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.

PROSPECTUS

INITIAL PUBLIC OFFERING **January 8, 2008**

SAGITTARIUS CAPITAL CORPORATION

(a Capital Pool Company)

Minimum Offering: $500,000 or 2,500,000 Common Shares
Maximum Offering: $800,000 or 4,000,000 Common Shares
Price: $0.20 per Common Share

The purpose of this offering (the "Offering") is to provide Sagittarius Capital Corporation (the "Company") with a minimum of funds with which to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction, as hereinafter defined. Any proposed Qualifying Transaction, as hereinafter defined, 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 hereinafter defined, in accordance with Exchange Policy 2.4 (the "CPC Policy"). The Company is a Capital Pool Company ("CPC"). It has not commenced commercial operations and has no assets other than a minimum amount of cash. Except as specifically contemplated in the CPC Policy, until the Completion of the Qualifying Transaction, as hereinafter defined, the Company 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 "Corporate Structure", "Business of the Company" and "Use of Proceeds".

The Company hereby offers on a reasonable best efforts basis through its agent, Research Capital Corporation (the "Agent"), a minimum of 2,500,000 common shares at a price of $0.20 per common share (the "Common Shares") for minimum gross proceeds of $500,000 and a maximum of 4,000,000 Common Shares for maximum gross proceeds of $800,000.

Distribution

	Price to public	Agent's commission[1]	Proceeds to the Company[2]
Per Common Share	$0.20	$0.02	$0.18
Minimum Offering	$500,000	$50,000	$450,000
Maximum Offering	$800,000	$80,000	$720,000

Notes:

(1) The Agent will receive a commission of 10% of the gross proceeds of this Offering, representing an amount of $50,000 if the minimum offering is subscribed and an amount of $80,000 if the maximum offering is subscribed. In addition, the Agent will be granted a non-transferable option (the "Agent's Option") to purchase such number of Common Shares as is equal to 10% of the aggregate number of Common Shares sold pursuant to the Offering, at a price of $0.20 per Common Share, for a period of 24 months from the date of listing the Common Shares on the Exchange, which Agent's Option is qualified for distribution under this prospectus. See "Plan of Distribution – Name of Agent and Agent's Compensation".

(2) Before deducting the costs and expenses of this issue estimated to be approximately $68,100 including the listing fee payable to the Exchange of $10,600 representing the maximum Exchange fee chargeable, the Agent's corporate finance fee of $10,000, the Agent's legal expenses and other expenses of the Agent of approximately $10,000, fees of the Company's counsel of

approximately $25,000 (inclusive of taxes and disbursements), audit fees of approximately $6,000, and other expenses associated with the Offering, including printing, of approximately $6,500, plus applicable taxes. See "Use of Proceeds".

This Offering is made on a reasonable best efforts basis by the Agent and is subject to a minimum subscription of 2,500,000 Common Shares for total gross proceeds to the Company of $500,000. The offering price of the Common Shares was determined by negotiation between the Company and the Agent. All funds received from subscriptions for Common Shares will be held by the Agent pursuant to the terms of the Agency Agreement (as hereinafter defined). If the 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. See "Plan of Distribution".

The Company will grant the Agent's Option to purchase the equivalent of 10% of the total number of Common Shares sold under the Offering, being 250,000 Common Shares in the event the minimum offering is subscribed and 400,000 Common Share if the maximum offering is subscribed, which Agent's Option is qualified under this prospectus. In addition, the Company will grant incentive stock options to the directors and officers of the Company to purchase, in aggregate, 350,000 Common Shares in the event the minimum offering is subscribed and 500,000 Common Shares in the event the maximum offering is subscribed, at a price of $0.20 per Common Share, exercisable for a period of 5 years from the date of grant (the "Incentive Stock Options"), which options are qualified under this prospectus. The Incentive Stock Options must be granted within 90 days of the issuance of a receipt for this prospectus.

Market for Securities

There is currently no market through which these securities will be sold. The Exchange has conditionally accepted the listing of the Common Shares. Listing is subject to the Company fulfilling all of the requirements of the Exchange.

Other than the initial distribution of the Common Shares pursuant to this prospectus, the grant of the Agent's Option and the grant of Incentive Stock Options, trading in all securities of the Company is prohibited during the period between the date a receipt for the preliminary prospectus is issued by the securities commissions in each of the Provinces of Alberta, British Columbia and Ontario and the time that the Common Shares are listed for trading except, subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities regulatory authorities grant a discretionary order.

Risk Factors

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

The Company 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 the Completion of the Qualifying Transaction. Until Completion of the Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions. See "Corporate Structure", "Business of the Company" and "Use of Proceeds".

The directors and officers of the Company will only devote a portion of their time to the business and affairs of the Company and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time. See "Directors and Officers".

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

Investors acquiring the Common Shares offered by this prospectus will suffer an immediate dilution on investment of 14.3% or $0.029 per Common Share in the event the minimum offering is subscribed and 10.0% or $0.02 in the event the maximum offering is subscribed based on the gross proceeds of this issue, before deduction of selling commissions or related expenses of the issue. See "Dilution".

The Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction. Further, even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to complete the transaction. The Qualifying Transaction may be financed, in whole or in part, by the issuance of additional securities by the Company and this may result in further dilution to investors. See "Use of Proceeds".

The Exchange will generally suspend trading in the Common Shares or delist the Company in the event that the Exchange has not issued a Final Exchange Bulletin (as hereafter defined) within 24 months from the date of listing. Neither the Exchange, nor any securities regulatory authority, passes upon the merits of the proposed Qualifying Transaction.

In the event that the management of the Company resides outside of Canada or the Company 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.

As a result of these factors, the Offering is suitable only to investors who are willing to rely solely on the management of the Company and who can afford to lose their entire investment. Those investors who are not prepared to do so should not invest in the Common Shares. See "Business of the Company", "Directors and Officers", "Use of Proceeds" and "Risk Factors".

Maximum Investment

Pursuant to the CPC Policy, no purchaser of the Common Shares is permitted to directly or indirectly purchase more than 2% of the total Common Shares offered under this prospectus, or 50,000 Common Shares in the event the minimum offering is subscribed and 80,000 Common Shares in the event the maximum offering is subscribed. 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% of the total Common Shares offered under this prospectus, or 100,000 Common Shares in the event the minimum offering is subscribed and 160,000 Common Shares in the event the maximum offering is subscribed.

Receipt of Subscriptions

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 at the Closing.

Research Capital Corporation
Sun Life Plaza II
140 4th Avenue S.W., Suite 1330
Calgary, AB
T2P 3N3

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GLOSSARY

"Affiliate" means a company that is affiliated with another company as described below.

A company is an "Affiliate" of another company if:

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

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

A company is "controlled" by a Person if:

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

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

A Person beneficially owns securities that are beneficially owned by:

(a) a company controlled by that Person; or

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

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

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

(b) identifies the parties to the Qualifying Transaction;

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

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

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

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

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

(b) any partner of the person or company;

(c) any trust or estate in which the person or company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity;

(d) in the case of a person, a relative of that person, including:

(i) that person's spouse or child; or

(ii) any relative of the person or of his spouse who has the same residence as that person; but

(e) where the Exchange determines that two persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding company.

"Closing" means the completion of the Offering.

"Common Shares" means the common shares in the capital of the Company.

"CPC" means a corporation:

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

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

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

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

"Company" means Sagittarius Capital Corporation, a corporation incorporated under the laws of the Province of Ontario.

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

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

"Escrow Agreement" means the escrow agreement to be entered into on closing among the Company, the Transfer Agent and the founding shareholders of the Company.

"Exchange" means the TSX Venture Exchange Inc.

"Exchange Requirements" means and includes the articles, by-laws, policies, circulars, rules, guidelines, orders, notices, rulings, forms, decisions and regulations of the Exchange as from time to time enacted, any instructions, decisions and directions of the Exchange (including those of any committee of the Exchange as appointed from time to time), and all applicable provisions of the securities laws of any other jurisdiction.

"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.

"Initial Public Offering" or **"IPO"** means a transaction that involves an issuer issuing securities from its treasury pursuant to its first prospectus.

"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.

"issuer" means a company and its subsidiaries which have any of its securities listed for trading on the Exchange and, as the context requires, any applicant company seeking a listing of its securities on the Exchange.

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

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

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

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

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

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

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

"Member" means a Person who has executed the Members' Agreement, as amended from time to time, and is accepted as and becomes a member of the Exchange under the Exchange Requirements and, for the purposes of this prospectus, being Research Capital Corporation.

"Members' Agreement" means the members' agreement among the Exchange and each Person who, from time to time, is accepted as and becomes a member of the Exchange.

"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 control the CPC and the Significant Assets which are the subject of the proposed Qualifying Transaction.

"Person" means a company or individual.

"Principal" means:

(a) a person or company who acted as a promoter of the issuer within two years or their respective Associates or Affiliates, before the IPO prospectus or the Final Exchange Bulletin;

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

(c) a **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"

(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.

"prospectus" means a disclosure document required to be prepared in connection with a public offering of securities and which complies with the form and content requirements of a prospectus as described in applicable securities laws.

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

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

"securities laws" means securities legislation, securities regulations and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to an issuer.

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

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

"Transfer Agent" means Olympia Trust Company.

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

"Voting Shares" means a security of an issuer that:

(a) is not a debt security; and

(b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

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.

The Company:	Sagittarius Capital Corporation
Business of the Company	The principal business of the Company will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Company has not commenced commercial operations and has no assets other than a minimum amount of cash. See "Business of the Company".
The Offering:	A minimum of 2,500,000 Common Shares are being offered under this prospectus at a price of $0.20 per Common Share for gross proceeds of $500,000 and a maximum of 4,000,000 Common Shares are being offered under this prospectus at a price of $0.20 per Common Share for gross proceeds of $800,000. This Offering is made on a reasonable best efforts basis by the Agent. In addition, the Company will grant an option to the Agent to purchase the equivalent of 10% of the aggregate number of Common Shares sold pursuant to the Offering, being 250,000 Common Shares in the event the minimum offering is subscribed and 400,000 Common Shares if the maximum offering is subscribed, at a price of $0.20 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. The Company also intends to grant options to purchase the equivalent of 10% of the outstanding Common Shares of the Company upon completion of the Offering to the Company's directors and officers being, in aggregate, 350,000 Common Shares in the event the minimum offering is subscribed and 500,000 Common Shares in the event the maximum offering is subscribed, which options are qualified for distribution under this prospectus. A total of up to 900,000 options are qualified for distribution under this prospectus. See "Plan of Distribution".
Use of Proceeds:	Assuming completion of this Offering, the net proceeds thereof to the Company after deduction of the Agent's Commission, but before deduction of the expenses of the Offering, will be $450,000 in the event the minimum offering is subscribed and $720,000 in the event the Maximum Offering is subscribed. The net proceeds of this Offering will be used to provide the Company 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 Company may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. Until Completion of the Qualifying Transaction and except as otherwise provided in the CPC Policy, a maximum of the lesser of 30% of the gross proceeds realized or $210,000 may be used for purposes other than evaluating businesses or assets. See "Use of Proceeds".

Directors and Management:	Robin Sundstrom	Chief Executive Officer, President and Director
	Gary Hokkanen	Chief Financial Officer and Director
	Maurice Colson	Director
	Thomas Vukovich	Director
	Christopher Hodgson	Director
	Gerald Goldberg	Director

Escrow: All of the currently issued and outstanding Common Shares of the Company, being 1,000,000 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: **There is currently no established market for the Common Shares. Investment in the Common Shares must be regarded as highly speculative due to the proposed nature of the Company's business and its present stage of development.**

The Company was only recently incorporated and has no active business or assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction.

The Offering is only suitable to investors who are prepared to rely entirely on the directors and management of the Company and can afford to risk the loss of their entire investment.

The directors and officers of the Company will only devote part of their time and attention to the affairs of the Company and there are potential conflicts of interest to which some of the directors and officers of the Company will be subject in connection with the operations of the Company.

Assuming completion of the Offering, an investor will suffer an immediate dilution on investment of 14.3% or $0.029 per Common Share in the event the minimum offering is subscribed and 10.0% or $0.02 in the event the maximum offering is subscribed based on the gross proceeds of this issue, before deduction of selling commissions or related expenses of the issue. An acquisition financed by the issuance of treasury shares could result in a change in the control of the Company and may cause the shareholders' interest in the Company to be further diluted. There can be no assurance that an active and liquid market for the Company's Common Shares will develop and an investor may find it difficult to resell the Common Shares.

Until Completion of the Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Company has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Company 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.

See "Risk Factors" for more detailed information on the risks of an investment in the Company's Common Shares.

CORPORATE STRUCTURE

Name, Incorporation and Place of Business

The full corporate name of the Company is Sagittarius Capital Corporation. The Company was incorporated under the *Business Corporations Act* (Ontario) on April 20, 2007. The registered office address of the Company is 95 Wellington Street West, Suite 1200, Toronto-Dominion Centre, Toronto, Ontario M5J 2Z9.

BUSINESS OF THE COMPANY

Preliminary Expenses

Other than a $18,550 deposit paid to the Agent in consideration of its corporate finance fee, expenses and anticipated legal fees and $5,300 paid to the Exchange as part of the Company's listing and filing fees, the Company has not paid any expense to date. Certain proceeds from the Offering may be used to satisfy the obligations of the Company related to this Offering, including the expenses of auditors, legal counsel, the Agent's corporate finance fee and the Agent's legal counsel. For further information, please refer to the section entitled "Use of Proceeds".

Proposed Operations Until Completion of a Qualifying Transaction

The Company proposes to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a Non Arm's Length Qualifying Transaction is also subject to Majority of the Minority Approval in accordance with the CPC Policy. The Company has not conducted commercial operations.

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

Method of Financing Acquisitions

The Company may use either issuance of treasury shares or public financing of debt or equity, or a combination of these, for the purpose of financing its proposed Qualifying Transaction. **A Qualifying Transaction financed by the issue of treasury shares or securities convertible into or exercisable for treasury shares could result in a change in the control of the Company and may cause the shareholders' interest in the Company to be further diluted.**

Criteria for a Qualifying Transaction

The board of directors of the Company 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 Company and will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

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

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

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

(b) mail the information circular and related proxy material to its shareholders in order to obtain the Majority of the Minority Approval of the Qualifying Transaction or other requisite approval, at a meeting of the shareholders.

Unless waived by the Exchange, the Company 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 Company 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 the CPC Policy.

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

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, Suspensions 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 for all individuals who may be directors, senior officers, promoters, or insiders of the Resulting Issuer must be filed with the Exchange and any preliminary background searches that the Exchange considers necessary or advisable must also be completed before the trading halt will be lifted by the Exchange.

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

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

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

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

The Exchange may suspend from trading or delist the Common Shares of the Company 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 Company are delisted by the Exchange, within 90 days from the date of such delisting, the Company 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 Company, determine to deal with the remaining assets in some other manner. See "Filings and Shareholders Approval of a Non Arm's Length Qualifying Transaction" above.

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

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

(b) obtain majority shareholder approval for the transfer to NEX, exclusive of the votes of Non Arms Length Parties of the Company.

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

Refusal of Qualifying Transaction

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

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

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

  (i) a Member firm of the Exchange;

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

  (iii) associates of any such person,

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

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

(d) the majority of the directors and senior officers of the Resulting Issuer are not residents of Canada or the United States or are individuals who have not demonstrated positive association as directors or officers with public companies that are subject to a regulatory regime comparable to the companies listed on a Canadian exchange; or

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

USE OF PROCEEDS

Proceeds and Principal Purposes

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

Principal Purposes	Minimum Offering	Maximum Offering
Cash proceeds raised prior to this Offering [(1)]	$100,000	$100,000
Expenses and costs relating to raising the cash proceeds prior to this Offering	Nil	Nil
Cash proceeds to be raised pursuant to this Offering	$500,000	$800,000
Expenses and costs relating to the Offering (including listing fees, Agent's commission, Agent's corporate finance fee, legal fees, audit fees and expenses)[(2)]	($118,100)	($148,100)
Estimated funds available (on completion of the Offering)[(3)]	$481,900	$751,900
Funds available for identifying and evaluating assets or business prospects [(4)]	$481,900	$751,900
Estimated general and administrative expenses until Completion of a Qualifying Transaction	($35,000)	($35,000)
TOTAL NET PROCEEDS	$446,900	$716,900

Notes:

(1) See "Prior Sales".

(2) Expenses include the Agent's commission of $50,000 in the event the minimum offering is subscribed and $80,000 in the event the maximum offering subscribed, together with costs and expenses of this issue estimated to be approximately $68,100, including the listing fee payable to the Exchange of $10,600, representing the maximum Exchange fee chargeable, legal expenses and other expenses of the Agent of approximately $10,000, the Agent's corporate finance fee of $10,000, fees of Company's counsel of approximately $25,000 (inclusive of taxes and disbursements), audit fees of approximately $6,000, and other expenses associated with the Offering, including printing, of approximately $6,500, plus applicable taxes.

(3) In the event the Agent exercises the Agent's Option, and the directors and officers exercise their options**,** there will be available to the Company a minimum of $120,000 and a maximum of $180,000 in additional funds which will be added to the working capital of the Company. There is no assurance that any of these options will be exercised.

(4) In the event that the Company enters into an Agreement in Principle prior to spending the entire $481,900 in the event the minimum offering is subscribed and $751,900 in the event the maximum offering is subscribed, 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 Company's purposes, the proceeds will only be invested in securities of, or those guaranteed by, the Government of Canada or any Province or territory of Canada or the Government of the United States of America, in certificates of deposit or interest-bearing accounts of Canadian chartered banks, trust companies or credit unions.

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

Permitted Use of Funds

Until the Completion of the Qualifying Transaction and except as otherwise specifically provided by the CPC Policy and described in "Restrictions on Use of Proceeds", "Private Placements for Cash", and "Prohibited Payments to Non Arms' Length Parties", the gross proceeds realized from the sale of all securities issued by the Company will be used by the Company 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) valuations 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 Company's proposed Qualifying Transaction.

In addition, with the prior acceptance of the Exchange, up to an aggregate of $225,000 may be advanced as a refundable deposit or secured loan by the Company 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, not more than the lesser of 30% of the gross proceeds from the sale of all securities issued by the Company or $210,000, may be used for purposes other than those described above. For greater certainty, expenditures which are not included as "Permitted Use 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 Company, 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 Company 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 Company 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 by the Company and to Principals of the Resulting Issuer will be subject to escrow.

Prohibited Payments to Non Arms' Length Parties

Except as described under "Options to Purchase Securities" and "Restrictions on Use of Proceeds", the Company 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 Company 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 Company may reimburse a Non Arm's Length Party to the Company 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 Company or in the case of a law firm, no member of the firm, owns greater than 10% of the outstanding Common Shares of the Company), and the Company may also reimburse a Non Arm's Length Party to the Company for reasonable out-of-pocket expenses incurred in pursuing the business of the Company 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 as of January 8, 2008 between the Company and Research Capital Corporation (the "Agent"), the Company has appointed the Agent as its agent to offer for sale on a reasonable best efforts basis to the public a minimum of 2,500,000 Common Shares and a maximum of 4,000,000 Common Shares as provided in this prospectus, at a price of $0.20 per Common Share, for minimum of gross proceeds of $500,000 and for maximum gross proceeds of $800,000, subject to the terms and conditions of the Agency Agreement. The Agent will receive a commission of 10% of the aggregate gross proceeds from the sale of the Common Shares. In addition, the Company will pay to the Agent a corporate finance fee of $10,000 plus GST and will pay the Agent's legal fees and other expenses, estimated at $10,000. The Agency Agreement includes a right of first refusal granted to the Agent to act as the agent or underwriter of the Company in connection with any future Exchange related transactions including equity financings until 24 months following completion of the Qualifying Transaction.

The Company has also agreed to grant to the Agent the Agent's Option, which Agent's Option is qualified for distribution under this prospectus. The Agent intends to sell to the public any Common Shares received by it upon the exercise of the Agent's Option. Not more than 50% of the Common Shares received on the exercise of the Agent's Option may be sold by the Agent prior to the Completion of the Qualifying Transaction. The remaining 50% may be sold after the Completion of the Qualifying Transaction. The Agent has agreed to use its reasonable best efforts to secure subscriptions for the Common Shares offered hereunder on behalf of the Company and may make co-brokerage arrangements with other investment dealers at no additional cost to the Company. 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 set out in the Agency Agreement.

Best Efforts Offering and Minimum Distribution

The total Offering consists of 2,500,000 Common Shares for total gross proceeds of $500,000 in the event the minimum offering is subscribed and 4,000,000 Common Shares for total gross proceeds of $800,000 in the event the maximum offering is subscribed. Pursuant to the CPC Policy, no purchaser of the Common Shares is permitted to directly or indirectly purchase more than 2% of the total Common Shares offered under this prospectus, or 50,000 Common Shares in the event the minimum offering is subscribed and 80,000 Common Shares if the maximum offering is subscribed. 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% of the total Common Shares offered under this prospectus, or 100,000 Common Shares in the event the minimum offering is subscribed and 160,000 Common Shares if the maximum offering is subscribed. The funds received from the Offering will be deposited with the Agent, and will not be released until a minimum of $500,000 has been deposited and the Agent consents to the release thereof. The minimum subscription of 2,500,000 Common Shares for total gross proceeds of $500,000 must be raised within 90 days of the date a receipt for the prospectus is issued, or such other time as may be consented to by persons or companies who subscribed within that period, failing which the Depository will remit the funds collected to the original subscribers without interest or deduction, unless subscribers have otherwise instructed the Depository.

Other Securities to be Distributed

The Company also proposes to grant Incentive Stock Options to the directors and officers of the Company, to purchase in aggregate, up to 350,000 Common Shares in the event the minimum offering is subscribed and up to 500,000 Common Shares if the maximum offering is subscribed in accordance with the policies of the Exchange, which options are qualified for distribution under this prospectus. See "Options to Purchase Securities".

Determination of Price

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

Listing Application

The Exchange has conditionally accepted the listing of the Common Shares. Listing will be subject to the Company fulfilling all the listing requirements of the Exchange, including the distribution of the Common Shares to a minimum number of public shareholders.

Subscriptions by and Restrictions on the Agent

The Agent has advised the Company that to the best of its knowledge and belief, none of its directors, officers, employees or contractors or any Associate or Affiliate of the foregoing has subscribed for Common Shares of the Company.

The aggregate number of Common Shares permitted to be owned directly or indirectly by the participants referred to in the preceding paragraph is 20% of the issued and outstanding Common Shares of the Company exclusive of Common Shares reserved for issuance at a future date.

Restrictions on Trading

Other than the initial distribution of the Common Shares pursuant to this prospectus, the grant of the Agent's Option and the grant of Incentive Stock Options to the directors and officers of the Company, no securities of the Company will be permitted to be issued during the period between the date a receipt for the preliminary prospectus is issued by the securities commissions in each of the Provinces of British Columbia, Alberta and Ontario and the time that 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 commissions grant a discretionary order.

DESCRIPTION OF SECURITIES DISTRIBUTED

Each Common Share carries one vote at all meetings of shareholders and carries the right to receive a proportionate share, on a per share basis, of the assets of the Company available for distribution in the event of a liquidation, dissolution or winding-up of the Company.

CAPITALIZATION

The table below shows the capitalization of the Company as at December 31, 2007 before and after giving effect to this Offering but prior to taking into account the costs of the issue:

Designation of Securities	Amount Authorized	Amount Outstanding as of the date of the most recent balance sheet contained in the prospectus (1) (2)	Amount Outstanding as of November 16, 2007 (4)	Amount to be outstanding upon completion of Minimum Offering (1) (3)	Amount to be outstanding upon completion of Maximum Offering (1) (3)
Common Shares	Unlimited	1,000,000 $100,000	1,000,000 $100,000	3,500,000 $600,000	5,000,000 $900,000

Notes:

(1) The Company has reserved an aggregate of up to 350,000 Common Shares in the event the minimum offering is subscribed or 500,000 Common Shares in the event the maximum offering is subscribed at an exercise price of $0.20 per Common Share pursuant to Incentive Stock Options to be granted to directors and officers of the Company expiring 5 years from the date of grant. The Company has also reserved 10% of the number of Common Shares to be issued under the Offering pursuant to the Agent's Option, being 250,000 Common Shares in the event the minimum offering is subscribed and 400,000 Common Shares in the event the maximum offering is subscribed at an exercise price of $0.20 per Common Share pursuant to the Agent's Option expiring 24 months from the date of listing of the Common Shares on the Exchange. See "Plan of Distribution".

(2) As of the date of the most recent balance sheet the Company has not commenced commercial operations.

(3) Before deducting the Agent's commission and expenses, and other costs and expenses of the Offering.

(4) These Common Shares are subject to escrow restrictions. See "Escrowed Securities".

OPTIONS TO PURCHASE SECURITIES

The options to purchase Common Shares pursuant to the Incentive Stock Options are qualified for distribution pursuant to this prospectus.

Options To Be Granted

Name	No. of Common Shares Reserved Under Option if Minimum Offering	No. of Common Shares Reserved Under Option if Maximum Offering	Exercise Price	Expiration Date
Robin Sundstrom	43,750	62,500	$0.20	5 years from the date of grant

Name	No. of Common Shares Reserved Under Option if Minimum Offering	No. of Common Shares Reserved Under Option if Maximum Offering	Exercise Price	Expiration Date
Gary Hokkanen	35,000	50,000	$0.20	5 years from the date of grant
Maurice Colson	52,500	75,000	$0.20	5 years from the date of grant
Thomas Vukovich	87,500	125,000	$0.20	5 years from the date of grant
Christopher Hodgson	87,500	125,000	$0.20	5 years from the date of grant
Gerald Goldberg	43,750	62,500	$0.20	5 years from the date of grant
TOTAL	**350,000**(1)	**500,000** (1)		

Note:

(1) The Incentive Stock Options to purchase 350,000 Common Shares in the event the minimum offering is subscribed, and 500,000 Common Shares in the event the maximum offering is subscribed, to be granted to directors and officers of the Company after the closing of the Offering (subject to regulatory approval) are qualified for distribution pursuant to this prospectus.

Stock Option Terms

The board of directors of the Company may from time to time, in its discretion, and in accordance with the Exchange Requirements, grant to directors, officers, and technical consultants of the Company, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed ten percent (10%) of the issued and outstanding Common Shares exercisable for a period of up to five 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, if any, 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 Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any Common Shares acquired pursuant to the exercise of options prior to the Completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. See "Escrowed Securities".

PRIOR SALES

Since the date of incorporation of the Company, 1,000,000 Common Shares have been issued as follows.

Date of Issue	Number of Common Shares (1)	Per Share Consideration	Aggregate Value of Consideration	Nature of Consideration
April 20, 2007	1,000,000	$0.10	$100,000	Cash

Note:

(1) All Common Shares indicated above are subject to escrow. See "Escrowed Securities".

ESCROWED SECURITIES

Securities Escrowed Prior to the Completion of the Qualifying Transaction

All of the 1,000,000 Common Shares issued prior to this Offering at a price below $0.20 per Common Share, all Common Shares that may be acquired by Non Arm's Length Parties of the Company either under the Offering or otherwise prior to Completion of the Qualifying Transaction and all Common Shares acquired by members of the Pro Group prior to this Offering will be deposited with the Transfer Agent under the Escrow Agreement.

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

In addition, all Common Shares of the Company 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 Company 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 Company, which are to be deposited in escrow.

Name and Municipality of Residence of Shareholder	Common Shares	Number of Common Shares held in Escrow	Percentage of Common Shares prior to giving effect to the Offering	Percentage of Common Shares after giving effect to the Minimum Offering (1)	Percentage of Common Shares after giving effect to the Maximum Offering (1)
Robin Sundstrom Toronto, Ontario	125,000	125,000	12.5%	3.6%	2.5%
Gary Hokkanen Thornhill, Ontario	100,000	100,000	10.0%	2.9%	2.0%
Maurice Colson Toronto, Ontario	150,000	150,000	15.0%	4.3%	3.0%
Thomas Vukovich Unionville, Ontario	250,000	250,000	25.0%	7.1%	5.0%
Christopher Hodgson Markham, Ontario	250,000	250,000	25.0%	7.1%	5.0%
Gerald Goldberg Thornhill, Ontario	125,000	125,000	12.5%	3.6%	2.5%
TOTAL	**1,000,000**	**1,000,000**	**100.0%**	**28.6%**	**20.0%**

Note:

(1) Assuming that no Common Shares are purchased by these shareholders under this Offering and before the exercise of the Agent's Option and the Incentive Stock Options issued to the directors and officers.

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

Under the Escrow Agreement, 10% of the escrowed Common Shares will be released from escrow on the issuance of the Final Exchange Bulletin (the "Initial Release") and an additional 15% will be released on the dates 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 Escrow Agreement each Non Arm's Length Party to the Company who holds escrowed Common Shares acquired at a price below the Offering price under this prospectus has irrevocably authorized and directed the Transfer Agent to immediately:

(a) cancel all of those escrowed Common Shares upon the issuance by the Exchange of a bulletin delisting the Common Shares of the Company; or

(b) if the Company lists on NEX, either:

  (i) cancel all Seed Shares purchased by Non-Arm's Length Parties to the Company at a discount from the issue price hereunder, \$0.20 per Common Share, in accordance with section 11.2(a) of TSX Venture Policy 2.4 – *Capital Pool Companies*; or

  (ii) subject to majority shareholder approval, cancel an amount of Seed Shares purchased by Non-Arm's Length Parties to the Company so that the average cost of the remaining Seed Shares is at least equal to the issue price hereunder, \$0.20 per Common Share.

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 Company 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 Company or the proposed Resulting Issuer;

  (ii) if subscribers, other than Principals of the Company 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

Principal Shareholders

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

Name and Municipality of Residence	Type of Ownership	Number of Common Shares (1)	Percentage of Common Shares Prior to Offering	Percentage of Common Shares After the Minimum Offering (2)(3)	Percentage of Common Shares After the Maximum Offering (2)(3)
Robin Sundstrom Toronto, Ontario	Direct	125,000	12.5%	3.6%	2.5%
Gary Hokkanen Thornhill, Ontario	Direct	100,000	10.0%	2.9%	2.0%
Maurice Colson Toronto, Ontario	Direct	150,000	15.0%	4.3%	3.0%
Thomas Vukovich	Direct	250,000	25.0%	7.1%	5.0%

Unionville, Ontario					
Christopher Hodgson Markham, Ontario	Direct	250,000	25.0%	7.1%	5.0%
Gerald Goldberg Thornhill, Ontario	Direct	125,000	12.5%	3.6%	2.5%

Notes:

(1) These securities are subject to escrow pursuant to the policies of the Exchange. See "Escrowed Securities".

(2) Before giving effect to the exercise of the Agent's Option or the exercise of stock options granted to directors and officers. On a fully diluted basis, reflecting the assumption that all options are exercised, the percentage of Common Shares owned after a minimum offering and maximum offering respectively, would be as follows: Robin Sundstrom – 3.0% and 2.1%; Gary Hokkanen – 2.4% and 1.7%; Maurice Colson – 3.7% and 2.5%; Thomas Vukovich – 6.1% and 4.2%; Christopher Hodgson – 3.7% and 2.5%; and Gerald Goldberg – 3.0% and 2.1%.

(3) Assuming that no Common Shares are purchased by any of the above shareholders under this Offering.

DIRECTORS AND OFFICERS

Name, Address, Occupation, Security Holdings and Involvement with Other Reporting Issuers

The board of directors of the Company consists of six persons. Each director will hold office until the next annual meeting of shareholders or until his successor is elected or appointed. An audit committee has been established as a subcommittee of the board of directors. The following are the names and municipalities of residence of the directors and officers of the Company, their current positions with the Company, and their current principal occupation:

Name, Municipality of Residence and Position with the Company	Director or Officer Since	Number of Common Shares owned	Principal Occupation
Robin Sundstrom *Toronto, Ontario* Chief Executive Officer, President and Director	April 20, 2007	125,000	President, IRonside Investor Relations Inc.
Gary Hokkanen *Thornhill, Ontario* Chief Financial Officer and Director	April 20, 2007	100,000	CFO, Wireless Age Communications Inc.
Maurice Colson (1) *Toronto, Ontario* Director	April 20, 2007	150,000	Consultant, Maison Placements Canada Inc.
Thomas Vukovich (1) *Unionville, Ontario* Director	April 20, 2007	250,000	Vice-President, Investments & Technical Management Corp.
Christopher Hodgson *Markham, Ontario* Director	April 20, 2007	250,000	President, Ontario Mining Association / President, Chris Hodgson Enterprises

Name, Municipality of Residence and Position with the Company	Director or Officer Since	Number of Common Shares owned	Principal Occupation
Gerald Goldberg (1)(2) *Thornhill, Ontario* Director	April 20, 2007	125,000	Partner, Schwartz, Levitsky, Feldman, LLP

Note:
(1) Member of the audit committee of the Company.
(2) Chairman of the Audit Committee

The total aggregate number of Common Shares beneficially owned, directly or indirectly, by all directors and officers of the Company is 1,000,000 which is equal to 28.6% of the issued and outstanding Common Shares in the event a minimum offering is subscribed and 20.0% if a maximum offering is subscribed, assuming no additional Common Shares are purchased by any of the directors and officers of the Company.

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

Management of the Company

Robin Sundstrom, Chief Executive Officer, President and Director, 55 years of age – Ms. Sundstrom was the President of Ciris Investor Relations Inc. from 1994 until 2007 and is now President of IRonside Investor Relations Inc.

Gary Hokkanen, Chief Financial Officer, 51 years of age – Mr. Hokkanen holds a Bachelor of Arts degree from the University of Toronto and is a Certified Management Accountant with over nine years experience in public company executive level financial management. Mr. Hokkanen has served as CFO of Wireless Age Communications Inc. (OTCBB) since May 2003. He has also served as CFO for Newlook Industries Corp. (TSX Venture Exchange), Eiger Technology Inc. (TSX), Trackpower Inc. (OTCBB), Lumonall, Inc. (OTCBB) and Racino Royale Inc. (OTCBB) since July 2007. Mr. Hokkanen previously served as CFO of Trackpower for the period from February 1998 to June 2001 and Lumonall, Inc. from October 2004 to July 2006. From January 2001 to April 2003 Mr. Hokkanen was CFO of IRMG Inc., a Toronto based financial management consulting firm. Mr. Hokkanen also served as CFO of Simmonds Capital Limited from July 1998 to January 2001. For the period April 1996 to July 1998, Mr. Hokkanen served as Treasurer of Simmonds Capital Limited.

Maurice Colson, Director, 65 years of age – Mr. Colson holds a masters degree in business (M.B.A.) and has been involved in the investment business for more than thirty five years. He was managing director in the U.K. for a major Canadian investment dealer for many years, and in Canada he has been actively involved in providing strategic counsel and assistance with financing to emerging private and public companies. His network in the resource industry has expanded significantly from Canada, and he has been actively involved in financing Canadian companies operating in China, Africa and South America. He sits on the board of several TSX and TSX Venture Exchange listed companies and is the President and CEO of Coniagas Resources Limited.

Thomas Vukovich, Director, 59 years of age – Mr. Vukovich has been an Executive Vice-President of Investments and Technical Management Corp., a Toronto based private investment manager, since January 1999. Mr. Vukovich also served as President of Crossfield House Inc. for the period August 1993 to January 1999. Mr. Vukovich is currently also a director of Polaris Geothermal Inc. and is also a director of Cathay Forest Products Corp.

Christopher Hodgson, Director, 45 years of age – Mr. Hodgson is a former Ontario Minister of Natural Resources, Minister of Northern Development and Mines, Chairman of the Management Board of Cabinet and Deputy House Leader. Mr. Hodgson currently serves as the President of the Ontario Mining Association and is on the board of directors for the Brick Income Trust and Baltic Resources Inc. Mr. Hodgson has been President of Chris Hodgson Enterprises since 1987 and enjoyed an earlier career in real-estate development and municipal politics.

Gerald Goldberg, Director, 64 years of age – Mr. Goldberg is a Chartered Accountant and Senior Partner in the Toronto-based accounting firm of Schwartz Levitsky Feldman LLP. Mr. Goldberg was also a partner in the predecessor firm of Grant Thornton, for over 10 years. Mr. Goldberg has over 30 years experience and heads the U.S. Public Company audit division of the firm. Mr. Goldberg is also active in corporate finance and development and is involved with the audits of various public Canadian, and U.S. companies listed in the U.S. and Canada. Mr. Goldberg is also the President of SLF Capital Markets Inc.

Other Reporting Issuer Experience

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

Name	**Name of Reporting Issuer**	**Name of Exchange or Market (if applicable)**	**Position(s)**	**From**	**To**
Robin Sundstrom	Dove Corp. Enterprises Inc.	TSX Venture Exchange	Investor Relations	June 2005	Present
	Northampton Group Inc.	TSX Venture Exchange	Investor Relations	2005	Present
	ARISE Technologies Corporation	TSX Venture Exchange	Investor Relations	September 2003	November 2004
	Iberian Minerals Corp.	TSX Venture Exchange	Investor Relations	August 2006	Present
	The Medipattern Corporation	TSX Venture Exchange	Investor Relations	June 2005	Present
Gary Hokkanen	Newlook Industries Corp.	TSX Venture Exchange	CFO	July 2007	Present
	Eiger Technology Inc.	Toronto Stock Exchange	CFO	July 2007	Present
Maurice Colson	Alexis Minerals Corp.	TSX Venture Exchange	Director	September 2003	Present
	Cathay Forest Products Corp.	TSX Venture Exchange	Director	September 2003	April 2005
	Crowflight Minerals Inc.	TSX Venture Exchange	Director	October 2003	Present
	Diadem Resources Limited	TSX Venture Exchange	Director	October 2003	October 2004
	Fort Chimo Minerals Inc.	CNQ	Director	September 2005	Present
	Landmark Global Financial Corp.	TSX Venture Exchange	Director	April 2001	April 2005
	Vast Exploration	TSX Venture Exchange	Director	July 2003	Present

Name	Name of Reporting Issuer	Name of Exchange or Market (if applicable)	Position(s)	From	To
	Inc.				
	Golden Tag Resources Inc.	TSX Venture Exchange	Director	June 2003	Present
	Coniagas Resources Limited	TSX Venture Exchange	President, CEO and Director	August 2007	Present
	Medifocus Inc.	TSX Venture Exchange	Director	February 2006	Present
Thomas Vukovich	Polaris Geothermal Inc.	Toronto Stock Exchange	Director	December 2004	Present
	Marketvision Direct, Inc.	TSX Venture Exchange	President and Director	December 1996	August 2006
	Cathay Forest Products Corp.	TSX Venture Exchange	Director	June 2007	Present
Christopher Hodgson	The Brick Group Income Fund	Toronto Stock Exchange	Director	January 2005	Present
	Baltic Resources Inc.	TSX Venture Exchange	Director	May 2004	Present
Gerald Goldberg	Jite Technologies Inc.	TSX Venture Exchange	Director	June 2006	October 2006
	Baymount Incorporated (formerly Academy Capital Corp.)	TSX Venture Exchange	Director	April 2004	Present

Corporate Cease Trade Orders or Bankruptcies

Except as otherwise set forth below, no director, officer, insider or promoter of the Company or a shareholder holding sufficient securities of the Company to affect materially the control of the Company is, or within the 10 years prior to the date of this prospectus has been, a director, officer or promoter of any other issuer that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order denied the other issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

In 2000, Gary Hokkanen was an officer of SCL Electronics Inc., a wholly owned subsidiary of Simmonds Capital Limited, which was petitioned into bankruptcy. The bankruptcy has been discharged. In June 2007, Mr. Hokkanen was an officer and director of mmwave Technologies Inc. (a wholly owned subsidiary of Wireless Age Communications, Inc.) , which was petitioned into bankruptcy. The bankruptcy has not yet been discharged.

Thomas Vukovich was a director and officer of Marketvision Direct Inc. when it was cease traded by the British Columbia and Ontario Securities Commissions for failure to file and deliver to shareholders its annual financial statements for the year ended June 30, 2001 and the first quarter interim financial statements for the period ended September 30, 2001. The Ontario Securities Commission issued its cease trade order on December 5, 2001 and lifted it, following the filing of the financial statements as required, on March 11, 2002. The British Columbia Securities Commission issued their cease trade order on December 7, 2001 and lifted it on February 1, 2002. Furthermore, Mr. Vukovich was a director of VIA TV Marketing on January 7, 1999, being the date on which the Alberta Securities Commission issued an order requiring that trading cease in respect of the securities of the corporation for a period of 15 days due to the failure of the corporation to file and deliver to its shareholders the annual audited financial statements for the period ended September 30, 1998 within the time periods prescribed by the *Securities Act* (Alberta). This matter was resolved to the satisfaction of the Alberta Securities Commission and the interim cease trade order expired no January 21, 1999.

Maurice J. Colson served as a director of Visual Bible International, Inc. ("**Visual Bible**"), a Florida corporation listed on the OTC Exchange. On March 5, 2004, the board of directors appointed Mr. Colson as Chief Executive Officer, President and Secretary in order to restructure Visual Bible, which was experiencing financial difficulties. On or about March 4, 2004, Visual Bible signed Forebearance Agreements with certain of its debenture holders which resulted in deferring payment of certain amounts due to such creditors under Visual Bible's A Unit and B Unit Debentures. Mr. Colson resigned as Director, Chief Executive Officer, President and Secretary on April 8, 2005. On April 13, 2005, Visual Bible was placed in interim receivership by the Ontario Superior Court, which appointed RSM Richter Inc. as interim receiver.

Penalties or Sanctions

Except as follows, no director, officer, insider or promoter of the Company or a shareholder holding sufficient securities of the Company to affect materially the control of the Company, has 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 has 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.

Thomas Vukovich, through a settlement agreement with the Alberta Securities Commission dated July 4, 1994, admitted to certain breaches of the *Securities Act* (Alberta) concerning his failure to meet certain continuous disclosure requirements in respect of transactions in securities of Fidelio Enterprises Inc. and Exploration Terrenex Inc. Pursuant to this settlement agreement, Mr. Vukovich provided an undertaking to the Alberta Securities Commission not to trade securities in Alberta for a period of three months and he paid the Alberta Securities Commission $10,000 in respect of the costs of the investigation and the hearing respect of this matter.

Personal Bankruptcies

No director, officer, insider or promoter of the Company or a shareholder holding sufficient securities of the Company to affect materially the control of the Company or a personal holding company of any such persons has, within the 10 years before the date of this prospectus, as applicable, become 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 or receiver manager appointed to hold the assets of that individual.

Conflict of Interests

There are potential conflicts of interest to which all of the directors, officers, insiders and promoters of the Company will be subject in connection with the operations of the Company. All 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 Company for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where all of the directors, officers, insiders and promoters will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies as provided under the *Business Corporations Act* (Ontario).

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 or indirectly, by the Company to a Non Arm's Length Party to the Company 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 Company or any Resulting Issuer by any means, including:

(a) remuneration, which includes but is not limited to:

 (i) salaries;

 (ii) consulting fees;

 (iii) management contract fees or directors' fees;

 (iv) finders fees;

 (v) loans, advances, bonuses; and

(b) deposits and similar payments.

However, the Company may reimburse Non Arm's Length Parties for the Company's reasonable allocation of rent, secretarial services and other general administrative expenses, at fair market value ("Permitted Reimbursements"). No reimbursement may be made for any payment made to lease or buy a vehicle. There has been no reimbursement made by the Company to date other than Permitted Reimbursements.

The directors and officers of the Company have also been granted Incentive Stock Options. See "Plan of Distribution" and "Options to Purchase Securities".

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

DILUTION

Dilution

Purchasers of Common Shares under this prospectus will suffer an immediate dilution of 14.3% or \$0.029 per Common Share on the basis of there being 3,500,000 Common Shares issued and outstanding following completion of the minimum offering and an immediate dilution of 10.0% or \$0.02 per Common Share on the basis of there being 5,000,000 Common Shares issued and outstanding following completion of the maximum 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, without deduction of commissions or related expenses incurred by the Company.

ELIGIBILITY FOR INVESTMENT

In the opinion of Fogler, Rubinoff LLP, counsel for the Company, the Common Shares, if, as and when listed on a prescribed stock exchange, will be qualified investments for a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered educations savings plan or a deferred profit sharing plan under the *Income Tax Act* (Canada) and the regulations made under that Act.

RISK FACTORS

Risk Factors

There are a number of risks inherent in making an investment in the Common Shares. The list below outlines the material risk factors that should be considered by persons considering purchasing the Common Shares. The list is not intended to be all-inclusive.

(a) The Company was only recently incorporated, has not commenced commercial operations and has no assets other than cash. It has no history of earnings, and shall not generate earnings or pay dividends until at least after Completion of the Qualifying Transaction. (See "Corporate Structure" and "Business of the Company");

(b) The Company is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its management team. The loss of any member of the management team could have a material adverse effect upon the business and prospects of the Company. In such event, the Company will seek satisfactory replacements but there can be no guarantee that appropriate personnel may be found;

(c) Investment in the Common Shares offered by this prospectus is highly speculative given the proposed nature of the Company's business and its present stage of development;

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

(e) Assuming completion of the Offering, an investor will suffer an immediate dilution of 14.3% or $0.029 per Common Share in the event the minimum offering is subscribed and an immediate dilution of 10.0% or $0.02 per Common Share in the event the maximum offering is subscribed. (See "Dilution");

(f) There can be no assurance that an active and liquid market for the Company's Common Shares will develop and an investor may find it difficult to resell its Common Shares;

(g) Until Completion of a Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions. (See "Business of the Company");

(h) The Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction. (See "Business of the Company");

(i) Even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction. (See "Business of the Company");

(j) 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. (See "Business of the Company");

(k) 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 Company of fair value for the Common Shares;

(l) Upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares of the Company 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 Company may 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 Company completing the proposed Qualifying Transaction. (See "Business of the Company");

(m) Trading in the Common Shares of the Company may be halted at other times for other reasons, including for failure by the Company to submit documents to the Exchange in the time periods required;

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

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

(p) In the event that management of the Company resides outside of Canada or the Company identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts;

(q) The Qualifying Transaction may be financed in all or part by the issuance of additional securities by the Company 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 Company; and

(r) Subject to prior Exchange acceptance, the Company may be permitted to loan or advance up to an aggregate of $250,000 of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Company will be able to recover that loan. (See "Use of Proceeds").

As a result of these factors, this Offering is suitable only to investors who are willing to rely solely on management of the Company 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

There are no legal proceedings to which the Company is or is likely to be a party.

RELATIONSHIP BETWEEN THE COMPANY AND THE AGENT

The Company is not a "related issuer" or "connected issuer" (as such terms are defined in National Instrument 33-105 Underwriting Conflicts).

RELATIONSHIP BETWEEN THE COMPANY AND PROFESSIONAL PERSONS

Certain legal matters relating to this Offering will be passed upon by Fogler, Rubinoff LLP, on behalf of the Company, and by TingleMerrett LLP, on behalf of the Agent.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditors

The Company's auditor is DMCT, LLP, whose principal office is located at 20 Eglinton Avenue West, Suite 2100, Toronto, Ontario M4R 1K8.

Transfer Agent and Registrar

The Company's transfer agent and registrar is Olympia Trust Company at its principal office in Toronto, Ontario.

MATERIAL CONTRACTS

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

1. The Transfer Agency Agreement dated as of November 9, 2007 between the Company and the Transfer Agent.

2. The Escrow Agreement dated as of January 8, 2008 among the Company, the Transfer Agent and those shareholders that executed such Escrow Agreement referred to under "Escrowed Securities".

3. The Agency Agreement dated as of January 8, 2008 among the Company and the Agent referred to under "Plan of Distribution".

The material contracts described above may be inspected at the offices Fogler, Rubinoff LLP, 95 Wellington Street West, Suite 1200, Toronto, Ontario during normal business hours during the period of the distribution of the Common Shares being distributed hereunder and for a period of 30 days thereafter.

OTHER MATERIAL FACTS

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

PURCHASER'S STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

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

AUDITOR'S CONSENT

We have read the prospectus of Sagittarius Capital Corporation (the "Company") dated January 8, 2008 relating to the issue and sale of a minimum of 2,500,000 and a maximum of 4,000,000 common shares of the Company. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the above-mentioned prospectus of our report to the directors of the Company on the balance sheet of the Company as at December 31, 2007 and the statements of cash flows for the period from the date of incorporation April 20, 2007 to December 31, 2007. Our report is dated January 3, 2008 (except for Note 7 which is dated January 8, 2008).

"DMCT LLP"

DMCT, LLP

Toronto, Ontario
January 8, 2008

FINANCIAL STATEMENTS

Sagittarius Capital Corporation
(A capital pool corporation)

Financial Statements

For the Period From Date of Incorporation (April 20, 2007) to December 31, 2007

Chartered Accountants

20 Eglinton Avenue West
Suite 2100, P.O. Box 2014
Toronto, ON M4R 1K8

Tel: 416-480-0160
Fax: 416-480-2646
Website: www.dmct.com

AUDITORS' REPORT

To the Directors of
Sagittarius Capital Corporation

We have audited the balance sheet of **Sagittarius Capital Corporation (A capital pool corporation)** as at **December 31, 2007** and the statement of cash flows for the period from date of incorporation (April 20, 2007) to December 31, 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 standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at **December 31, 2007** and its cash flows for the period from date of incorporation (April 20, 2007) to December 31, 2007, in accordance with Canadian generally accepted accounting principles.

DMCT, LLP

DMCT, LLP, Licensed Public Accountants

January 3, 2008 (except for Note 7 which is dated January 8, 2008).
Toronto, Ontario

Sagittarius Capital Corporation

(A capital pool corporation)
Balance Sheet
As at December 31, 2007

	Note	
Assets		
Current		
Cash	3	$ 76,150
Amounts receivable		1,050
		77,200
Deferred share issuance costs	4	56,300
		$ 133,500
Liabilities		
Current		
Accounts payable and accrued liabilities		$ 33,500
Shareholders' Equity		
Capital stock	5	100,000
		$ 133,500

Subsequent Events (Note 7)

Approved by the Board ______________ Director ______________ Director

See accompanying notes.

Sagittarius Capital Corporation

(A capital pool corporation)
Statement of Cash Flows
For the Period From Date of Incorporation (April 20, 2007) to December 31, 2007

Cash flows from operating activity	
Changes in non-cash working capital item	
Amounts receivable	$ (1,050)
Cash flows from financing activities	
Deferred share issuance costs	(22,800)
Issuance of capital stock	100,000
	77,200
Increase in cash during the period and cash at end of period	$ 76,150

See accompanying notes.

1. NATURE OF THE CORPORATION

Sagittarius Capital Corporation (the "Company") was incorporated under the Business Corporations Act (Ontario) on April 20, 2007 and is classified as a Capital Pool Corporation as defined in TSX Venture Exchange Inc. (the "Exchange") Policy 2.4. The Company has no assets other than cash and proposes to identify and evaluate potential acquisitions or businesses with a view to completing a Qualifying Transaction, as defined in Exchange policy 2.4.

There is no assurance that the Company will identify a Qualifying Transaction within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or delist the Company's shares from trading.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Company have been prepared in accordance with Canadian generally accepted accounting principles within the framework of the significant accounting policies described below:

Use of Estimates

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

Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are determined based on temporary differences between financial reporting and tax bases of assets and liabilities, as well as for the benefit of losses available to be carried forward to future years for tax purposes. Future income tax assets and liabilities are measured using enacted tax rates and laws that will be in effect when the differences are expected to reverse. Future income tax assets are recorded in the financial statements if realization is considered more likely than not.

3. CASH

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to 30% of the gross proceeds may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the policies of the Exchange.

4. DEFERRED SHARE ISSUANCE COSTS

These costs related directly to the proposed issuance of shares by the Company. Upon completion of the initial public offering, the costs will be charged against capital stock.

5. CAPITAL STOCK

Authorized
unlimited common shares

Issued

	Number of Shares	Amount
Issued for cash	1,000,000	$ 100,000

The 1,000,000 issued Common Shares of the Company are subject to a CPC Escrow Agreement. Under the CPC 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.

6. FINANCIAL INSTRUMENTS

The carrying values of cash, amounts receivable and accounts payable and accrued liabilities approximate fair values due to the relatively short term maturities of these instruments.

7. SUBSEQUENT EVENTS

(i) Pursuant to an agency agreement dated January 8, 2008 between the Company and Research Capital Corporation (the "Agent"), the Company has filed a prospectus dated January 8, 2008, offering a minimum of 2,500,000 common shares and a maximum of 4,000,000 common shares at a price of $0.20 per common share by way of an Initial Public Offering (the "Offering"). The Company has agreed to pay the Agent a commission of 10% of the gross proceeds of this Offering, an administration fee of $10,000 and reasonable legal and other expenses incurred by the Agent of approximately $10,000 in the aggregate. The Agent will also be granted a non-transferable option to purchase common shares that is equal to 10% of the total number of common shares sold under this Offering at a price of $0.20 per common share, exercisable for a period of 24 months from the date of listing of the common shares on the Exchange. The agent for the offering has agreed to use commercially reasonable efforts to secure subscriptions for these shares.

The Company estimates that $68,100 of costs, not including the agent's commission, will be incurred in respect of this Offering.

(ii) On closing of the Offering, the Company granted non-transferable incentive stock options to directors and officers of the Company to purchase up to 500,000 common shares, at a price of $0.20 per common share, and exercisable for five years from the date of grant.

CERTIFICATE OF THE COMPANY

Dated: January 8, 2008

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* (Alberta), Part 9 of the *Securities Act* (British Columbia) and Part XV of the *Securities Act* (Ontario), and the regulations thereunder.

"Robin Sundstrom"	*"Gary Hokkanen"*
Robin Sundstrom President and Chief Executive Officer	Gary Hokkanen Chief Financial Officer

On behalf of the Board of Directors

"Maurice Colson"	*"Thomas Vukovich"*
Maurice Colson Director	Thomas Vukovich Director

CERTIFICATE OF THE AGENT

Dated: January 8, 2008

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* (Alberta), Part 9 of the *Securities Act* (British Columbia), and Part XV of the *Securities Act* (Ontario) and the regulations thereunder.

RESEARCH CAPITAL CORPORATION

Per: *"Rob Fong"*
Name: Rob Fong
Title: Vice President