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

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

PRELIMINARY PROSPECTUS

Initial Public Offering **August 27, 2009**

NORTHERN LIGHTS ACQUISITION CORP.

(a capital pool company)

$600,000

3,000,000 Common Shares

PRICE: $0.20 PER COMMON SHARE

The purpose of this offering (the **"Offering"**) is to provide Northern Lights Acquisition Corp. (the **"Corporation"**) with a minimum amount of funds with which to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction, as hereafter defined. Any proposed Qualifying Transaction must be approved by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction, as hereafter defined, must also receive Majority of the Minority Approval, as hereafter defined, in accordance with Exchange Policy 2.4 (the **"CPC Policy"**). The Corporation is a Capital Pool Company (**"CPC"**). It has not commenced commercial operations and has no assets other than a minimum amount of cash. Except as specifically contemplated in the CPC Policy, until the Completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a proposed Qualifying Transaction.

Prior to filing the final Prospectus, the Corporation will enter into an agreement (the **"Agency Agreement"**) with Blackmont Capital Inc. (the **"Agent"**) to act as agent for the Corporation for the sale of the Common Shares under this Prospectus on a commercially reasonable efforts basis. The Offering is subject to a minimum subscription of 3,000,000 common shares in the capital of the Corporation (**"Common Shares"**) for total gross proceeds to the Corporation of $600,000. The Offering price of the Common Shares was determined independently by the Corporation in its sole discretion. All funds received from subscriptions for Common Shares will be held by the Agent pursuant to the terms of the Agency Agreement. If the minimum subscription is not raised within 90 days of the issuance of a receipt for the filing of the final Prospectus or such other time as may be agreed to by the Agent and consented to by persons or companies who subscribed within that period, the Agent shall, promptly thereafter, return to each subscriber by ordinary mail without interest or deduction, the subscription monies held by the Agent for such subscriber, unless the subscriber has otherwise instructed the Agent.

Pursuant to the Agency Agreement, the Agent will be granted an option (the **"Agent's Option"**) to acquire 300,000 Common Shares at an exercise price of $0.20 per Common Share. The Agent's Option will expire 24 months from the date that the outstanding Common Shares are listed for trading on the Exchange. The Agent's Option will be qualified for distribution under the final Prospectus. See "Plan of Distribution". In addition, options to acquire up to a total of 525,000 Common Shares, at an exercise price of $0.20 per Common Share, are expected to be granted to the directors and officers of the Corporation as deemed appropriate by the board of directors of the Corporation. See "Stock Options". The options to be granted to the directors and officers will also be qualified for distribution under the final Prospectus.

	Number of Shares	Price to the Public	Agent's Commission[(1)]	Proceeds to the Corporation[(2)]
Per Common Share	1	$0.20	$0.02	$0.18
Total Offering	3,000,000	$600,000	$60,000	$540,000

Notes:

(1) Upon closing of the Offering, the Corporation will pay a commission of $60,000 (10% of the gross proceeds of the Offering) to the Agent, pay to the Agent the corporate finance fee of $10,000 (plus GST) and will grant to the Agent the Agent's Option. In addition, the Corporation will reimburse the Agent for all expenses incurred by the Agent pursuant to the Offering (including the legal fees of the Agent), which expenses are estimated at $15,000 (plus disbursements and GST). See "Plan of Distribution".

(2) Before deduction of the balance of the cost of this Offering estimated to be $66,790, which includes the Agent's corporate finance fee of $10,000 (plus GST), legal and audit fees and other expenses of the Corporation estimated at $20,000 (plus disbursements and GST), Agent's expenses and legal fees estimated at $15,000 (plus disbursements and GST), and a listing fee and stock option plan review fee of $15,525 (plus GST) payable to the Exchange and filing fees of $6,265 (plus GST) payable to securities regulatory authorities in Alberta, British Columbia and Saskatchewan. See "Use of Proceeds".

INVESTMENT IN THE COMMON SHARES OFFERED BY THIS PROSPECTUS IS HIGHLY SPECULATIVE due to the nature of the Corporation's business and its present stage of development. This Offering is suitable only to those investors who are prepared to risk the loss of their entire investment. The Corporation was only recently incorporated, owns no assets (other than cash) and has not conducted active business operations. The Corporation has not entered into an Agreement in Principle, as that term is defined in the CPC Policy. The Corporation has no history of earnings and has not paid any dividends to the date hereof. It is unlikely that the Corporation will generate earnings or pay dividends in the immediate or foreseeable future. There can be no assurance that an active and liquid market for the Common Shares will develop and an investor may find it difficult to resell the Common Shares. The proposed business of the Corporation involves a high degree of risk and there can be no assurance that the Corporation will identify assets or businesses that warrant acquisition, in whole or in part. Even if assets or businesses are identified and the acquisition of the same or an interest therein is determined to be in the best interests of the Corporation, the Corporation may not be able to finance the acquisition with its existing resources and additional funds may be required to complete the transaction, and the Corporation may not be able to obtain additional financing. If the Corporation issues shares from its treasury to finance an acquisition, control of the Corporation may change and purchasers of Common Shares hereunder may suffer further dilution of their investment. The net proceeds generated from the Offering, after deducting associated costs, will be sufficient to identify and evaluate a limited number of opportunities. The officers and directors of the Corporation are not expected to devote their full time and attention to the business and affairs of the Corporation. The Corporation may be required to compete with others in its efforts to identify suitable assets or businesses for acquisition. UPON COMPLETION OF THE OFFERING, PURCHASERS OF THE COMMON SHARES OFFERED BY THIS PROSPECTUS WILL SUFFER AN IMMEDIATE DILUTION OF 21.5% OR $0.043 PER COMMON SHARE, CALCULATED ON THE BASIS OF TOTAL GROSS PROCEEDS RAISED BY THE CORPORATION FROM THE OFFERING AND PRIOR SALES OF SECURITIES, WITHOUT DEDUCTION OF SELLING COMMISSIONS AND OTHER EXPENSES OF THE OFFERING. There are potential conflicts of interest to which the directors and officers of the Corporation may be subject in connection with the anticipated activities of the Corporation. The directors, officers and control persons of the Corporation as a group currently own 75.6% of the issued and outstanding Common Shares and will own 32.4% Common Shares after the Offering, assuming that no Common Shares are bought by these persons under this Offering. As a result of these factors, the Offering is suitable only to those investors who are willing to rely solely on the management of the Corporation, who are willing to risk the loss of their entire investment and who can afford to lose all of their investment. See "Risk Factors", "Business of the Corporation", "Directors, Officers and Promoters", "Use of Proceeds", "Directors, Officers and Promoters - Conflicts of Interest" and "Dilution".

The Exchange may suspend from trading or delist the Common Shares if the Corporation fails to complete a Qualifying Transaction within 24 months of the date that the Common Shares are listed on the Exchange. Delisting of the Common Shares from the Exchange will, and suspension from trading of the Common Shares

may, result in a cease trade order being issued against the Corporation by the Alberta Securities Commission, the British Columbia Securities Commission and the Saskatchewan Financial Services Commission (collectively, the "Commissions"). Since the Corporation has not placed any geographical restrictions on the location of a Qualifying Transaction, such Qualifying Transaction may involve the acquisition of a business located outside of Canada and as such, investors should be aware that it may be difficult or impossible to effect service or notice to commence legal proceedings upon any directors, officers or experts located outside of Canada. It may not be possible to enforce against such persons or the Corporation, judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada. See "Risk Factors".

There is currently no market through which the Common Shares may be sold. The Corporation has applied to list its Common Shares on the Exchange. Listing will be subject to the Corporation fulfilling all the listing requirements of the Exchange.

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

Other than the initial distribution of the Common Shares pursuant to this Prospectus, the grant of the Agent's Option and the grant of options to the directors, officers and consultants of the Corporation, trading in all securities of the Corporation is prohibited during the period between the date on which a receipt for the preliminary Prospectus is issued by the Commissions and the time the Common Shares are listed for trading on the Exchange, except subject to 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.

Pursuant to the CPC Policy, the maximum number of Common Shares that may be purchased, directly or indirectly, by any single subscriber under the Offering is limited to two percent (2%) of the total number of shares offered for sale hereunder (60,000 Common Shares) for a total purchase price of $12,000 and the maximum number of Common Shares that may be purchased, directly or indirectly, by a single subscriber, together with that subscriber's associates is four percent (4%) of the total number of shares offered for sale hereunder (120,000 Common Shares) for a total purchase price of $24,000.

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

The Common Shares are offered by Blackmont Capital Inc., as agent of the Corporation, on a "commercially reasonable efforts" basis, subject to prior sale, if, as and when issued and delivered by the Corporation and accepted in accordance with the conditions referred to under the heading "Plan of Distribution" and subject to the approval of certain legal matters on behalf of the Corporation by Davis LLP, Calgary, Alberta, and on behalf of the Agent by Shea Nerland Calnan LLP, Calgary, Alberta.

Blackmont Capital Inc.
Suite 2200, 440 – 2nd Avenue S. W.
Calgary, Alberta T2P 5E9

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GLOSSARY

In this Prospectus, the following terms have the meanings set forth below unless otherwise indicated:

"ABCA" means the *Business Corporations Act* (Alberta), as amended from time to time;

"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;

"Agency Agreement" means the agency agreement dated •, 2009 between the Corporation and the Agent;

"Agent" means Blackmont Capital Inc.;

"Agent's Option" means the option to purchase Common Shares of the Corporation issued to the Agent, or if directed by the Agent to a sub-agent, as more fully described under "Plan of Distribution";

"Aggregate Pro Group" means all Persons who are members of any Pro Group (as hereinafter defined) whether or not the member is involved in a contractual relationship with the Corporation to provide financing, sponsorship or other advisory services;

"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; or

(d) in the case of a Person who is an individual:

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

(ii) any relative of that 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 the Exchange's Rule D with respect to that member firm, member corporation or holding company;

"Common Shares" means the common shares in the share capital of the Corporation;

"Commissions" means the Alberta Securities Commission, the British Columbia Securities Commission and Saskatchewan Financial Services Commission;

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

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

"Control Person" means any Person or company that holds or is one of a combination of Persons or companies that holds a sufficient number of any of the securities of an Issuer so as to affect materially the control of that Issuer, or that holds more than 20% of the outstanding voting securities of an Issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the Issuer;

"Corporation" means Northern Lights Acquisition Corp., a corporation incorporated under the laws of the Province of Alberta;

"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;

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

"CPC Policy" means Policy 2.4 of the Corporate Finance Manual of the Exchange;

"Custodian" means Olympia Trust Company, a trust corporation having an office in Calgary, Alberta;

"Escrow Agreement" means the escrow agreement dated •, 2009 among the Corporation, the Custodian and certain security holders of the Corporation as more fully described under "Escrowed Securities";

"Exchange" or **"TSXV"** means the TSX Venture Exchange Inc.;

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

"GST" means Goods and Services Tax;

"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" has the meaning in Rule A 1.00 of the TSX Venture Exchange Rule Book and Polices;

"NEX" means the market on which former Exchange and TSX Issuers that do not meet Exchange tier maintenance requirements for Tier 2 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;

"Offering" means the offering of Common Shares of the Corporation as more fully described under "Plan of Distribution";

"Option Plan" means the stock option plan of the Corporation approved by the directors of the Corporation on August 27, 2009;

"Person" means a company or individual;

"Principal" means:

(a) a Person or company who acted as a promoter of the Issuer within two years or their respective Associates or Affiliates, before the initial public offering (**"IPO"**) prospectus or 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, securities that may be issued to the holder under outstanding convertible securities are to be included in both the holder's securities and the total securities outstanding.

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

A principal's spouse and their relatives that live at the same address as the principal 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.

"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;

"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;

"TSX" means the Toronto Stock Exchange; and

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

PROSPECTUS SUMMARY

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

Offering

3,000,000 Common Shares, at a price of $0.20 per Common Share. Pursuant to the Agency Agreement described in this Prospectus under the heading "Plan of Distribution", the Corporation will grant the Agent's Option to the Agent at the closing of the Offering. The Agent's Option will entitle the Agent to acquire 300,000 Common Shares at an exercise price of $0.20 per Common Share. The Agent's Option will expire 24 months from the date that the outstanding Common Shares are listed for trading on the Exchange. The Agent's Option will be qualified for distribution under the Prospectus. In addition, options to acquire an aggregate of 525,000 Common Shares, at an exercise price of $0.20 per Common Share, are expected to be granted to the directors and officers of the Corporation, which options will also be qualified for distribution under the Prospectus. See "Plan of Distribution" and "Stock Options".

The Corporation

The Corporation was incorporated under the ABCA on August 4, 2009. Initially, the principal business of the Corporation will be to identify and evaluate specific assets or entire businesses with a view to completing a Qualifying Transaction approved by the Exchange in accordance with the CPC Policy. To the date hereof, the Corporation has not carried on any active business operations and has no assets other than a minimal amount of cash. See "Business of the Corporation".

Use of Proceeds

The net proceeds to the Corporation will be approximately $540,000 (after deduction of the Agent's commission but before deduction of the issue costs). The net proceeds of the Offering will be used to provide the Corporation with a minimum of funds with which to identify and evaluate assets and businesses with a view to the acquisition of the same or an interest therein. However, even if assets or businesses are identified and the acquisition of the same or an interest therein is determined to be in the best interests of the Corporation, the Corporation may not have sufficient resources to fund such transaction and additional funds may be required to complete the acquisition. 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", "Business of the Corporation — Method of Financing Acquisitions" and "Risk Factors".

Dilution

Purchasers of the Common Shares offered for sale hereunder will suffer an immediate dilution of approximately 21.5% or $0.043 per Common Share, calculated on the basis of the total gross proceeds raised by the Corporation under the Offering and prior sales of securities, without deduction of selling commissions and other expenses of the Offering. See "Dilution".

Directors and Officers

James Bell, President, Chief Executive Officer and Director
Chad Robinson, Chief Financial Officer and Director
Dennis L. Nerland, Chairman and Director
Roy Hudson, Director
Daniel E. Kenney, Director
Derrick Auch, Director
Eric Keller, Corporate Secretary
See "Directors, Officers and Promoters — Management".

Risk Factors

The Offering should be considered highly speculative due to the proposed nature of the Corporation's business and its present stage of development. The Corporation was only recently incorporated, does not have any assets other than cash, has not conducted any active business operations, has no history of earnings and has not paid any dividends and it is unlikely to generate earnings or pay dividends in the immediate or foreseeable future. In addition, the Corporation has not entered into an Agreement in Principle. The Offering is suitable only to those investors who are willing to rely solely on the directors and management of the Corporation, who are willing to risk a loss of their entire investment and who can afford to lose all of their investment. The directors and officers of the Corporation will only devote part of their time and attention to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. There can be no assurance that an active and liquid market for the Common Shares will develop and an investor may find it difficult to resell the Common Shares. Until completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Corporation has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Corporation will be able to identify or complete a suitable Qualifying Transaction. See "Risk Factors", "Business of the Corporation", "Directors, Officers and Promoters — Management", "Use of Proceeds", "Directors, Officers and Promoters — Conflicts of Interest" and "Dilution".

The Qualifying Transaction may involve the acquisition of a business or assets located outside of Canada. Accordingly, in the event of a legal dispute, 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.

Dividend Policy

It is not anticipated that any dividends will be paid on the Common Shares in the immediate or foreseeable future. See "Dividend Policy".

Escrowed Securities

All of the currently issued and outstanding Common Shares of the Corporation, being 2,250,000 Common Shares, will be deposited into escrow with the Custodian, as escrow agent, pursuant to the terms of the Escrow Agreement and will be released from escrow in stages over a period of up to three (3) years after the date of the Final Exchange Bulletin. See "Escrowed Securities".

THE CORPORATION

The Corporation was incorporated under the ABCA on August 4, 2009. The registered and records office and the head office of the Corporation are located at Suite 1000, 250 2nd Street S.W., Calgary, Alberta, T2P 0C1. By Certificate of Amendment, issued on •, 2009, the Articles of the Corporation were amended to remove the private issuer restrictions previously applicable to the Corporation. As a result of the removal of such restrictions, the Articles no longer impose restrictions on the transfer of shares of the Corporation.

BUSINESS OF THE CORPORATION

Preliminary Expenses

Other than $7,500 paid as a deposit to the Agent's legal counsel, the $5,000 (plus GST) paid to the Agent as part payment of the corporate finance fee, the $5,000 (plus GST) paid to the Exchange and the $6,265 (plus GST) paid to the Alberta Securities Commission, the British Columbia Securities Commission and Saskatchewan Financial Services Commission, the Corporation has not incurred additional expenses to date in proceeding with this Offering. Part of the net proceeds of the Offering may be utilized to satisfy the obligations of the Corporation related to this Offering, including the expenses of its auditors, legal counsel, the Agent's legal counsel and the Agent's the corporate finance fee. See "Use of Proceeds".

Proposed Operations until Completion of a Qualifying Transaction

The Corporation does not own any assets other than cash and has not conducted active business operations. To date, the Corporation has not conducted commercial operations and the activities of the Corporation have been confined to the conduct of discussions for the purpose of identifying potential acquisitions of commercially viable businesses and assets, but the Corporation has not entered into an Agreement in Principle. Initially, the Corporation proposes to identify businesses and assets that have the potential to generate profits and add shareholder value. 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.

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

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

Method of Financing Acquisitions

The Corporation may use cash, bank financing, the issuance of treasury shares, public debt or equity financing or a combination of these for the purpose of financing its proposed Qualifying Transaction. **If a Qualifying Transaction is financed, in whole or in part, through the issuance of Common Shares from treasury, a change of control of the Corporation could occur and shareholders could suffer further dilution.**

Criteria for a Qualifying Transaction

The Corporation proposes to identify target businesses and assets through various means, including discussions with contacts of the officers and directors of the Corporation and other persons. If a prospective acquisition target is identified, the Corporation will proceed to evaluate the same as a potential Qualifying Transaction.

On completion of its analysis, management will proceed to negotiate the terms of acquisition of the target assets or business with the owner and will present the proposal to the board of directors of the Corporation for its consideration and approval. In exercising their powers and discharging their duties in relation to a proposed Qualifying Transaction, the directors will act honestly and in good faith with a view to the best interests of the

Corporation and will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The board of directors, in considering whether to approve the terms of an acquisition, is expected to consider, among other criteria, the following:

(a) the projected rate of return on the proposed investment and the risk of loss;

(b) the prospects for growth, having regard to existing or potential market share;

(c) the skill of the existing management team, either as it exists or as it may be supplemented as a consequence of the acquisition; and

(d) basic financial considerations including the overall cost of the acquisition and the prospects of obtaining the equity or debt financing necessary to complete the acquisition.

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

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

(a) file the filing statement on SEDAR at least seven (7) business days prior to closing of the Qualifying Transaction, and issue a news release which discloses the scheduled closing date for the Qualifying Transaction as well as the fact that the filing statement is available on SEDAR; or

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

Unless an exemption is available or the requirement is waived by the Exchange, the Corporation will also be required to retain a Sponsor, who must be a member of the Exchange, and who will be required to submit to the Exchange a Sponsor report prepared in accordance with the policies of the Exchange. The Corporation will no longer be considered to be a CPC upon the Exchange having issued the Final Exchange Bulletin. The Exchange will generally not issue the Final Exchange Bulletin until the Exchange has received:

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

(b) confirmation of closing of the Qualifying Transaction; and

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

Upon issuance of the Final Exchange Bulletin, the CPC Policy will generally cease to apply, with the exception of the escrow provisions of the CPC Policy and the restrictions in the CPC Policy precluding the Corporation from completing a reverse take-over for a period of one (1) 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, Suspension and Delisting

The Exchange will generally halt trading in the Common Shares from the date of the public announcement of an Agreement in Principle until all filing requirements of the Exchange have been satisfied, which includes the submission of a sponsorship acknowledgement form, where the Qualifying Transaction is subject to sponsorship. In addition, personal information forms for all individuals who may be directors, senior officers, promoters, or Insiders of the Resulting Issuer must be filed with the Exchange and any preliminary background searches that the Exchange considers necessary or advisable, must also be completed, before the trading halt will be lifted by the Exchange.

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

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

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

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

The Exchange may suspend from trading or delist the Common Shares where the Exchange has not issued a Final Exchange Bulletin within 24 months of the date of listing. In the event that the Common Shares are delisted by the Exchange, within 90 days from the date of such delisting, the Corporation shall wind up and shall make a *pro rata* distribution of its remaining assets to its shareholders, unless shareholders, pursuant to a majority vote exclusive of the votes of Non-Arm's Length Parties to the Corporation, determine to deal with the remaining assets in some other manner. See "Business of the Corporation — Filings and Shareholder Approval of a Non Arm's Length Qualifying Transaction" above.

If the Corporation 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 Corporation must:

(a) obtain majority shareholder approval for the transfer to NEX, exclusive of the votes of Non Arms Length Parties of the Corporation; and

(b) either:

  (i) cancel all escrowed Common Shares purchased by Non-Arm’s Length Parties to the Corporation at a discount to the Offering price, in accordance with section 11.2(a) of the CPC Policy, as if the Corporation had delisted from the Exchange or

  (ii) subject to majority shareholder approval, cancel the escrowed Common Shares purchased by Non-Arm’s Length Parties to the Corporation so that the average costs of the remaining escrowed Common Shares is at least equal to the Offering price.

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

Refusal of Qualifying Transaction

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

(a) the Resulting Issuer fails to satisfy the applicable 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 gross proceeds generated from the sale of the Common Shares offered by this Prospectus will be $600,000. The Corporation has received $225,000 from the sale of Common Shares prior to the date of this Prospectus. The Corporation has not incurred any expenses or costs with respect to the issuance of Common Shares to date. The expenses and costs associated with the Offering are expected to be in the order of $66,790 (not including the Agent’s Commission for the Offering of $60,000) of which $18,000 has been incurred to date. All such costs and expenses will be paid from the working capital of the Corporation, which will include the proceeds of the Offering. The Corporation anticipates that gross proceeds of $825,000 will be available to it from the sale of Common Shares distributed under this Prospectus and prior sales of Common Shares.

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

Proceeds to the Corporation	
Cash proceeds raised prior to this Offering(1)	$225,000
Expenses and costs relating to raising the seed share proceeds(2)	$Nil
Cash proceeds to be raised pursuant to this Offering(3)	$600,000
Expenses and costs relating to the Offering (including listing fees, Agent's Commission, legal fees, audit fees and expenses) (4)	($126,790)
Total estimated funds available (on completion of the Offering)	$698,210
Funds available for identifying and evaluating assets or business prospects(5)	$673,210
Estimated general and administrative expenses until Completion of the Qualifying Transaction(6)	$25,000
	$698,210

Notes:

(1) See "Prior Sales".
(2) No costs have been allocated towards the issuance of these shares. See the Corporation's balance sheet as at August 31, 2009.
(3) In the event the Agent exercises the Agent's Option, and the directors, officers and consultants exercise all of their options, up to an additional $165,000 will be available to the Corporation, which will be added to the working capital of the Corporation. There is no assurance that any of these options will be exercised. See "Plan of Distribution" and "Stock Options".
(4) This figure includes the Agent's Commission of $60,000, the Agent's corporate finance fee of $10,000 (plus GST), the Agent's expenses and legal fees estimated at $15,000 (plus disbursements and GST), the Corporation's legal fees estimated at $15,000 (plus disbursements and GST), the Corporation's audit fees estimated at $5,000 (plus GST) and listing and filing fees estimated at $21,790 (plus GST).
(5) In the event that the Corporation identifies an approved Qualifying Transaction prior to spending the entire amount allocated, the Corporation may use the balance of the funds to finance or partially finance the Qualifying Transaction or for working capital after Completion of the Qualifying Transaction.
(6) The maximum amount that may be used for purposes other than those described under the subheading "Permitted Use of Funds" below is the lesser of 30% of the gross proceeds from the sale of all securities issued by the Corporation or $210,000. See "Use of Proceeds — Restrictions on Use of Proceeds".

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

The proceeds from this Offering and any prior 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 Corporation may commit.

Permitted Use of Funds

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

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

(a) valuations or appraisals;

(b) business plans;

(c) feasibility studies and technical assessments;

(d) sponsorship reports;

(e) engineering or geological reports;

(f) financial statements, including audited financial statements;

(g) fees for legal and accounting services; and

(h) agent's fees, costs and commissions,

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

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

Restrictions on Use of Proceeds

Until Completion of a Qualifying Transaction, not more than the lesser of 30% of the gross proceeds from the sale of all securities issued by the Corporation or $210,000, will be used for purposes other than those described above. For greater certainty, expenditures which are not included as "Permitted Uses of Funds", listed above, include:

(a) listing and filing fees (including SEDAR fees);

(b) other costs for the issuance of securities (including legal, accounting and audit expenses) relating to the preparation and filing of this Prospectus; and

(c) administrative and general expenses of the Corporation, including:

   (i) office supplies, office rent and related utilities;

   (ii) printing costs (including the printing of this Prospectus and share certificates);

   (iii) equipment leases; and

   (iv) fees for legal advice and audit expenses, other than those described above under "Permitted Use of Funds".

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

Private Placements for Cash

After the closing of the Offering and until the Completion of the Qualifying Transaction, the Corporation will not issue any securities unless prior written acceptance of the Exchange is obtained. Prior to the Completion of the Qualifying Transaction, the Exchange generally will not accept a private placement by the Corporation where the gross proceeds raised from the issuance of securities both prior to and pursuant to the Offering, together with any proceeds anticipated to be raised upon closing of the private placement, will exceed $2,000,000. The only securities issuable pursuant to such a private placement will be Common Shares. Subject to certain limited exceptions, any Common Shares issued pursuant to the private placement to Non-Arm's Length Parties to the Corporation and to Principals of the Resulting Issuer will be subject to escrow.

Prohibited Payments to Non-Arm's Length Parties

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

(a) remuneration, which includes but is not limited to salaries, consulting fees, management contract fees or directors' fees, finders' fees, loans, advances and bonuses; and

(b) deposits and similar payments.

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

Notwithstanding the above, the Corporation may reimburse a Non-Arm's Length Party to the Corporation for reasonable expenses for office supplies, office rent and related utilities, equipment leases (excluding vehicle leases), and legal services and the Corporation may also reimburse a Non-Arm's Length Party to the Corporation for reasonable out-of-pocket expenses incurred in pursuing the business of the Corporation described in "Permitted Use of Funds". The Corporation will pay legal fees to Davis LLP, a law firm which Messrs. Bell, Hudson, Kenney and Auch are partners. The incurring and payment of such fees will be subject to the pre-approval of both Mr. Robinson and Mr. Nerland who are not affiliated with Davis LLP. The Corporation intends to seek a waiver from the Exchange to allow such payments to be made to Davis LLP.

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 the Agency Agreement between the Corporation and the Agent, the Corporation has appointed the Agent as its agent to offer for sale on a commercially reasonable efforts basis to the public in the provinces of Alberta, British Columbia and Saskatchewan 3,000,000 Common Shares as provided in this Prospectus, at a price of $0.20 per Common Share, for gross proceeds of $600,000, subject to the terms and conditions in the Agency Agreement. The Agent will receive a commission of 10% of the aggregate gross proceeds from the sale of the Common Shares and a corporate finance fee of $10,000 plus GST (of which a non-refundable deposit of $5,000 plus GST has been paid). In addition, the Corporation will pay the Agent's legal fees and other expenses, estimated at $15,000 (plus disbursements and GST) of which a deposit of $7,500 has been paid.

The Corporation has also agreed to grant to the Agent, or if directed by the Agent to any sub-agents, the Agent's Option to purchase 300,000 Common Shares at a price of $0.20 per Common Share, which may be exercised for a period of 24 months from the date the Common Shares are listed on the Exchange. The Agent's Option is non-transferable. All of the Agent's Option is qualified under this Prospectus. The Agent intends to sell to the public any Common Shares received by it upon the exercise of its 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.

Commercially Reasonable Efforts Offering and Minimum Distribution

The Agent has agreed to use its commercially reasonable efforts to secure subscriptions for the Common Shares offered hereunder on behalf of the Corporation and may make co-brokerage arrangements with other investment dealers at no additional cost to the Corporation. The obligations of the Agent under the Agency Agreement may be terminated at its discretion on the basis of its assessment of the state of financial markets and may also be terminated on the occurrence of certain events as stated in the Agency Agreement.

The Offering is for 3,000,000 Common Shares for total gross proceeds of $600,000. Under the CPC Policy, no purchaser of Common Shares is permitted to purchase more than two percent (2%) of the total Common Shares under the Offering (60,000 Common Shares). In addition, the maximum number of Common Shares permitted to be purchased by that purchaser together with any Associates of Affiliates of that purchaser is four percent (4%) of the total number of Common Shares under the Offering (120,000 Common Shares). The funds received from the Offering will be deposited with the Agent, and will not be released until a minimum of $600,000 has been deposited. This amount must be raised within 90 days of the date a receipt for the filing of the Prospectus or such other time as may be agreed to by the Agent and consented to by the persons or companies who subscribed within that period, failing which the Agent shall, promptly thereafter, return to each Subscriber by ordinary mail without interest or deduction, the subscription monies held by the Agent for such subscriber, unless the subscriber has otherwise instructed the Agent.

Other Securities to be Distributed

The Corporation also proposes to grant options to purchase 525,000 Common Shares to directors and officers in accordance with the policies of the Exchange, which options are qualified for distribution under this Prospectus.

Determination of Price

The Offering price of the Common Shares has been determined independently by the Corporation in its sole discretion.

Listing Application and Conditional Listing Approval

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

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

Subscriptions by and Restrictions on the Agent

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

Until Completion of the Qualifying Transaction, the aggregate number of Common Shares permitted to be owned directly or indirectly by the participants referred to above, is 20% of the issued and outstanding Common Shares exclusive of Common Shares reserved for issuance at a future date. The Exchange will require that any securities issued to the Pro Group in connection with or in contemplation of the Qualifying Transaction will be required to be subject to a four (4) month Exchange hold period and the securities certificate(s) legended accordingly, as prescribed by Exchange Policy 3.2 - *Filing Requirements and Continuous Disclosure*.

The Agent has advised the Corporation that to the best of its knowledge and belief, neither it, nor any of its directors, officers, employees or contractors or any Associate or Affiliate of the foregoing has subscribed for Common Shares.

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 options to the directors and officers and consultants of the Corporation, no securities of the Corporation will be permitted to be issued during the period between the date a receipt for the preliminary Prospectus is issued by the Commissions and the time the Common Shares are listed for trading on the Exchange, except subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities regulatory authorities grant a discretionary order.

DESCRIPTION OF SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares (**"Preferred Share"**) issuable in series, of which 2,250,000 Common Shares are issued and outstanding as fully paid and non-assessable as at the date of this Prospectus. In addition, 300,000 Common Shares are reserved for issuance pursuant to the exercise of the Agent's Option and up to 10% of the issued and outstanding Common Shares are reserved for issuance under stock options to be granted to directors and officers of the Corporation. See "Plan of Distribution" and "Stock Options".

Common Shares

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

Preferred Shares

The Preferred Shares may be issued from time to time in one or more series, each series consisting of the number of shares and having the designation, rights, privileges, restrictions and conditions which the board of directors of the Corporation determines prior to the issue thereof. The Preferred Shares rank prior to the Common Shares with respect to the payment of dividends and distribution in the event of liquidation, dissolution or winding-up of the Corporation.

CAPITALIZATION

The following table sets forth information respecting the capitalization of the Corporation as at the date of the balance sheet contained herein and as at the date hereof, both before and after giving effect to the Offering.

Capital	Authorized	Amount outstanding as of the date of the most recent balance sheet contained in the Prospectus	Amount outstanding as at the date hereof, before giving effect to the Offering[1]	Amount outstanding as at the date hereof, after giving effect to the Offering[2][3]
Common Shares	Unlimited	$225,000 (2,250,000 Common Shares[4])	$225,000 (2,250,000 Common Shares[4])	$825,000 (5,250,000 Common Shares)
Preferred Shares	Unlimited	Nil	Nil	Nil

Notes:

(1) The Corporation has reserved up to 10% of the issued and outstanding Common Shares for issuance pursuant to the Option Plan of which 525,000 are to be issued at closing of the Offering (see "Stock Options") and up to 300,000 Common Shares for issuance upon the exercise of the Agent's Option (see "Plan of Distribution").

(2) Before deducting any of the expenses of the Offering, including the Agent's commission. The expenses and costs associated with the Offering are expected to be in the order of $66,790 of which $18,000 has been incurred to date.

(3) Funds estimated available on completion of the Offering amount to $698,210. See "Use of Proceeds".

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

(5) At the date of the balance sheet the Corporation has not commenced commercial operations. As at the date thereof, the retained earnings (deficit) of the Corporation was nil. The Corporation has no long-term debt.

STOCK OPTIONS

The following options to purchase 525,000 Common Shares to be granted to directors and officers on closing of the Offering (subject to regulatory approval) are qualified for distribution pursuant to this Prospectus:

Name	Number of Common Shares Under Option[1]	Exercise Price Per Common Shares
James Bell	74,760	$0.20
Chad Robinson	92,400	$0.20
Dennis L. Nerland	74,760	$0.20
Roy Hudson	74,760	$0.20
Daniel E. Kenney	74,760	$0.20
Derrick Auch	74,760	$0.20
Eric Keller	58,800	$0.20
Total	**525,000**	

Note:

(1) These options will all vest immediately on the date of grant, namely the date on which a receipt is issued for the Prospectus, and will expire five (5) years from the date of grant.

On August 27, 2009 the board of directors of the Corporation approved the Option Plan. Pursuant to the Option Plan, the board of directors of the Corporation may from time to time, in its discretion, and in accordance with Exchange requirements, grant to directors, officers, consultants and employees of the Corporation, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares exercisable for a period of up to five (5) years from the date of grant. The number of Common Shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding Common Shares. Options may be exercised anytime within that period which is the longer of 12 months after the Completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Corporation, subject to reasonable extension by the board of directors, 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 (1) 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 incorporation and prior to the date of this Prospectus, the Corporation has issued 2,250,000 Common Shares as follows:

Date	Number of Common Shares	Issue Price Per Common Share	Aggregate Issue Price	Consideration Received
August 19, 2009	1,250,000	$0.10	$125,000	Cash
August 12, 2009	1,000,000	$0.10	$100,000	Cash

All of the 2,250,000 Common Shares issued at $0.10 per Common Share will be held in escrow in accordance with the CPC Policy. See "Escrowed Securities".

ESCROWED SECURITIES

Securities Escrowed Prior to the Completion of the Qualifying Transaction

All of the 2,250,000 Common Shares issued prior to this Offering and all Common Shares that may be acquired by Non-Arm's Length Parties of the Corporation either under the Offering or otherwise prior to Completion of the Qualifying Transaction will be deposited with the Custodian under the Escrow Agreement.

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

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

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

Name and Municipality of Residence of Shareholder	Number of Common Shares	Number of Common Shares held in Escrow	Percentage of Common Shares prior to giving effect to the Offering[(2) (3)]	Percentage of Common Shares after giving effect to the Offering[(2) (3)]
James Bell Calgary, Alberta	250,000	250,000	11.1%	4.8%
Chad Robinson Calgary, Alberta	250,000	250,000	11.1%	4.8%
Dennis L. Nerland[(1)] Calgary, Alberta	250,000	250,000	11.1%	4.8%
Roy Hudson Calgary, Alberta	250,000	250,000	11.1%	4.8%
Daniel E. Kenney Calgary, Alberta	250,000	250,000	11.1%	4.8%
Derrick Auch Calgary, Alberta	250,000	250,000	11.1%	4.8%
Eric Keller Calgary, Alberta	200,000	200,000	8.9%	3.8%
Roger MacLeod Calgary, Alberta	150,000	150,000	6.7%	2.9%
Jennifer Arndt Calgary, Alberta	100,000	100,000	4.4%	1.9%
Dave Afseth Calgary, Alberta	100,000	100,000	4.4%	1.9%
Chris Afseth Calgary, Alberta	100,000	100,000	4.4%	1.9%
Axel Schmidt Calgary, Alberta	100,000	100,000	4.4%	1.9%
Total	**2,250,000**	**2,250,000**	**100%**	**42.9%**

Notes:

(1) The Common Shares owned by Mr. Nerland are held through control of 1098366 Alberta Ltd.
(2) Approximate figures. Figures have been rounded to nearest decimal place.
(3) Assuming that no Common Shares are purchased by the above shareholders under this Offering and before giving effect to the exercise of the Agent's Option and the 525,000 stock options to be granted to directors and officers of the Corporation on closing of the Offering.

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 Corporation who holds escrowed Common Shares acquired at a price below the Offering price under this Prospectus has irrevocably authorized and directed the escrow agent to immediately:

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

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

  (i) cancel all of those escrowed Common Shares purchased by Non-Arm’s Length Parties to the Corporation at a discount from the Offering price, in accordance with section 11.2(a) of the CPC Policy; or

  (ii) subject to majority shareholder approval, cancel an amount of discount escrowed Common Shares purchased by Non-Arm’s Length Parties to the Corporation so that the average cost of the remaining discount escrowed Common Shares is at least equal to the Offering price.

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

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 scheduled 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 (3) year escrow release mechanism with 10% of the escrowed securities being releasable at the time of the Final Exchange Bulletin, and 15% of the escrowed securities being releasable every six (6) months thereafter until the date which is 36 months after the Final Exchange Bulletin. In the case of a Resulting Issuer that will be a Tier 2 issuer subject to a Surplus Security Escrow Agreement, when the Final Exchange Bulletin is issued, the Surplus Security Escrow Agreement provides for a three (3) year escrow release mechanism with five (5%) percent of the escrowed securities releasable at the time of the Final Exchange bulletin, 5% on the date which is six (6) months after the Final Exchange Bulletin, 10% on each of the dates which are 12 and 18 months after the Final Exchange Bulletin, 15% on each of the dates which are 24 and 30 months after the Final Exchange Bulletin and 40% on the date which is 36 months after the Final Exchange Bulletin.

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

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

(a) the private placement is announced at least five (5) trading days after the news release announcing the Agreement in Principle and the pricing for the financing is at not less than the discounted market price, as determined in accordance with the policies of the Exchange; or

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

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

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

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

PRINCIPAL SHAREHOLDERS

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

Name and Municipality of Residence of Shareholder	Type of Ownership	Number of Common Shares[(1)]	Percentage of Common Shares prior to giving effect to the Offering[(2)]	Percentage of Common Shares after giving effect to the Offering[(2)(3)(4)]
James Bell Calgary, Alberta	Direct	250,000	11.1%	4.8%
Chad Robinson Calgary, Alberta	Direct	250,000	11.1%	4.8%
Dennis L. Nerland Calgary, Alberta	Indirect[(5)]	250,000	11.1%	4.8%
Roy Hudson Calgary, Alberta	Direct	250,000	11.1%	4.8%
Daniel E. Kenney Calgary, Alberta	Direct	250,000	11.1%	4.8%
Derrick Auch Calgary, Alberta	Direct	250,000	11.1%	4.8%

Notes:

(1) These Common Shares are subject to escrow pursuant to the policies of the Exchange. See "Escrowed Securities".
(2) Approximate figures. Figures have been rounded to nearest decimal place.
(3) Before giving effect to the exercise of the Agent's Option and the 525,000 stock options to be granted to directors and officers of the Corporation on closing of the Offering. After giving effect to the exercise of the Agent's Option and the 525,000 stock options, the approximate percentage of Common Shares owned after the Offering would be 5.3% for each of Mr. Bell, Mr. Nerland, Mr. Hudson, Mr. Kenney and Mr. Auch and 5.6% for Mr. Robinson.
(4) Assuming that no Common Shares are purchased by the above shareholders under this Offering.
(5) The Common Shares owned by Mr. Nerland are held through control of 1098366 Alberta Ltd.

DIRECTORS, OFFICERS AND PROMOTERS

Name, Address, Occupation, Security Holdings

Name, Municipality of Residence and Office	Principal Occupation(s) During the Last Five (5) Years	Common Shares Held[3]	Percentage before completion of the Offering[4] [5]	Percentage on completion of the Offering[4] [5] [6]
James Bell[1] Calgary, Alberta President, Chief Executive Officer and Director	Mr. Bell has been a partner with the law firm Davis LLP since 2005. Prior thereto, he was an associate lawyer with Davis LLP since 2002.	250,000	11.1%	4.8%
Chad Robinson[1] Calgary, Alberta Chief Financial Officer and Director	From 2006 to current, Mr. Robinson has held the position of Chief Financial Officer and is an owner of Pacesetter Directional and Performance Drilling Ltd., a private drilling company in Calgary, Alberta. From 1997 to 2006, Mr. Robinson served as the VP Corporate Finance / Partner for StoneBridge Merchant Capital. StoneBridge focused on investing in latter stage business focused primarily in the energy sector and added specialty corporate finance services to their investee companies. Mr. Robinson, while at Stonebridge, held several Controller positions for their investee companies.	250,000	11.1%	4.8%
Dennis L. Nerland[1] Calgary, Alberta Chairman and Director	Mr. Nerland has been a partner with the law firm Shea Nerland Calnan LLP since 1990 practicing primarily in the areas of tax and trust law.	250,000	11.1%	4.8%
Roy Hudson[1] Calgary, Alberta Director	Mr. Hudson has been a partner with the law firm Davis LLP since September 2004; prior thereto partner with Borden Ladner Gervais LLP from July 2002 to September 2004; prior thereto partner with Armstrong Perkins Hudson LLP from January 1999 to July 2002.	250,000	11.1%	4.8%
Daniel E. Kenney[1] Calgary, Alberta Director	Mr. Kenney has been a partner with the law firm of Davis LLP since September 2004. Prior thereto, a partner with the law firm of Borden Ladner Gervais LLP and an associate lawyer with the law firm of Armstrong Perkins Hudson LLP and its predecessor.	250,000	11.1%	4.8%
Derrick Auch[1] Calgary, Alberta Director	Mr. Auch has been a partner with the law firm of Davis LLP since January 2007 and prior thereto, he was an associate lawyer with Davis LLP since September 2004. Prior thereto, an associate lawyer with the law firm of Borden Ladner Gervais LLP and prior thereto an associate lawyer with the law firm of Armstrong Perkins Hudson LLP.	250,000	11.1%	4.8%

Name, Municipality of Residence and Office	Principal Occupation(s) During the Last Five (5) Years	Common Shares Held(3)	Percentage before completion of the Offering(4) (5)	Percentage on completion of the Offering(4) (5) (6)
Eric Keller Calgary, Alberta Corporate Secretary	Mr. Keller has been an associate lawyer with the law firm of Davis LLP since November 2006. Prior thereto, he was investigative counsel with the Alberta Securities Commission and prior thereto he was an associate lawyer with Borden Ladner Gervais LLP.	200,000	8.9%	3.8%

Notes:

(1) Members of the Audit Committee.
(2) The Corporation has no other standing committees at this time other than the Audit Committee.
(3) These Common Shares are subject to escrow pursuant to the policies of the Exchange. See "Escrowed Securities".
(4) Approximate figures. Figures have been rounded to nearest decimal place.
(5) Before giving effect to the exercise of the Agent's Option and the 525,000 stock options to be granted to directors and officers of the Corporation on closing of the Offering.
(6) Assuming that no Common Shares are purchased by the above shareholders under this Offering.

As at the date hereof, the 1,700,000 Common Shares beneficially owned, directly or indirectly or over which control or direction is exercised by the directors and officers as a group represent 75.6% of the issued and outstanding Common Shares of the Corporation and will represent approximately 32.4% of the issued and outstanding Common Shares of the Corporation after giving effect to the distribution of 3,000,000 Common Shares pursuant to the Offering. All of the 1,700,000 Common Shares held by the principal shareholders, officers and directors as a group are subject to an escrow agreement. See "Escrowed Securities".

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

The Corporation does not have any officers or directors who will be devoting their full time to the business of the Corporation. Initially, each of Messrs. Bell, Robinson, Nerland, Hudson, Kenney, Auch and Keller will devote their time and expertise as required by the Corporation. Upon completion of the Qualifying Transaction, the amount of time spent on the affairs of the Corporation will depend upon the business or asset acquired and includes the possibility of one or more of the officers devoting their full time to the Corporation.

Management

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

James Bell – President, Chief Executive Officer and Director, 34 years of age – Since 2000, Mr. Bell has been a securities and corporate finance lawyer. Mr. Bell was the co-founder of Davis LLP's Calgary office in 2002 and has been a partner with Davis LLP since 2005. Mr. Bell acts for numerous public companies as securities and corporate commercial counsel. Mr. Bell has a Bachelor of Laws from the University of Saskatchewan. He is a member of the Law Society of Alberta.

Chad Robinson – Chief Financial Officer and Director, 35 years of age – Mr. Robinson has 12 years of corporate finance and accounting experience focused in energy, energy services, manufacturing and other service industries. From 1997 to 2006, Mr. Robinson served as the VP Corporate Finance / Partner for StoneBridge Merchant Capital. StoneBridge focused on investing in latter stage business focused primarily in the energy sector and added specialty corporate finance services to their investee companies. Mr. Robinson, while at Stonebridge, held several Controller positions for their investee companies. From 2006 to current, Mr. Robinson has held the position of Chief Financial Officer and is an owner of Pacesetter Directional and Performance Drilling Ltd., a private drilling company in Calgary, Alberta. Pacesetter started in 2005 and since Mr. Robinson has joined the company, the company has grown to $30 million in sales and 90 employees and has offices throughout Western Canada and the United States. Mr. Robinson also has a Master of Business Administration, Master of Agriculture (Natural Resource Economics) and Bachelor of Science from the University of Alberta.

Dennis L. Nerland – Chairman and Director, 56 years of age – Since 1990, Mr. Nerland has been a partner with the law firm Shea Nerland Calnan LLP practicing primarily in the areas of tax and trust law. Mr. Nerland is a current and past director of a number of private investment companies, a number of private operating companies and a number of public companies listed on the Exchange and the TSX. Mr. Nerland has a Bachelor of Laws from the University of Calgary, a Master of Arts (Economics) from Carleton University and a Bachelor of Science (Economics and Mathematics) from the University of Calgary. He is a member of the Law Society of Alberta.

Roy Hudson – Director, 52 years of age – Since September 2004, Mr. Hudson has been a partner with the law firm Davis LLP and prior thereto, a partner with Borden Ladner Gervais LLP from July 2002 to September 2004 and a partner with Armstrong Perkins Hudson LLP from January 1999 to July 2002. Mr. Hudson acts for and serves, or has served, as a director and officer of numerous public companies. Mr. Hudson has a Bachelor of Laws and a Bachelor of Commerce from the University of Alberta. He is a member of the Law Society of Alberta.

Daniel E. Kenney – Director, 40 years of age – Since September 2004, Mr. Kenney has been a partner with the law firm of Davis LLP and prior thereto, a partner with the law firm of Borden Ladner Gervais LLP and an associate lawyer with the law firm of Armstrong Perkins Hudson LLP and its predecessor. Mr. Kenney acts for and serves, or has served, as a director and officer of numerous public companies. Mr. Kenney has a Bachelor of Laws from the University of Alberta and a Bachelor of Commerce (Finance) from the University of Calgary. He is a member of the Law Society of Alberta.

Derrick Auch – Director, 42 years of age – Since January 2007, Mr. Auch has been a partner with the law firm of Davis LLP and prior thereto, he was an associate lawyer with Davis LLP since September 2004. Prior thereto, he was an associate lawyer with the law firm of Borden Ladner Gervais LLP and prior thereto, an associate lawyer with the law firm of Armstrong Perkins Hudson LLP. Mr. Auch acts for numerous public companies as securities and corporate commercial counsel. Mr. Auch has a Bachelor of Laws and a Bachelor of Commerce (Finance) from the University of Calgary. He is a member of the Law Society of Alberta.

Eric Keller – Corporate Secretary, 33 years of age – Since November 2006, Mr. Keller has been an associate lawyer with the law firm of Davis LLP. Prior thereto, Mr. Keller was counsel with the Alberta Securities Commission and prior thereto an associate lawyer with Borden Ladner Gervais LLP. Mr. Keller has a Bachelor of Laws from the University of Alberta and a Bachelor of Arts from the University of Lethbridge. He is a member of the Law Society of Alberta.

Other Reporting Issuer Experience

The following table sets out the directors, officers and promoter(s) of the Corporation that are, or have been within the last five (5) 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	From	To
James Bell	Acceleware Corp. (formerly Poseidon Capital Corp.)	TSXV	Secretary	Nov 2004	Present
	Ceres Capital Corp.	TSXV	Secretary	Jun 2006	Jan 2009
	Guest-Tek Interactive Entertainment Ltd.	TSX	Director	May 2005	Apr 2006
Dennis L. Nerland	DeeThree Exploration Ltd. (formerly Royal Capital Corp.)	TSXV	Director	Nov 2007	Present
	Ceres Capital Corp.	TSXV	Director	Jun 2006	Present
	Acceleware Corp.	TSXV	Director	Oct 2004	Present
	Crew Energy Inc.	TSX	Director	Sept 2003	Present

Name	Name of Reporting Issuer	Name of Exchange or Market (if applicable)	Position	From	To
	Critical Control Solutions Corp.	TSXV	Director & Chairman	May 2001	Present
	Baden Technologies Inc.	TSXV	Director & Secretary	Feb 2000	Present
	Broadcast Capital Corp.	TSXV(1)	Director & CFO	Mar 2006	Dec 2006
	Savanna Energy Services Corp.	TSX(1)	Director	Mar 2005	Aug 2006
	IMC2 Corporation	TSXV(1)	Director, President & CEO	Mar 2004	Sept 2005
Roy Hudson	JJR II Acquisition Inc.	TSXV	Director	June 2009	Present
	Eaglewood Energy Inc.	TSXV	Secretary	Nov 2008	Present
	DualEx Energy International Inc.	TSXV	Director	May 2006	Present
	New Millennium Capital Corp.	TSXV	Director	Sept 2004	Present
	Advanced Primary Minerals Corp. (formerly Beta Minerals Inc.)	TSXV	Director	Nov 2002	Feb 2009
	Solana Resources Limited	TSXV & AIM(1)	Director	Dec 2003	Nov 2008
	Sherwood Copper Corp.	TSXV(1)	Director	Feb 2008	Nov 2008
	Eaglewood Energy Inc.	TSXV	Director	Dec 2004	Nov 2008
	Canyon Services Group Inc.	TSX	Secretary	Oct 2005	Nov 2006
Daniel E. Kenney	RioAlto Mining Limited (formerly Mexican Silver Mines Inc.)	TSXV	Director	Jun 2009	Present
	DeeThree Exploration Inc.	TSXV	Secretary	Jun 2009	Present
	Golconda Resources Ltd.	TSXV	Secretary	Jan 2009	Present
	RioAlto Mining Limited (formerly Mexican Silver Mines Inc.)	TSXV	Secretary	May 2007	Present
	Cordy Oilfield Services Inc.	TSXV	Secretary	May 2006	Present
	West Mountain Capital Corp.	TSXV	Secretary	Nov 2005	Present
	Clearford Industries	TSXV	Director	Oct 2001	Present
	Canadian Phoenix Resources Corp.	TSXV	Secretary	Feb 2009	Jun 2009
	Canadian Phoenix Resources Corp.	TSXV	Director	Jul 2008	Feb 2009
	Prize Mining Corporation	TSXV	Director	Jul 2004	Jan 2009
	Golden Sunset Trail Inc.	TSXV	Secretary	Jul 2004	Dec 2007
	Diamond Hawk Mining Corp.	TSXV	Director	Feb 2005	Apr 2005
Derrick Auch	Troymet Exploration Corp.	TSXV	Secretary	Aug 2007	Present
	Marksmen Resources Ltd.	TSXV	Secretary	Feb 2004	Present

Name	Name of Reporting Issuer	Name of Exchange or Market (if applicable)	Position	From	To
	Signet Minerals Inc.	TSXV[1]	Secretary	Oct 2005	Aug 2007

Note:

(1) No longer listed on any exchange or market.

Corporate Cease Trade Orders or Bankruptcies

Except as set out in the paragraph below, no director, officer, Insider or promoter of the Corporation, or any shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation has, within the last 10 years, been a director, officer or promoter of any reporting issuer that, while such Person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the company access to any statutory exemption for a period of more than 30 consecutive days or was declared a 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, arrangements or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that Person.

Dennis Nerland was a director of Samsports.com Inc., a software company previously listed on the Exchange. In January 2001 Samsports.com Inc. went out of business and was put into receivership. Subsequently, the common shares of Samsports.com Inc. were de-listed from the Exchange for failure by Samsports.com Inc. to meet the Exchange's minimum listing requirements. Further, each of the Alberta Securities Commission and the British Columbia Securities Commission issued cease trade orders against Samsports.com Inc. for its failure to file financial statements as required by applicable securities legislation.

Penalties or Sanctions

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

Lawsuits

Except as set out below, director, officer, insider or promoter of the Corporation, or shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation, or personal holding company of any such Persons, has within the last five (5) years been the subject of, or a director, officer, promoter or Control Person of an entity that has been the subject of a lawsuit with respect to securities related matters.

All of the directors of Samsports.com Inc. including Dennis L. Nerland, were sued by a former investor of Samsports.com Inc. That investor alleged that an officer of Samsports.com Inc. made misrepresentations to the investor to induce him to invest in Samsports.com Inc. in contravention of the *Securities Act* (Alberta) and that the directors of Samsports.com Inc. were aware or should have been aware of such misrepresentations. Mr. Nerland filed a statement of defence denying any wrongdoing on his part. Mr. Nerland's defence of the claim was successful and the claim was expunged with no finding of liability or wrongdoing.

Personal Bankruptcies

No director, officer, Insider or promoter of the Corporation, or any shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation, or a personal holding company of any such Persons, has, within the 10 years preceding the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold their assets.

Conflicts of Interest

There are potential conflicts of interest to which some of the directors, officers, Insiders and promoters of the Corporation will be subject in connection with the operations of the Corporation. Some of the directors, officers, Insiders and promoters are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the search by the Corporation for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where some of the directors, officers, Insiders and promoters will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies as provided under the ABCA.

EXECUTIVE COMPENSATION

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

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

(i) salaries;

(ii) consulting fees;

(iii) management contract fees or directors' fees;

(iv) finders fees;

(v) loans, advances, bonuses; and

(b) deposits and similar payments.

However, the Corporation may reimburse Non-Arm's Length Parties for the Corporation's reasonable allocation of rent, secretarial services and other general administrative expenses, at fair market value (**"Permitted Reimbursement"**). The Corporation has made no such reimbursements since incorporation. No reimbursement may be made for any payment made to lease or buy a vehicle. The directors and officers of the Corporation may also be granted stock options.

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

DILUTION

Purchasers of Common Shares under this Prospectus will suffer an immediate dilution of 21.5% or $0.043 per Common Share on the basis of there being 5,250,000 Common Shares of the Corporation issued and outstanding after completion of the 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 Corporation. The following table illustrates this dilution.

	Per Common Share
Offering price	$0.20
Net tangible book value as at the date hereof	$0.10
Net tangible book value after the distribution	$0.157
Dilution to subscribers of the Offering	$0.043
Percentage of dilution in relation to Offering price	21.5%

RISK FACTORS

No Market for Common Shares, Early Stage of Development, No History of Revenue or Earnings, No Dividends

There is no established market for the Common Shares of the Corporation. 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. An investment in the Common Shares offered for sale hereunder should be considered highly speculative due to the proposed nature of the Corporation's business and its present stage of development. The Corporation does not own any assets (other than cash) and has not conducted active business operations. The Corporation was only recently incorporated and has no history of revenue or earnings nor has it paid any dividends and it is unlikely to generate earnings or pay dividends in the immediate or foreseeable future. The Corporation has not entered into an Agreement in Principle, as that term is defined in the CPC Policy.

Business Risks, Control of the Corporation

The proposed business of the Corporation involves a high degree of risk and there can be no assurance that the Corporation will identify potential businesses or other assets that warrant acquisition, in whole or in part. Even if assets or businesses are identified and the acquisition of the same or an interest therein is determined to be in the best interests of the Corporation, the Corporation may not be able to finance the acquisition with its existing resources and additional funds may be required to complete the acquisition transaction. If the Corporation issues shares from treasury to finance an acquisition, control of the Corporation may change and purchasers of Common Shares hereunder may suffer further dilution of their investment. The net proceeds generated from the Offering, after deducting associated costs, will be sufficient to identify and evaluate only a limited number of opportunities. As a result of these factors, the Offering is suitable only to those investors who are willing to rely solely on the management of the Corporation, who are willing to risk the loss of their entire investment and who can afford to lose all of their investment. In addition, in cases where the Corporation does not acquire control of a corporation or business, it will have to rely on existing management and on the minority shareholder remedies contained in applicable corporate legislation. See "Business of the Corporation", "Use of Proceeds" and "Directors, Officers and Promoters — Conflicts of Interest".

Suspension from Trading and Delisting

The Exchange may suspend from trading or delist the Common Shares of the Corporation if the Corporation fails to complete a Qualifying Transaction within 24 months following the date that the outstanding Common Shares are listed on the Exchange. Delisting of the Common Shares from the Exchange will, and suspension from trading of the Common Shares may, result in a cease trade order being issued by the Commissions in respect of the Common Shares of the Corporation.

Risks relating to the Qualifying Transaction

Until Completion of a Qualifying Transaction, the Corporation is not permitted to carry on any business, other than the identification and evaluation of potential Qualifying Transactions.

The Corporation has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Corporation will be able to identify a suitable Qualifying Transaction.

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

The Exchange in its discretion may refuse approval of a transaction proposed by the Corporation as a Qualifying Transaction where:

(a) the Corporation will fail to satisfy the minimum listing requirements of the Exchange upon completion of the Qualifying Transaction;

(b) at any time from the time of listing to completion of the Qualifying Transaction, the aggregate number of securities owned, directly or indirectly, by:

(i) a Member firm of the Exchange;

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

(iii) Associates of any such persons,

exceeds 20% of the total number of outstanding listed Common Shares;

(c) upon completion of the Qualifying Transaction, the Corporation will be a finance company or a mutual fund as defined under securities legislation; or

(d) in the sole discretion of the Exchange, there is any other valid reason to refuse approval.

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.

Unless the shareholder has the right to dissent and be paid fair value in accordance with applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Corporation of fair value for the Common Shares. Upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares of the Corporation will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained and certain preliminary reviews have been conducted. The Common Shares of the Corporation will be reinstated to trading before the Exchange has reviewed the transaction and before the Sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Corporation completing the proposed Qualifying Transaction. Trading in the Common Shares may be halted at other times for other reasons, including for failure by the Corporation to submit documents to the Exchange in the time periods required.

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

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

Management

The directors and officers of the Corporation will not be devoting their full time and efforts to the business and affairs of the Corporation, but are expected to devote such time as may be required to effectively manage the Corporation. Some of the directors are engaged and will continue to be engaged in searches for businesses or assets on their own behalf or on behalf of other persons. As a result, those directors and other organizations may be in competition with the Corporation in its search for businesses and assets that might constitute a Qualifying Transaction. See "Directors, Officers and Promoters" and "Business of the Corporation".

Dilution Effects

Purchasers of the Common Shares offered for sale under this Prospectus will suffer an immediate dilution of 21.5% or $0.043 per Common Share. See "Dilution".

Jurisdictional Issues

Since the Corporation has not placed any geographical restrictions on the location of a Qualifying Transaction, such Qualifying Transaction may involve the acquisition of a business located outside of Canada and as such investors should be aware that it may be difficult or impossible to effect service or notice to commence legal proceedings upon any directors, officers or experts located outside Canada. Accordingly, in the event of a legal dispute, it may not be possible to enforce against such persons or the Corporation, judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada.

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

INVESTOR RELATIONS AGREEMENTS

The Corporation has not entered into any written or oral agreement or understanding with any person to provide any promotional or investor relations services for the Corporation or its securities or to engage in activities for the purposes of stabilizing the market.

DIVIDEND POLICY

The Corporation has not paid any dividends on its outstanding Common Shares to date. The current directors of the Corporation do not presently intend to implement a policy of paying regular cash dividends on the Common Shares. The board of directors will review this policy from time to time, having regard to the needs of the Corporation to finance future growth, the financial condition of the Corporation and other factors that the board of directors may consider appropriate in the circumstances.

LEGAL PROCEEDINGS

The Corporation is not currently a party to any legal proceedings, nor is the Corporation currently contemplating any legal proceedings. Management of the Corporation is currently not aware of any legal proceedings contemplated against the Corporation.

RELATIONSHIP BETWEEN THE CORPORATION AND THE AGENT

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

RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS

Certain legal matters relating to this Offering will be passed upon by Davis LLP on behalf of the Corporation, and by Shea Nerland Calnan LLP on behalf of the Agent. James Bell is a director, officer and founding shareholder of the Corporation. Mr. Bell is also a partner at Davis LLP. Roy Hudson, Daniel E. Kenney and Derrick Auch are directors and founding shareholders of the Corporation. Messrs. Hudson, Kenney and Auch are also partners at Davis LLP. Eric Keller, an officer and founding shareholder of the Corporation, is an associate lawyer with Davis LLP. Also, Dennis L. Nerland is a director and founding shareholder of the Corporation. Mr. Nerland is also a partner with Shea Nerland Calnan LLP. It is anticipated that the percentage of Common Shares to be beneficially owned, directly or indirectly, by each such persons and their associates and affiliates after giving effect to this Offering, collectively, will be approximately 27.6%. The Corporation has applied for the consent of the Exchange in respect of the payment of legal services to Davis LLP, counsel to the Corporation and to Shea Nerland Calnan LLP, counsel to the Agent.

Otherwise, no Person whose profession or business gives authority to a statement made by such Person and who is named in this Prospectus has received or shall receive a direct or indirect interest in the property of the Corporation or any Associate or Affiliate of the Corporation. In addition, other than Messrs. Bell, Nerland, Hudson, Kenney, Auch and Keller, none of the aforementioned Persons nor any director, officer or employee of any of the aforementioned Persons, is or expected to be elected, appointed or employed as a director, senior officer or employee of the Corporation or of an Associate or Affiliate of the Corporation, or a Promoter of the Corporation or of an Associate or Affiliate of the Corporation. Any remuneration for legal services provided to the Corporation or the Agent by Davis LLP or Shea Nerland Calnan LLP, respectively, will be subject to the restrictions set forth in the CPC Policy.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are PricewaterhouseCoopers LLP, Chartered Accountants, 111 - 5th Avenue SW, Suite 3100, Calgary, Alberta T2P 5L3.

Olympia Trust Company, through its principal office at 2300, 125 – 9 Avenue S.E., Calgary, Alberta T2G0P6, is the transfer agent and registrar for the Common Shares.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Certain directors and officers of the Corporation have acquired Common Shares. In addition, each of the directors and officers of the Corporation will be granted options to purchase Common Shares pursuant to the Option Plan. See "Principal Shareholders" and "Stock Options".

MATERIAL CONTRACTS

The Corporation has not entered into any contracts material to subscribers for Common Shares, except:

1. the Agency Agreement dated •, 2009 between the Corporation and the Agent. See "Plan of Distribution";

2. the Escrow Agreement dated •, 2009 among the Corporation, the Custodian and certain security holders of the Corporation. See "Escrowed Securities";

3. the Transfer Agent and Registrar Agreement dated August 18, 2009 between the Corporation and the Custodian; and

4. the Option Plan dated August 27, 2009. See "Stock Options".

Copies of the foregoing agreements will be available for inspection during the period of distribution under the Offering at the registered office of the Corporation, at Suite 1000, 250 2nd Street S.W., Calgary, Alberta, T2P 0C1, during ordinary business hours and will also be filed and available on www.sedar.com.

ELIGIBILITY FOR INVESTMENT

In the opinion of Davis LLP, based on legislation in effect at the date hereof and if as and when the Common Shares are listed on a prescribed stock exchange (as defined in the *Income Tax Act* (Canada) and the regulations thereunder (the **"Act"**)) which includes the Exchange, the Common Shares will be qualified investments under the Act for trusts governed by registered retirement savings plans.

OTHER MATERIAL FACTS

To management's knowledge, there are no other material facts relating to 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

Securities legislation in the provinces of Alberta, British Columbia and Saskatchewan provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two (2) business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation further provides a purchaser with remedies for rescission or, 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.

AUDITORS' CONSENT

We have read the prospectus of Northern Lights Acquisition Corp. (the "Company") dated •, 2009 relating to an offering of 3,000,000 common shares of the Company. We have complied with Canadian generally accepted standards for an auditors' 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 August 27, 2009 and the statements of operations and deficit and cash flows for the period August 4, 2009 to August 27, 2009. Our report is dated •, 2009.

Chartered Accountants

Calgary, Alberta
•, 2009

FINANCIAL STATEMENTS

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers LLP
Chartered Accountants
111 5th Avenue SW, Suite 3100
Calgary, Alberta
Canada T2P 5L3
Telephone +1 (403) 509 7500
Facsimile +1 (403) 781 1825

August *, 2009

Auditors' Report

To the Directors of
Northern Lights Acquisition Corp.

We have audited the balance sheet of **Northern Lights Acquisition Corp.** as at August 27, 2009 and the statements of operations and deficit and cash flows for the period August 4, 2009 to August 27, 2009. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at August 27, 2009 and the results of its operations and its cash flows for the period from August 4, 2009 to August 27, 2009 in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

PricewaterhouseCoopers refers to the Canadian firm of PricewaterhouseCoopers LLP and the other member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

Northern Lights Acquisition Corp.
Balance Sheet
As at August 27, 2009

	$
Assets	
Current assets	
Cash and cash equivalents (note 4)	207,000
GST recoverable	1,200
Deferred financing charges (note 5)	22,500
	230,700
Liabilities	
Current liabilities	
Accounts payable and accrued liabilities	14,700
Shareholders' Equity	
Share capital (note 6)	225,000
Deficit	(9,000)
	216,000
	230,700

Subsequent event (note 11)

The accompanying notes to the financial statements are an integral part of these financial statements

Approved by the Board of Directors

__________________________ Director   __________________________ Director

Northern Lights Acquisition Corp.

Statement of Operations and Deficit

For the period from date of incorporation, August 4, 2009 to August 27, 2009

	$
Expenses	
Professional fees	9,000
Net loss and comprehensive loss for the period	9,000
Deficit – Beginning of period	-
Deficit – End of period	9,000

The accompanying notes to the financial statements are an integral part of these financial statements

Northern Lights Acquisition Corp.

Statement of Cash Flows

For the period from date of incorporation, August 4, 2009 to August 27, 2009

	$
Cash provided by (used in)	
Operating activities	
Net loss for the period	(9,000)
Change in non-cash items (note 8)	3,000
	(6,000)
Financing activities	
Issue of share capital	225,000
Deferred financing charges	(22,500)
Deferred financing charges included in accounts payable	10,500
	213,000
Increase in cash during the period	207,000
Cash at the beginning of the period	-
Cash at the end of the period	207,000

The accompanying notes to the financial statements are an integral part of these financial statements

1 Nature of operations

The Corporation was incorporated under the *Business Corporations Act* (Alberta) on August 4, 2009 under the name Northern Lights Acquisition Corp. Once the Corporation has filed and obtained a receipt for a preliminary prospectus, it will be classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the "TSX Venture"). The Corporation has no assets other than cash and proposes to identify and evaluate potential acquisitions or businesses, and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of regulatory and, if required, shareholder approval.

Where an acquisition or participation is warranted (the "Qualifying Transaction"), additional funding may be required. The ability of the Corporation to fund its potential future operations and commitments is dependent upon the ability of the Corporation to obtain additional financing.

There is no assurance that the Corporation will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or de-list the Corporation's shares from trading.

2 Summary of Significant Accounting Policies

Basis of presentation

These financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP). The preparation of the Corporation's financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Management reviews any estimates made using currently available information. Changes in facts and circumstances may result in revised estimates, and actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand and highly liquid operating accounts.

Deferred financing costs

Costs incurred for the public offering, consisting of professional fees have been deferred. Upon the successful completion of the public offering, the costs incurred will be charged against share capital or written off if the offering is not completed.

Future income taxes

The Corporation follows the asset and liability method of accounting for the tax effect of temporary differences between the carrying amount in the financial statements of the Corporation's assets and liabilities and their carrying amount for income tax purposes. Temporary differences arise when the realization of an asset or the settlement of a liability would give rise to either an increase or decrease in the Corporation's income taxes payable for the year or later period. Future income tax liabilities or income tax recoveries are recorded at the income tax rates which are expected to apply when the future tax asset or liability is settled or realized. Valuation allowances are established when necessary to reduce future income tax assets to the amount expected to be realized.

3 Changes in Accounting Policies and Future Accounting Changes

International Financial Reporting Standards

In 2006, the CICA announced that accounting standards in Canada are to converge with International Financial Reporting Standards ("IFRS"). The Corporation will need to begin reporting under IFRS in the first quarter of 2011 with comparative data for the prior year. IFRS uses a conceptual framework similar to GAAP, but there could be significant differences on recognition, measurement and disclosures that will need to be addressed. The Corporation is currently assessing the impact of these standards on its financial statements.

4 Cash and cash equivalents

The proceeds raised from the issuance of share capital may only used to identify and evaluate assets or businesses for future investment, with the exception that up to the lessor of: 30% of the gross proceeds of the offering; and $210,000, may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Corporation. These restrictions apply until completion of a Qualifying Transaction by the Corporation as defined under the policies of the TSX Venture.

5 Deferred financing charges

As at August 27, 2009, the Corporation has incurred $22,500 in costs related to the proposed initial public offering. These costs have been deferred and will be recorded as an offset to share capital upon the issuance of share capital.

6 Share capital

Authorized
Unlimited number of common voting shares without nominal or par value
Unlimited number of preferred shares without nominal or par value

Issued for cash

	2009 **$**
2,250,000 common shares	225,000

a) The preferred shares may be issued in one or more series and the directors are authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions, and conditions attached to the shares of each series.

b) Pursuant to an escrow agreement dated as of _________ among the Corporation, Olympic Trust Company and certain shareholders of the Corporation, 2,250,000 of the issued and outstanding Common Shares have been deposited in escrow. Upon the Corporation completing a Qualifying Transaction, as defined in Policy 2.4 of the TSX Venture, Common Shares held pursuant to the escrow agreement shall be released as to 10% immediately following the issuance of the bulletin of TSX Venture announcing final acceptance of the Qualifying Transaction (the “Initial Release”) and an additional 15% on the dates that are six months, twelve months, eighteen months, twenty-four months, thirty months and thirty-six months following the Initial Release.

c) The Corporation has adopted an incentive stock option plan in accordance with the policies of TSX Venture (the “Stock Option Plan”) for the benefit of directors, officers, employees and other key personnel of the Corporation whereby a maximum of 10% of the issued and outstanding Common Shares of the Corporation are reserved for issuance pursuant to the exercise of stock options to be granted to directors, officers, employees and other key personnel of the Corporation. The Stock Option Plan provides that the terms of the options and the option price shall be fixed by the directors subject to the price restrictions and other requirements imposed by TSX Venture. Stock options granted under the Stock Option Plan may not be exercisable for a period longer than five years and the exercise price must be paid in full upon exercise of the option. No options were granted as at August 27, 2009.

7 Financial instruments and capital disclosures

The Corporation’s financial instruments include cash and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying amount due to the short-term nature of the items. The Corporation’s accounts payable and accrued liabilities are designated as other liabilities and are accounted for at amortized cost.

It is management’s opinion that the Corporation is not exposed to significant interest, currency, or credit risks from these financial instruments. The Company mitigates credit risk on its cash and cash equivalents by only holding cash in guaranteed deposits with Canadian federally incorporated banks.

The Corporation does not have any externally imposed capital requirements at this point in time and therefore no additional capital disclosures have been required in the financial statements.

8 Changes in non-cash working capital items

	2009 **$**
(Increase) in GST recoverable	(1,200)
Increase in accounts payable and accrued liabilities	4,200
	3,000

9 Related party transactions

During the period the Corporation paid legal fees of $10,000 to Davis LLP for legal services relating to the Incorporation and preliminary offering documents of the Corporation. Davis LLP is a related party to the Corporation by virtue of certain Davis LLP lawyers acting as management and/or directors of the Corporation.

The fees were paid under normal commercial terms and conditions and had been approved by independent board members.

10 Income taxes

The Corporation's temporary differences include differences in non-capital loss carry forward of $2,900. This temporary difference has been offset by a valuation allowance based on management's estimate of the amount more likely than not to be realized. The unused non-capital losses will expire in 2028.

11 Subsequent event

Pursuant to an Agency Agreement dated August •, 2009 (the "Agency Agreement"), the Corporation has agreed to issue a prospectus to be filed with the Alberta, British Columbia and Saskatchewan Securities Commissions offering 3,000,000 common shares at $0.20 per share. The agent is to receive a commission of $0.02 per share resulting in a total commission of $60,000 based upon the offering. Other costs of the issue are estimated to be approximately $66,790, a portion of which as included in deferred financing charges. The agent for the offering has agreed to use commercially reasonable efforts to secure subscriptions for these shares. The total minimum subscription must be raised within 90 days of the date of the receipt for the final prospectus relating to the offering, otherwise all funds collected under subscriptions will be returns and the offering cancelled.

Pursuant to the Agency Agreement and subject to the closing of this offering, a single non-transferable option to purchase a number of common shares equal to 10% of the common shares sold in the offering of the Corporation at $0.20 per common share will be granted to the agent. The option will expire 24 months from the date the shares are posted for listing on the Exchange. In addition, the prospectus qualifies for distribution options to be granted to the directors and officers of the Corporation at the closing which entitle the holders thereof to purchase an aggregate of 525,000 common shares of the Corporation at a price of $0.20 per common share for a period of five years from the date of grant.

CERTIFICATE OF THE CORPORATION

Dated: August 27, 2009

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by securities legislation in each of the Provinces of Alberta, British Columbia and Saskatchewan and the regulations thereunder.

(Signed) *"James Bell"*
President and Chief Executive Officer

(Signed) *"Chad Robinson"*
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(Signed) *"Dennis L. Nerland"*
Director

(Signed) *"Roy Hudson"*
Director

CERTIFICATE OF THE AGENT

Dated: August 27, 2009

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 securities legislation in each of the Provinces of Alberta, British Columbia and Saskatchewan and the regulations thereunder.

BLACKMONT CAPITAL INC.

(Signed) *"Jeff German"*
Vice President, PVC Corporate Finance