of this prospectus has been, a director, officer, insider or promoter, of any company that, while that person was acting in that capacity was the subject of a cease trade or similar order or an order that denied the company access to any statutory exemptions under applicable securities legislation for a period of more than 30 consecutive days or was declared bankrupt or made a voluntary assignment in bankruptcy or made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that company.

Penalties or Sanctions

No director, officer, insider or promoter of the Corporation or a shareholder holding a sufficient number of securities of to affect materially the control of the Corporation has, within the ten years prior to the date of this prospectus, been subject to any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director, officer or promoter of the Corporation has, within the ten years prior to the date of this prospectus, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or her assets.

Conflicts of Interest

There are no known conflicts of interest involving the directors.

There may in future arise conflicts of interest to which some of the directors, officers, insiders and promoters of the Corporation will be subject in connection with the operations of the Corporation because some of the directors, officers, insiders and promoters 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 or will be perceived to be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies as provided under the *Business Corporations Act* (British Columbia) and pursuant to common law.

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; and

  (v) loans, advances, bonuses,

(b) deposits and similar payments.

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

The directors and officers of the Corporation will be granted stock options as part of their compensation.

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

DILUTION

Purchasers of Common Shares under this prospectus will suffer an immediate dilution of 17.2% or $0.0172 per Common Share on the basis of there being 6,100,000 Common Shares issued and outstanding following completion of this Offering. 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, as follows:

Item	Total Offering
Gross proceeds of prior share issues	$305,000
Gross proceeds of this Offering	$200,000
Total gross proceeds after this Offering, less commissions	$505,000
Offering price per share	$0.10
Total gross proceeds per share after this Offering[(1)]	$0.0828
Dilution per share to subscriber	$0.0172
Percentage of dilution in relation to offering price	17.2%

Note:
1. Calculated based on $505,000 of gross proceeds from all prior sales divided by 6,100,000 shares issued.

RISK FACTORS

INVESTMENTS IN SMALL BUSINESSES INVOLVE A HIGH DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFERING UNLESS THEY CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT.

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. The following are risk factors associated with the Corporation, but are not intended to be all inclusive:

(a) The Corporation was only recently incorporated, has not commenced commercial operations and has no assets other than cash. It has no history of earnings, and will not generate earnings or pay dividends until at least after Completion of the Qualifying Transaction.

(b) The directors and officers of the Corporation will only devote a portion of their time to the business and affairs of the Corporation and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time.

(c) Assuming completion of the Offering, an investor will suffer an immediate dilution to its investment of 17.2% or $0.0172 per Common Share.

(d) 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.

(e) 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.

(f) 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.

(g) Even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction.

(h) Completion of a Qualifying Transaction is subject to a number of conditions including acceptance by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval.

(i) Unless the shareholder has the right to dissent and be paid fair value in accordance with applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Corporation of fair value for the Common Shares.

(j) 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.

(k) 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.

(l) 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.

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

(n) 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.

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

(p) Subject to prior Exchange acceptance, the Corporation may be permitted to loan or advance up to an aggregate of $250,000 (if available) 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 only suitable for those investors who are willing to rely solely on management of the Corporation and who can afford to lose their entire investment. Those investors who are not prepared to do so should not invest in the Common Shares.

LEGAL PROCEEDINGS

Legal Proceedings

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

RELATIONSHIP BETWEEN THE CORPORATION AND THE AGENT

Relationship Between the Corporation and the Agent

The Corporation is not a related or connected party (as such terms are defined in National Instrument 33-105 *Underwriting Conflicts*) to the Agent.

RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS

Relationship Between the Corporation and Professional Persons

No beneficial interest, direct or indirect, in any securities or properties of the Corporation or of an associate or affiliate of the Corporation, held by a professional person, a responsible solicitor or any partner of a responsible solicitor's firm.

No professional person, nor the responsible solicitor or any partner of the responsible solicitor's firm is, or is expected to be elected, appointed or employed as a director, senior officer or employee of the Corporation or of an associate or affiliate of the Corporation, or a promoter of the Corporation or of an associate or affiliate of the Corporation.

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

Certain legal matters relating to this Offering will be passed upon by Lang Michener, LLP on behalf of the Corporation, and by Miller Thomson LLP on behalf of the Agent.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditors

The Corporation's auditor is Davidson & Company LLP, Chartered Accountants, 1200 – 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, British Columbia, V7Y 1A1.

Transfer Agent and Registrar

The registrar and transfer agent of the Corporation is Pacific Corporate Trust Company, 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

MATERIAL CONTRACTS

Material Contracts

The Corporation has not entered into any material contracts since its incorporation except as follows:

1. Registrar and Transfer Agent Agreement between the Corporation and Pacific Corporate Trust Company dated May 8, 2007.

2. Agency Agreement dated ◆, 2007 between the Corporation and the Agent. See "Plan of Distribution".

3. Stock Option Plan dated ◆ . See "Options to Purchase Securities".

4. Founder’s Escrow Agreement dated ◆ among the Corporation, Pacific Corporate Trust Company, and each of R.A. Bruce McDonald, Dora Antulov-Sanvido, Marcus Arnold and Ian McDonald. See “Escrowed Shares”.

The above contracts may be inspected at the registered office of the Corporation’s solicitor at 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7 during ordinary business hours while the securities offered by this prospectus are in the course of distribution and for a period of 30 days after completion of the distribution.

OTHER MATERIAL FACTS

There are no other material facts relating to the securities proposed to be offered which have not been disclosed elsewhere in this prospectus.

PURCHASER’S STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

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

FINANCIAL STATEMENTS

Audited financial statements for the Corporation for the fiscal period ended April 30, 2007 are attached to this prospectus.

CAPSTOCK FINANCIAL INC.

FINANCIAL STATEMENTS

APRIL 30, 2007

AUDITORS' REPORT

To the Directors of
Capstock Financial Inc.

We have audited the balance sheet of Capstock Financial Inc. as at April 30, 2007 and the statements of operations and deficit and cash flows for the period from incorporation on May 31, 2006 to April 30, 2007. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2007 and the results of its operations and its cash flows for the period from incorporation on May 31, 2006 to April 30, 2007 in accordance with Canadian generally accepted accounting principles.

Vancouver, Canada — Chartered Accountants

May 16, 2007 (except as to Note 7
which is as of _________)

CAPSTOCK FINANCIAL INC.
BALANCE SHEET
AS AT APRIL 30, 2007

ASSETS

Current		
Cash	$	105,000
	$	105,000

LIABILITIES AND SHAREHOLDERS' EQUITY

Current		
Accounts payable and accrued liabilities	$	6,500
Shareholders' equity		
Capital stock (Note 4)		105,000
Deficit		(6,500)
		98,500
	$	105,000

Continuance of operations (Note 2)

Subsequent events (Note 7)

On behalf of the Board:

"R.A. Bruce McDonald" (signed) Director "Dora Antulov-Sanvido" (signed) Director

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

CAPSTOCK FINANCIAL INC.
STATEMENT OF OPERATIONS AND DEFICIT
PERIOD FROM INCORPORATION ON MAY 31, 2006 TO APRIL 30, 2007

EXPENSES	
Professional fees	$ 6,500
Loss, being deficit, end of period	$ (6,500)
Basic and diluted loss per common share	$ (0.00)
Weighted average number of common shares outstanding	-

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

CAPSTOCK FINANCIAL INC.
STATEMENT OF CASH FLOWS
PERIOD FROM INCORPORATION ON MAY 31, 2006 TO APRIL 30, 2007

CASH FLOWS FROM OPERATING ACTIVITIES	
Loss for the period	$ (6,500)
Changes in non-cash working capital item	
Increase in accounts payable and accrued liabilities	6,500
Net cash provided by operating activities	-
CASH FLOWS FROM FINANCING ACTIVITIES	
Capital stock issued for cash	105,000
Net cash provided by financing activities	105,000
Change in cash for the period	105,000
Cash, beginning of period	-
Cash, end of period	$ 105,000
Cash paid during the period for interest	$ -
Cash paid during the period for income taxes	$ -

There were no material non-cash financing activities during the period.

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

1. INCORPORATION

The Company was incorporated under the *Business Corporations Act* (British Columbia) on May 31, 2006 and is classified as a Capital Pool Company as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

2. CONTINUANCE OF OPERATIONS

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses. Such an acquisition will be subject to shareholder and regulatory approval.

3. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.

Future income taxes

Future income taxes are recorded using the asset and liability method whereby future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment or enactment occurs. To the extent that the Company does not consider it more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

Loss per share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period.

Basic loss per share is calculated using the weighted-average number of shares outstanding during the period. The shares outstanding as of April 30, 2007 have been excluded from the weighted average number of shares because they are contingently returnable.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Stock-based compensation

The Company uses the fair value based method for measuring compensation costs.

4. CAPITAL STOCK

	Number of Shares	Amount
Authorized		
Unlimited common shares, without par value		
Unlimited preferred shares, without par value		
Common shares issued		
Shares issued for cash	2,100,000	$ 105,000
As at April 30, 2007	2,100,000	$ 105,000

During the period ended April 30, 2007, the Company issued 2,100,000 common shares at a price of $0.05 per common share for total proceeds of $105,000. These common shares will be held in escrow and will be released pro-rata to the shareholders as to 10% of the escrow shares upon issuance of notice of final acceptance of a Qualifying Transaction by the TSX-V and as to the remainder in six equal tranches of 15% every six months thereafter for a period of 36 months. These escrow shares may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities. If the Company does not receive final acceptance of a Qualifying Transaction and is delisted, the shares may be cancelled and proceeds returned to the shareholders.

Stock options

The Company intends to adopt an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. Such options will be exercisable for a period of up to 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

5. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

6. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

Loss for the period	$	(6,500)
Expected income tax-recovery	$	(2,218)
Unrecognized benefit of non-capital losses		2,218
Total income tax recovery	$	-

The significant components of the Company's future income tax assets are as follows:

Future income tax assets:		
Non-capital loss carryforwards	$	2,015
Valuation allowance		(2,015)
Net future income tax assets	$	-

The Company has available for deduction against future taxable income non-capital losses of approximately $6,500. These losses, if not utilized, will expire in 2027. Future tax benefits which may arise as a result of these non-capital losses have not been recognized in these financial statements and have been offset by a valuation allowance due to the uncertainty of their realization.

7. SUBSEQUENT EVENTS

The following events occurred subsequent to April 30, 2007:

a) The Company issued 2,000,000 common shares at a price of $0.10 per common share for total proceeds of $200,000.

b) The Company is filing a prospectus with the British Columbia and Alberta Securities Commissions offering 2,000,000 common shares at $0.10 per share as an initial public offering. Pursuant to an Agency Agreement between the Company and PI Financial Corp. (the "Agent"), the Agent will receive a cash commission equal to 10% of the gross proceeds, be paid a corporate finance fee of $10,000 plus GST, and be issued Agent's options to acquire 200,000 common shares at $0.10 per share exercisable for a period of 24 months from the date the common shares of the Company commence trading on the TSX-V. The proposed transaction is subject to regulatory approval.

CERTIFICATES

Certificate of the Corporation

Dated: July 5, 2007

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 9 of the *Securities Act* (British Columbia) and Part 9 of the *Securities Act* (Alberta) and the regulations thereunder.

"R.A. Bruce McDonald" (signed)
R.A. Bruce McDonald
Chief Executive Officer and Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Marcus Arnold" (signed)
Marcus Arnold
Director

"Ian McDonald" (signed)
Ian McDonald
Director

Certificate of the Promoter

Dated: July 5, 2007

The foregoing constitutes full, true and plan disclosure of all material facts relating to the securities offered by this prospectus as required by Part 9 of the *Securities Act* (British Columbia) and Part 9 of the *Securities Act* (Alberta) and the respective regulations thereunder.

By "R.A. Bruce McDonald" (signed)
R.A. Bruce McDonald

Certificate of the Agent

Dated: July 5, 2007

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 9 of the *Securities Act* (British Columbia) and Part 9 of the *Securities Act* (Alberta) and the regulation thereunder.

PI Financial Corp.

Per: "Bert Quattrociocchi" (signed)
Bert Quattrociocchi, Executive Vice President

ACKNOWLEDGEMENT – PERSONAL INFORMATION

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

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

(a) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to the prospectus; and

(b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described on Appendix 6B or as otherwise identified by the Exchange, from time to time.

Dated at Vancouver, British Columbia this 5th day of July, 2007.

Capstock Financial Inc.

Per:

"R.A. Bruce McDonald" (signed)
R.A. Bruce McDonald