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PROSPECTUS

Initial Public Offering

May 10, 2011

SOPHIA CAPITAL CORP.
(a capital pool company)

\$200,000

1,000,000 Common Shares

Price: \$0.20 per Common Share

The purpose of this offering (the “**Offering**”) is to provide Sophia Capital Corp. (the “**Corporation**”) with a minimum of funds with which to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction, as hereafter defined. The Corporation offers through its agent, Haywood Securities Inc. (the “**Agent**”), 1,000,000 common shares of the Corporation (the “**Common Shares**”) to the public at a price of \$0.20 per Common Share (the “**Offering Price**”). Any proposed Qualifying Transaction must be approved by the TSX Venture Exchange (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. See “Business of the Corporation” and “Use of Proceeds”.

	Price to Public	Agent’s Commission⁽¹⁾	Net Proceeds to the Corporation⁽²⁾
Per Common Share	\$0.20	\$0.02	\$0.18
Total Offering ⁽³⁾	\$200,000	\$20,000	\$180,000

Notes:

- (1) A commission equal to 10% of the gross proceeds of the Offering will be paid to the Agent. The Agent will be reimbursed for its reasonable legal fees, plus disbursements and taxes estimated to be \$10,000, and other expenses incurred pursuant to this Offering, of which \$5,000 has been advanced by the Corporation as a retainer. The Corporation will also pay the Agent a corporate finance fee of \$10,000 plus applicable taxes which is due on closing of the Offering. The Agent may elect to receive up to one-half of its commission and up to one-half of its corporate finance fee in Common Shares (with the deemed price being the Offering Price). The Corporation will also grant the Agent and any sub-agents options (the “**Agent’s Options**”) to acquire Common Shares in an amount equal to 10% of the number of Common Shares sold under the Offering at an exercise price of \$0.20 per Common Share, exercisable for a period ending 24 months from the date of listing of the Common Shares on the Exchange. National Instrument 41-101 – *General Prospectus Requirements* restricts the number of securities issued to an Agent as compensation which may be qualified for distribution under a prospectus (“**Qualified Agent Securities**”), to a maximum

of 10% of the Common Shares offered under the prospectus. For the purposes of this Offering, any combination of the following, totaling 100,000 securities, are Qualified Agent Securities and are qualified for distribution by this prospectus: (a) up to 100,000 Agent's Options; (b) up to 50,000 Common Shares that are issuable if the Agent elects to receive one-half of its commission in Common Shares; and (c) up to 25,000 Common Shares that are issuable if the Agent elects to receive one-half of its corporate finance fee in Common Shares. To the extent that the Agent is entitled or elects to receive securities as compensation exceeding 10% of the Offering, those securities exceeding the 10% threshold will not be Qualified Agent Securities, will not be qualified for distribution under the prospectus and will be subject to a hold period in accordance with applicable securities laws. See "Plan of Distribution" and "Options to Purchase Securities".

- (2) Before deducting the expenses of the Offering estimated at \$55,000 (but excluding the Agent's commission), which includes legal and audit fees and other expenses of the Corporation, the Agent's corporate finance fee, expenses and legal fees, and the listing fee payable to the Exchange. See "Use of Proceeds".
- (3) A total of 1,000,000 Common Shares are offered by this prospectus. In addition, this prospectus qualifies for distribution the incentive stock options and the Qualified Agent Securities.

This Offering is made on a "commercially reasonable efforts" basis by the Agent and is subject to a minimum subscription of 1,000,000 Common Shares for total gross proceeds to the Corporation of \$200,000. The Offering Price of the Common Shares was determined by negotiation between the Corporation and the Agent. All funds received from subscriptions for Common Shares will be held by the Agent pursuant to the terms of an agency agreement (the "**Agency Agreement**") entered into between the Corporation and the Agent and referred to under "Plan of Distribution". This Offering is not underwritten and if the minimum subscription is not raised within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by the principal regulator, the Agent and the persons or companies who subscribed within that period, all subscription monies will be returned to subscribers without interest or deduction unless the subscribers have otherwise instructed the Agent. See "Plan of Distribution".

Under the Agency Agreement, the Agent will be granted the Agent's Options. The Qualified Agent Securities are qualified under this prospectus for distribution. In addition, and subject to regulatory approval, the Corporation intends to grant options to purchase 150,000 Common Shares to directors and officers under the Corporation's stock option plan.

Market for Securities

The Exchange has conditionally accepted the listing of the Common Shares on the Exchange. Listing will be subject to the Corporation fulfilling all the listing requirements of the Exchange.

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

Risk Factors

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

As at 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.

There is no market through which the Common Shares offered by this prospectus may be sold and purchasers may not be able to dispose of them on a timely basis.

The Corporation was only recently incorporated and does not currently own any assets other than cash. The business objective of the Corporation is to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction approved by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction, the Majority of the Minority Approval; however, there can be no assurance that the Corporation will successfully complete a Qualifying Transaction. Although the Corporation has commenced the process of identifying potential acquisitions, the Corporation has yet to enter into any negotiations with respect to such potential acquisitions and may determine that current markets, terms of acquisition, or pricing conditions make such potential acquisitions uneconomic. The Corporation has not entered into an Agreement in Principle, as defined in this prospectus. The Corporation may find that even if the terms of a potential acquisition are economic, the Corporation may not be able to finance such acquisition and additional funds may be required to meet such obligations. Since the Corporation has not placed any geographical restrictions on the location of a Qualifying Transaction, such Qualifying Transaction may involve the acquisition of a business located outside of Canada and, as such, investors should be aware that it may be difficult or may not be possible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and that it may not be possible to enforce against such persons or companies, judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws of Canada. Where the investment or acquisition is financed by the issuance of shares from the Corporation's treasury, control of the Corporation may change and shareholders may suffer further dilution of their investment.

The Corporation will be in competition with other corporations with greater resources. The Corporation has neither a history of earnings nor has it paid any dividends and it is unlikely to generate earnings or pay dividends in the immediate or foreseeable future. The Exchange may suspend from trading or delist the Common Shares where the Corporation has failed to complete a Qualifying Transaction within 24 months of the date of listing. In addition, delisting of the Common Shares will result in the cancellation of all of the Common Shares of the Corporation owned by Insiders, as hereafter defined, issued prior to this Offering.

Investors must rely solely on the expertise of the Corporation's promoters, directors and officers for any possible return on their investment. The Corporation's promoters, directors, officers and Control Persons, and their Associates and Affiliates (as such terms are hereafter defined), as a group, beneficially own or control, directly or indirectly 500,000 Common Shares, which represents 100% of the issued and outstanding Common Shares before giving effect to this Offering and approximately 33.3% (undiluted) of the issued and outstanding Common Shares after giving effect to this Offering, assuming that no Common Shares are purchased by these persons under this Offering, and assuming the Agent's commission and corporate finance fee are paid in cash. The directors and officers of the Corporation will only devote part of their time to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. See "Dilution", "Business of the Corporation", "Directors, Officers and Promoters", "Use of Proceeds" and "Risk Factors".

Maximum Investment

Pursuant to the CPC Policy, no purchaser of the Common Shares is permitted to directly or indirectly purchase more than 2% or 20,000 of the total Common Shares offered under this prospectus. In addition, the maximum number of Common Shares that may directly or indirectly be purchased by that purchaser,

together with any Associates or Affiliates of that purchaser, is 4% or 40,000 of the total number of Common Shares offered under this prospectus.

Upon completion of the Offering, the Corporation must have a minimum of 200 shareholders with each shareholder beneficially owning at least 1,000 Common Shares free of resale restrictions, exclusive of any Common Shares held by Non-Arm's Length Parties to the Corporation.

The Agent conditionally offers the Common Shares on a "commercially reasonable efforts" basis, if, as and when subscriptions are accepted by the Corporation, subject to prior sale, in accordance with the terms and conditions of the Agency Agreement and subject to the approval of certain legal matters by Boughton Law Corporation, Vancouver, British Columbia, on behalf of the Corporation and by Miller Thomson LLP, Vancouver, British Columbia on behalf of the Agent.

Receipt of Subscriptions

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

HAYWOOD SECURITIES INC.

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TABLE OF CONTENTS

PRE-FILE APPLICATION	1
GLOSSARY	1
PROSPECTUS SUMMARY	7
THE CORPORATION	9
BUSINESS OF THE CORPORATION	9
USE OF PROCEEDS	12
PLAN OF DISTRIBUTION	16
DESCRIPTION OF THE SECURITIES	18
CAPITALIZATION	18
OPTIONS TO PURCHASE SECURITIES.....	19
PRIOR SALES.....	19
ESCROWED SECURITIES.....	20
PRINCIPAL SHAREHOLDERS	23
DIRECTORS, OFFICERS AND PROMOTERS	24
PROMOTERS.....	28
DILUTION	28
RISK FACTORS	29
DIVIDEND RECORD AND POLICY	30
INVESTOR RELATIONS AGREEMENTS.....	30
LEGAL PROCEEDINGS	30
RELATIONSHIP BETWEEN THE CORPORATION AND THE AGENT.....	31
RELATIONSHIP BETWEEN CORPORATION AND PROFESSIONAL PERSONS	31
INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	31
OTHER MATERIAL FACTS	31
AUDITORS	31
REGISTRAR AND TRANSFER AGENT.....	31
MATERIAL CONTRACTS	31
ELIGIBILITY FOR INVESTMENT.....	32
PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION.....	32
AUDITORS' CONSENT.....	33
FINANCIAL STATEMENTS	34
CERTIFICATE OF THE CORPORATION.....	35
CERTIFICATE OF THE PROMOTER	35

CERTIFICATE OF THE AGENT.....	36
FINANCIAL STATEMENTS	
CERTIFICATE OF THE CORPORATION	
CERTIFICATE OF THE PROMOTER	
CERTIFICATE OF THE AGENT	

PRE-FILE APPLICATION

In connection with the initial public offering, the Corporation has early adopted International Financial Reporting Standards as issued by the International Accounting Standards Board (“**IFRS-IASB**”) for its financial statements included in this prospectus as there would have been significant inefficiencies and costs associated with preparing and auditing historical financial statements in accordance with Canadian generally accepted accounting principles in Part V of the CICA Handbook only to later adopt IFRS-IASB for its financial year beginning on February 1, 2011. Under National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* (“NI 52-107”), reporting issuers other than investment funds are required to prepare their financial statements in accordance with IFRS-IASB for financial years beginning on or after January 1, 2011.

The Corporation has made a pre-filing application with the British Columbia Securities Commission pursuant to Part 8 of National Policy 11-202 *Process for Prospectus Reviews in Multiple Jurisdictions* for relief from the requirement in section 4.2 of NI 52-107 that its financial statements in this prospectus be prepared in accordance with Canadian generally accepted accounting principles in Part V of the CICA Handbook, provided that the Corporation prepares its financial statements in accordance with IFRS-IASB. In accordance with NI 52-107, the receipt for the prospectus will constitute evidence of receipt of this exemption for the purposes of the financial statements contained in the prospectus

GLOSSARY

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

A company is an “**Affiliate**” of another company if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same Person.

A company is “**controlled**” by a Person if:

- (a) Voting Shares of the company are held, other than by way of security only, by or for the benefit of that Person, and
- (b) the Voting Shares, 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 May 10, 2011 between the Corporation and the Agent.

“**Agent**” means Haywood Securities Inc.

“**Agent’s Options**” means the options to be granted by the Corporation to the Agent and its sub-agents, if any, entitling the Agent to acquire up to 100,000 Common Shares at an exercise price of \$0.20 per Common Share, expiring 24 months from the date of listing of the Common Shares on the Exchange.

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

“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, means:

- (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to all outstanding voting securities of the Issuer;
- (b) any partner of the Person;
- (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which the Person serves as trustee or in a similar capacity; and
- (d) in the case of a Person who is an individual, a relative of that Person including:
 - (i) that Person’s spouse or child, or
 - (ii) any relative of that Person or of his or her spouse who has the same residence as that Person;

but

- (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D.1.00 of the TSX Venture Exchange Rule Book and Policies with respect to that Member firm, Member corporation or holding company.

“Closing” means completion of the Offering.

“Common Shares” means the common shares without par value in the capital of the Corporation.

“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 that holds or is one of a combination of Persons or companies that holds a sufficient number of any of the voting 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 Sophia Capital Corp., a corporation incorporated under the laws of the Province of British Columbia.

“CPC” means a corporation:

- (a) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with the CPC Policy; and
- (b) in regard to which the Final Exchange Bulletin has not yet been issued.

“CPC Policy” means Policy 2.4 of the Exchange.

“Escrow Agreement” means the Form 2F CPC escrow agreement entered into among the Corporation, the Trustee and the founding shareholders of the Corporation.

“Exchange” means the TSX Venture Exchange Inc.

“Final Exchange Bulletin” means the Exchange bulletin that is issued following closing of the Qualifying Transaction and the submission of all required documentation and that evidences the final Exchange acceptance of the Qualifying Transaction.

“Initial Listing Requirements” means the minimum financial, distribution and other standards that must be met by applicants seeking a listing on a particular tier of the Exchange.

“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 a company that is itself an Insider or subsidiary of the issuer,
- (c) a Person that beneficially owns or controls, directly or indirectly, Voting Shares carrying more than 10% of the voting rights attached to all outstanding Voting Shares of the issuer, or
- (d) the issuer itself if it holds any of its own securities.

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

“Majority of the Minority Approval” means the approval of a Non-Arm’s Length Qualifying Transaction by the majority of the votes cast by shareholders, other than:

- (a) Non-Arm's Length Parties to the CPC;
- (b) Non-Arm's Length Parties to the Qualifying Transaction; and
- (c) in the case of a Related Party Transaction:
 - (i) if the CPC holds its own shares, the CPC, and
 - (ii) a Person acting jointly or in concert with a Person referred to in paragraph (a) or (b) in respect of the transaction

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

"Member" means a Person who has executed the Members' Agreement, as amended from time to time, and is accepted as and becomes a member of the Exchange under the Exchange requirements.

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

"NEX" means the market on which former Exchange and Toronto Stock Exchange issuers that do not meet Exchange Tier Maintenance Requirements for Tier 2 Issuers may continue to trade.

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

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

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

"Person" means a company or individual.

"Principal" means:

- (a) a Person 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 the Final Exchange Bulletin;
- (b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the IPO prospectus or Final Exchange Bulletin;
- (c) a 20% holder - a Person 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; and
- (d) a 10% holder - a Person that:

- (i) holds securities carrying more than 10% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's IPO or immediately after the Final Exchange Bulletin for non IPO transactions; and
- (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries.

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

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

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

"Pro Group" means:

- (a) Subject to subparagraphs (b), (c) and (d) "Pro Group" shall include, either individually or as a group:
 - i. the Member;
 - ii. employees of the Member;
 - iii. partners, officers and directors of the Member;
 - iv. Affiliates of the Member; and
 - v. Associates of any parties referred to in subparagraphs (i) through (iv).
- (b) the Exchange may, in its discretion, include a Person or party in the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is not acting at arm's length to the Member;
- (c) the Exchange may, in its discretion, exclude a Person from the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is acting at arm's length of the Member;
- (d) the Exchange 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 Exchange 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.

“promoter” has the meaning specified in section l(1) of the *Securities Act* (British Columbia).

“Qualified Agent Securities” means the Agent’s compensation securities which may be qualified for distribution under this prospectus in accordance with applicable securities laws.

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

“Related Party Transaction” has the meaning ascribed to that term under Multilateral Instrument 61-101, and includes a related party transaction that is determined by the Exchange, to be a Related Party Transaction. The Exchange may deem a transaction to be a Related Party Transaction where the transaction involves Non Arm’s Length Parties, or other circumstances exist which may compromise the independence of the Issuer with respect to the transaction.

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

“SEDAR” means System for Electronic Document Analysis and Retrieval.

“Seed Shares” means securities issued before an issuer’s initial public offering, regardless of whether the securities are subject to resale restrictions or are free trading.

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

“Trustee” means Olympia Trust Company.

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

“Voting Shares” means a security of an issuer that:

- (a) is not a debt security, and
- (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

PROSPECTUS SUMMARY

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

The Corporation: Sophia Capital Corp.

Business of the Corporation: The Corporation is a capital pool company under the policies of the Exchange. The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Corporation has not commenced commercial operations and has no assets other than a minimum amount of cash. See “Business of the Corporation”.

Offering: The Corporation is offering to the public, through the Agent, 1,000,000 Common Shares at a price of \$0.20 per Common Share for gross proceeds of \$200,000. In addition, the Corporation will grant to the Agent the Agent’s Options to purchase up to 100,000 Common Shares at a price of \$0.20 per Common Share for a period of 24 months from the date of listing of the Common Shares on the Exchange. The Agent may elect to receive up to one-half of its commission and up to one-half of its corporate finance fee in Common Shares (with the deemed price being the Offering Price). The securities which are Qualified Agent Securities are qualified for distribution under this prospectus. The Corporation intends to grant to its directors and officers stock options to purchase an aggregate of 150,000 Common Shares, all of which options are qualified for distribution under this prospectus. See “Plan of Distribution”.

Directors and Management: **Kirk Shaw** President, Chief Executive Officer, Secretary, Director and Promoter

David Hagemoen Director

James Boyce Director

Amar Balaggan Chief Financial Officer

Use of Proceeds: Assuming that the Agent elects to receive all of its commission and corporate finance fee in cash, the total funds available to the Corporation, including the balance of cash proceeds raised prior to this Offering and the net proceeds of this Offering, will be approximately \$224,500. The total available funds will provide the Corporation with a minimum of funds with which to identify and evaluate assets or businesses, for acquisition with a view to completing a Qualifying Transaction. The Corporation may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. Until Completion of the Qualifying Transaction and except as otherwise provided in 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 business or assets. See “Use of Proceeds”, “Business of the Corporation - Method of Financing” and

“Risk Factors”.

Escrowed Securities:

All Common Shares that were issued prior to this Offering to the directors and officers, being 500,000 Common Shares, will be deposited in escrow under the Escrow Agreement and will be released from escrow in stages over a period of up to three years after the date of the Final Exchange Bulletin. See “Escrowed Securities”.

Risk Factors:

Investment in the Common Shares must be regarded as highly speculative due to the proposed nature of the Corporation’s business and its present stage of development. The Corporation was only recently incorporated and has no active business or assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. The Offering is only suitable to investors who are prepared to rely entirely on the directors and management of the Corporation and can afford to risk the loss of their entire investment. The directors and officers of the Corporation will only devote part of their time and attention to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. Assuming completion of the Offering, an investor will not suffer any dilution on investment; however, future issuances of the Corporation’s securities for financing purposes or completing a Qualifying Transaction may dilute investors. There can be no assurance that an active and liquid market for the Corporation’s Common Shares will develop and an investor may find it difficult to resell the Common Shares. Until Completion of the Qualifying Transaction, if ever, 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.

The Qualifying Transaction may involve the acquisition of a business or assets located outside of Canada. It may therefore be difficult or impossible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and it may not be possible to enforce against such persons or companies judgments obtained in Canadian courts predicated upon the civil liability provisions applicable to securities laws in Canada. See “Business of the Corporation” and “Risk Factors”.

THE CORPORATION

The Corporation was incorporated by articles of incorporation under the *Business Corporations Act* (British Columbia) on July 21, 2010.

The head and registered office of the Corporation is located at 112 West 6th Avenue, Vancouver, British Columbia. The Corporation does not have any subsidiaries.

BUSINESS OF THE CORPORATION

Preliminary Expenses

The Corporation has incurred actual expenses to February 15, 2011 in the aggregate amount of \$5,829 in respect of general and administrative fees and professional fees. Since February 15, 2011, the Corporation has incurred fees of approximately \$13,000 related to the Corporation's Exchange listing application and fees of securities regulatory authorities related to filing of this prospectus. Part of the net proceeds of the Offering will be utilized to satisfy additional obligations of the Corporation related to this Offering, including the expenses of its auditor, legal fees, fees of the Agent and its legal counsel, and fees of the Exchange and securities regulatory authorities. See "Use of Proceeds".

Proposed Operations until Completion of a Qualifying Transaction

To date, the Corporation has not conducted operations of any kind. The Corporation is a CPC under the policies of the Exchange. The Corporation proposes to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction is also subject to Majority of the Minority Approval in accordance with the CPC Policy. The Corporation has not conducted commercial operations. The Corporation has not selected a business sector or industry in which to primarily pursue a Qualifying Transaction.

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

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

Method of Financing

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

Criteria for a Qualifying Transaction

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

Process of Identification of a Qualifying Transaction

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

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

Upon the Corporation reaching an Agreement in Principle, the Corporation must issue a comprehensive news release, at which time the Exchange generally will halt trading in the Corporation's Common Shares until the filing requirements of the Exchange have been satisfied as set forth under "Trading Halts, Suspensions and Delisting". Within 75 days after issuance of such news release, the Corporation will 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 and the Corporation, assuming Completion of the Qualifying Transaction, and be prepared in accordance with the CPC Policy and Form 3B1 or Form 3B2, as the case may be, of the Exchange. Upon acceptance by the Exchange, the Corporation must then either:

- (a) file the filing statement on SEDAR at least seven business days prior to closing of the Qualifying Transaction, and issue a news release which discloses the scheduled closing date for the Qualifying Transaction as well as the fact that the filing statement is available on SEDAR, or
- (b) mail the information circular and related proxy 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 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 under the CPC Policy.

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

Initial Listing Requirements

The Resulting Issuer must satisfy the Exchange's Initial Listing Requirements for the particular industry sector in either Tier 1 or Tier 2 as prescribed under the applicable policies of the Exchange.

Trading Halts, Suspension and Delisting

The Exchange will generally halt trading in the Common Shares from the date of the public announcement of an Agreement in Principle until all filing requirements of the Exchange have been satisfied, which includes the submission of a sponsorship acknowledgment form, where the Qualifying Transaction is subject to sponsorship. In addition, personal information forms or, if applicable, declarations for all individuals who may be directors, senior officers, promoters, or insiders of the Resulting Issuer must be filed with the Exchange and any preliminary background searches that the Exchange considers necessary or advisable, must also be completed, before the trading halt will be 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 of the Corporation where the Exchange has not issued a Final Exchange Bulletin to the Corporation within 24 months after the date of listing. In the event that the Common Shares of the Corporation are delisted by the Exchange, within 90 days from the date of such delisting, the Corporation must wind up and must 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, approve another use of the remaining assets. See "Filings and Shareholders Approval of a Non-Arm's Length Qualifying Transaction" above.

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

- (a) obtain majority shareholder approval for the transfer to NEX exclusive of the votes of Non-Arm's Length Parties to 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; or
 - (ii) subject to majority shareholder approval, cancel an amount of the escrowed Common Shares purchased by Non-Arm's Length Parties to the Corporation so that the average cost 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 approve a Qualifying Transaction where:

- (a) the Resulting Issuer fails to satisfy the applicable Initial 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 finance company, financial institution, finance issuer, or mutual fund, as defined in applicable 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 to be received by the Corporation from the sale of the Common Shares distributed under this prospectus will be \$200,000. The gross proceeds received by the Corporation from the sale of 500,000 Common Shares prior to the date of this prospectus was \$100,000. The Corporation incurred expenses and costs totaling \$633 with respect to the organization of the Corporation and the issuance of Common Shares prior to the date of this prospectus. Assuming that the Agent elects to receive all of its commission and corporate finance fee in cash, the expenses and costs of this Offering incurred to date and expected to be incurred total approximately \$75,000, including listing fees, Agent's commission,

corporate finance fee and expenses, administrative service fees, legal fees, audit fees and expenses and listing fees. The Corporation estimates that \$224,367 will be available to it upon completion of the Offering.

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

Cash proceeds raised prior to this Offering ⁽¹⁾	\$100,000
Expenses and costs relating to raising the cash proceeds	(633)
Cash proceeds to be raised under this Offering ⁽²⁾	200,000
Expenses and costs relating to the Offering (including listing fees, Agent's commission and expenses, legal fees, audit fees and expenses) ⁽³⁾	<u>(75,000)</u>
Estimated funds available (on completion of the Offering)	<u><u>\$224,367</u></u>
Funds available for identifying and evaluating assets or business prospects ⁽⁴⁾	188,367
Estimated general and administrative expenses until Completion of a Qualifying Transaction ⁽³⁾	<u>36,000</u>
Total Net Proceeds	<u><u>\$224,367</u></u>

Notes:

- (1) See "Prior Sales".
- (2) If the Agent exercises the Agent's Options and the directors and officers exercise their options, there will be available to the Corporation a maximum of an additional \$50,000, which will be added to the working capital of the Corporation. There is no assurance that any of these options will be exercised.
- (3) See "Restrictions on Use of Proceeds". Until completion of its Qualifying Transaction, no more than the lesser of 30% (or \$90,000 in the case of the Corporation) of the gross proceeds from the sale of securities issued by a CPC and \$210,000 may be used for purposes such as listing and filing fees (including SEDAR fees), legal and audit fees relating to the preparation and filing of the CPC prospectus and general and administrative expenses. The Corporation's total estimated expenses (pre- and post-Offering) of \$111,633, assuming that the Agent elects to receive all of its commission and corporate finance fee in cash, include the Agent's corporate finance fee of \$10,000, plus applicable taxes and commission of \$20,000 on the Offering which are excluded from the 30% number, therefore, the Corporation's estimated expenses of \$81,633 (after deducting the Agent's corporate finance fee and commission) comply with the CPC Policy.
- (4) If the Corporation enters into an Agreement in Principle prior to spending the entire \$188,367 on identifying and evaluating assets or businesses, the remaining funds may be used to finance or partially finance the acquisition of Significant Assets or for working capital after Completion of the Qualifying Transaction.

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

The proceeds from this Offering and any prior 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, provided that:

- (a) the Qualifying Transaction has been publicly announced;
- (b) due diligence with respect to the Qualifying Transaction is well underway;
- (c) either a Sponsor has been engaged or sponsorship has been waived; and
- (d) the advance has been announced in a news release at least 15 days prior to the date of any such advance.

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 Use of Funds”, listed above, include:

- (a) listing and filing fees (including SEDAR fees);
- (b) other costs of the issuance of securities, including legal 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 printing of this prospectus and share certificates;
- (iii) equipment leases; and
- (iv) fees for legal advice and audit expenses relating to matters other than those described above under “Permitted Use of Funds”.

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

Private Placements for Cash

After the closing of the Offering and until the Completion of the Qualifying Transaction, the Corporation will not issue any securities unless written acceptance of the Exchange is obtained before issuance. Prior to the Completion of the Qualifying Transaction, the Exchange generally will not accept a private placement by the Corporation where the gross proceeds raised from the issuance of securities both prior to and under the Offering, together with any proceeds anticipated to be raised upon closing of the private placement, will exceed \$5,000,000. The only securities issuable pursuant to such a private placement will be Common Shares. Subject to certain limited exceptions, any Common Shares issued under the private placement to Non-Arm’s Length Parties to the Corporation and to Principals of the Resulting Issuer will be escrowed.

Prohibited Payments to Non-Arm’s Length Parties

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

- (a) remuneration, which includes but is not limited to salaries, consulting fees, management contract fees or directors’ fees, finders’ fees, loans, advances and bonuses, and
- (b) deposits and similar payments.

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

Notwithstanding the above, the Corporation may reimburse a Non-Arm’s Length Party to the Corporation for reasonable expenses for office supplies, office rent and related utilities, equipment leases (excluding vehicle leases), and legal services (provided that neither the lawyer providing the legal services nor any member of the law firm providing the services is a promoter of the Corporation or in the case of a law firm, no member of the firm, owns greater than 10% of the outstanding Common Shares of the Corporation). The Corporation may also reimburse a Non-Arm’s Length Party to the Corporation for reasonable out-of pocket-expenses incurred in pursuing the business of the Corporation described in “Permitted Use of Funds”.

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

PLAN OF DISTRIBUTION

Agent and Agent's Compensation

Under the Agency Agreement, the Corporation has appointed the Agent as its agent to offer for sale on a “commercially reasonable efforts” basis to the public, 1,000,000 Common Shares as provided in this prospectus, at a price of \$0.20 per Common Share, for gross proceeds of \$200,000, subject to the terms and conditions in the Agency Agreement. The Agent will receive a commission of 10% of the aggregate gross proceeds from the sale of the Common Shares. The Corporation will also pay the Agent a corporate finance fee of \$10,000 plus applicable taxes, which is due on closing of the Offering. The Agent has the option to receive up to one-half of its commission and up to one-half of its corporate finance fee in Common Shares (with the deemed price being the Offering Price). In addition, the Corporation will pay the Agent's reasonable legal fees plus disbursements and taxes, estimated to be \$10,000, and other expenses incurred under the Offering, of which \$5,000 has been advanced by the Corporation as a retainer.

The Corporation has also agreed to grant to the Agent and any sub-agents the Agent's Options. The Agent's Option entitles the Agent to acquire Common Shares in an amount equal to 10% of the number of Common Shares sold under the Offering at an exercise price of \$0.20 per Common Share, exercisable for a period ending 24 months from the date of listing of the Common Shares on the Exchange. National Instrument 41-101 – *General Prospectus Requirements* restricts the number of securities issued to an Agent as compensation which may be qualified for distribution under a prospectus to a maximum of 10% of the Common Shares offered under the prospectus. For the purposes of this Offering, any combination of the following, totaling 100,000 securities, are Qualified Agent Securities and are qualified for distribution by this prospectus: (a) up to 100,000 Agent's Options; (b) up to 50,000 Common Shares that are issuable if the Agent elects to receive one-half of its commission in Common Shares; and (c) up to 25,000 Common Shares that are issuable if the Agent elects to receive one-half of its corporate finance fee in Common Shares. To the extent that the Agent is entitled or elects to receive securities as compensation exceeding 10% of the Offering, those securities exceeding the 10% threshold will not be Qualified Agent Securities, will not be qualified for distribution under the prospectus and will be subject to a hold period in accordance with applicable securities laws. Not more than 50% of the Common Shares received by the Agent (a) on the exercise of the Agent's Options; (b) if the Agent elects to receive one-half of its commission in Common Shares; and (c) if the Agent elects to receive one-half of its corporate finance fee in Common Shares, may be sold by the Agent prior to the Completion of the Qualifying Transaction. The remaining 50% may be sold after the Completion of the Qualifying Transaction.

The Agent has agreed to use 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.

Commercially Reasonable Efforts Offering and Minimum Distribution

The total Offering is of 1,000,000 Common Shares at a price of \$0.20 per Common Share for total gross proceeds of \$200,000. Under the CPC Policy, no purchaser of the Common Shares is permitted to purchase more than 2% or 20,000 of the total Common Shares in the Offering. In addition, the maximum number of Common Shares permitted to be purchased by that purchaser together with any Associates or Affiliates of that purchaser is 4% or 40,000 of the total number of Common Shares under the Offering. The funds received from this Offering will be deposited with the Agent, and will not be released until a

minimum of \$200,000 has been deposited. The total subscription must be raised within 90 days of the date a receipt for the final prospectus is issued, or such other time as may be consented to by the principal regulator and persons or companies who subscribed within that period, failing which the Agent will remit the funds collected to the original subscribers without interest or deduction, unless subscribers have otherwise instructed the Agent.

Upon completion of the Offering, the Corporation must have a minimum of 200 shareholders with each shareholder beneficially owning at least 1,000 Common Shares free of resale restrictions, exclusive of any Common Shares held by Non-Arm's Length Parties to the Corporation.

Other Securities To Be Distributed

The Corporation intends to grant incentive stock options to purchase an aggregate of 150,000 Common Shares to directors and officers in accordance with the policies of the Exchange which options are qualified for distribution under this prospectus. See "Options to Purchase Securities".

Determination of Price

The price of the Common Shares has been determined through negotiation between the Corporation and the Agent.

Listing Application

The Exchange has conditionally accepted the listing of the Common Shares on the Exchange. Listing will be subject to the Corporation fulfilling all the listing requirements of the Exchange.

As at 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.

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 2% of the total Common Shares offered under this Offering; and (ii) together with any Associates or Affiliates purchase more than 4% of the total Common Shares offered under this Offering. Any Common Shares issued to any member of the Aggregate Pro Group prior to the date of this prospectus will be held in escrow under the CPC Policy.

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

Restrictions on Trading

Other than the initial distribution of the Common Shares under this prospectus, the grant of the Agent's Options, the grant of incentive stock options to directors and officers of the Corporation, no securities of

the Corporation will be permitted to be issued during the period between the date a receipt for the preliminary prospectus is issued by the securities regulatory authorities and the time the Common Shares are listed for trading on the Exchange, except subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities regulatory authorities grant a discretionary order. Any Agent's compensation securities that are not Qualified Agent Securities, will not be qualified for distribution under the prospectus and will be subject to a hold period of four months in accordance with applicable securities laws.

DESCRIPTION OF THE SECURITIES

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares without nominal or par value. As at the date of this prospectus, there are 500,000 Common Shares issued and outstanding as fully paid and non-assessable. In addition, 1,000,000 Common Shares are reserved for issuance under this prospectus, 150,000 Common Shares are reserved for issuance pursuant to the exercise of incentive stock options to be granted to directors and officers of the Corporation and 100,000 Common Shares are reserved for issuance pursuant to the exercise of the Agent's Options. The Agent may also elect to receive as Common Shares, up to one-half of its commission, or 50,000 Common Shares and up to one-half of its corporate finance fee, or 25,000 Common Shares. See "Plan of Distribution" and "Options to Purchase Securities – Options Granted".

The holders of Common Shares are entitled to dividends, if, as and when declared by the Board of Directors, to one vote per Common Share at meetings of the shareholders of the Corporation and, upon liquidation, to share equally in such assets of the Corporation as are distributable to the holders of Common Shares. All Common Shares to be outstanding after completion of this Offering will be fully paid and non-assessable.

CAPITALIZATION

Designation of Security	Amount Authorized	Amount Outstanding as of February 15, 2011 ⁽¹⁾	Amount Outstanding as at May 10, 2011	Amount to be Outstanding after giving effect to the Offering ^{(2) (3)}
Common Shares	unlimited	\$100,000 (500,000 shares) ⁽⁴⁾	\$100,000 (500,000 shares) ⁽⁴⁾	\$300,000 (1,500,000 shares)

Notes:

- (1) As at February 15, 2011 and the date of this prospectus, the Corporation had not commenced commercial operations.
- (2) The Corporation intends to grant a total of 150,000 stock options to directors and officers, exercisable at a price of \$0.20 per share for a period of 5 years. See "Options to Purchase Securities". The Corporation has also reserved an aggregate of 100,000 Common Shares at an exercise price of \$0.20 per Common Share that expire 24 months from the date of listing of the Common Shares on the Exchange, pursuant to the Agent's Options. The Agent also has the option to receive, as Common Shares, up to one-half of its commission, or 50,000 Common Shares and up to one-half of its corporate finance fee, or 25,000 Common Shares. See "Plan of Distribution".
- (3) Based on gross proceeds of the Offering of \$200,000 and before deducting the Agent's commission, legal fees and expenses and other expenses and costs of the Offering, estimated at \$75,000, assuming that the Agent elects to receive all of its commission and corporate finance fee in cash. See "Use of Proceeds – Proceeds and Principal Purposes".

- (4) All 500,000 of these Common Shares are subject to escrow restrictions. See “Escrowed Securities”.

If the Corporation issues treasury shares to finance an acquisition or participation, control of the Corporation may change and subscribers may suffer additional dilution of their investment.

OPTIONS TO PURCHASE SECURITIES

The Corporation has adopted an incentive stock option plan (the “**Option Plan**”), which provides that the Board of Directors of the Corporation may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and technical consultants to the Corporation, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance must not exceed 150,000 while the Corporation is a CPC, being 10% of the number of Common Shares to be outstanding at Closing. Under the terms of the Option Plan, any options granted thereunder will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, 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. While the Corporation is a CPC options may be exercised no later than 90 days following cessation of the optionee’s position with the Corporation, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any Common Shares acquired pursuant to the exercise of options prior to Completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. See “Escrow Securities”. The Option Plan otherwise complies with Exchange policy as it relates to pricing, shareholder approvals and other required terms as provided in Exchange Policy 4.4 *Incentive Stock Options*.

As at the date of this prospectus, the Corporation has reserved 150,000 Common Shares under stock options to be granted to the Corporation’s directors and officers:

Optionee	Number of Common Shares Reserved Under Option ^{(1) (2)}	Exercise Price Per Common Share	Expiry Date
Kirk Shaw	63,750	\$0.20	5 years from the date of grant
David Hagemoen	63,750	\$0.20	5 years from the date of grant
James Boyce	15,000	\$0.20	5 years from the date of grant
Amar Balaggan	7,500	\$0.20	5 years from the date of grant
TOTAL	150,000		

Note:

- (1) For the purpose of the number of Common Shares reserved under the Option Plan and the number of options granted, the Corporation has taken into account the 1,000,000 Common Shares offered under this prospectus and all previously issued Common Shares.
- (2) The incentive stock options to purchase 150,000 Common Shares to be granted to directors and officers are qualified for distribution under this prospectus.

PRIOR SALES

Since the date of incorporation, the Corporation has issued 500,000 Common Shares as follows:

Date	Number of Common Shares	Issue Price per Share	Aggregate Issue Price	Nature of Consideration Received
July 21, 2010	1 ⁽¹⁾	\$0.01	\$0.01	Cash
February 10, 2011	500,000 ⁽²⁾	\$0.20	\$100,000	Cash
TOTAL	500,000	\$0.20	\$100,000	

Note:

- (1) This represents the incorporator's share which was issued on the date of incorporation and subsequently repurchased by the Corporation and cancelled.
- (2) These Common Shares are subject to escrow restrictions. See "Escrowed Securities". No Common Shares were sold to members of the Aggregate Pro Group.

ESCROWED SECURITIES

Escrowed Securities Prior to the Completion of the Qualifying Transaction

All 500,000 Common Shares issued prior to this Offering to the directors and officers and all Common Shares that may be acquired by Non-Arm's Length Parties to the Corporation either under the Offering or otherwise prior to Completion of the Qualifying Transaction will be deposited with the Trustee under the Escrow Agreement.

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

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

Notwithstanding the foregoing, Common Shares acquired by Principals of the Corporation or Principals of the Resulting Issuer pursuant to a private placement will not be subject to escrow provided that various conditions, as set forth in the CPC Policy, are met. See "Escrowed Securities on Private Placement".

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

Name and Municipality of Residence of Shareholder	Number of Common Shares held in Escrow	Percentage of Shares Before Giving Effect to the Offering⁽¹⁾	Percentage of Shares After Giving Effect to the Offering⁽¹⁾
Kirk Shaw Vancouver, B.C.	212,500	42.5%	14.17%
David Hagemoen Surrey, B.C.	212,500	42.5%	14.17%
James Boyce Vancouver, B.C.	50,000	10%	3.33%
Amar Balaggan Richmond, B.C.	25,000	5%	1.67%

Name and Municipality of Residence of Shareholder	Number of Common Shares held in Escrow	Percentage of Shares Before Giving Effect to the Offering ⁽¹⁾	Percentage of Shares After Giving Effect to the Offering ⁽¹⁾
TOTAL	500,000	100%	33.3%

Note:

- (1) Assuming the shareholders who are a party to the Escrow Agreement do not purchase any Common Shares under the Offering. The percentages have been calculated without including any Common Shares that may be issued upon the exercise of the Agent's Option and the stock options to be granted to directors and officers, and assuming that the Agent elects to receive all of its commission and corporate finance fee in cash.

The Escrow Agreement provides that the Common Shares may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without prior consent of the Exchange. The Escrow Agreement provides that if the holder of the escrowed shares becomes bankrupt, the Common Shares may be transferred within escrow to the trustee in bankruptcy or to such other Person as is legally entitled to the Common Shares. The Escrow Agreement further provides that upon the death of the holder of the escrowed shares, the Common Shares will be released from escrow and certificates for the Common Shares will be delivered to the legal representative of the deceased shareholder.

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 which could reasonably result in a change of control of the holding company. In addition, the Exchange may require an undertaking from any Control Person of the holding company not to transfer the shares of that company.

Under the Escrow Agreement, 10% of the escrowed Common Shares will be released from escrow on the issuance of the Final Exchange Bulletin (the “**Initial Release**”) and an additional 15% will be released on the dates that are 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 Initial 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 Trustee to immediately:

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

- (b) if the Corporation lists on NEX, either:
 - i. cancel all Seed Shares purchased by Non-Arm's Length Parties to the 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 Seed Shares purchased by Non-Arm's Length Parties to the Corporation so that the average cost of the remaining Seed Shares is at least equal to the Offering Price.

Escrowed Securities On Qualifying Transaction

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

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

- (a) 5% of the escrowed securities being releasable at the time of Final Exchange bulletin, and on the 6 month anniversary of the Final Exchange Bulletin;
- (b) 10% of the escrowed securities being releasable in 6 month intervals on each of the 12 and 18 month anniversaries of the Final Exchange Bulletin;
- (c) 15% of the escrowed securities being releasable in 6 month intervals on each of the 24 and 30 month anniversaries of the Final Exchange Bulletin; and
- (d) 40% of the escrowed securities being releasable on the 36 month anniversary of the Final Exchange Bulletin.

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

- (a) 10% of the escrowed securities being releasable upon the issuance of the Final Exchange Bulletin, and

- (b) 20% of the escrowed securities being releasable on the 6 month anniversary of the Final Exchange Bulletin;
- (c) 30% of the escrowed securities being releasable on the 12 month anniversary of the Final Exchange Bulletin; and
- (d) 40% of the escrowed securities being releasable on the 18 month anniversary of the Final Exchange Bulletin.

Escrowed Securities On Private Placement

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

- (a) the private placement is announced at least five trading days after the news release announcing the Agreement in Principle and the pricing for the financing is at not less than the discounted market price, as determined in accordance with the policies of the Exchange; or
- (b) the private placement is announced concurrently with the Agreement in Principle and
 - (i) at least 75% of the proceeds from the private placement are not from Principals of the Corporation or the proposed Resulting Issuer,
 - (ii) if subscribers, other than Principals of the Corporation or the proposed Resulting Issuer, will obtain securities subject to hold periods, then in addition to any resale restrictions under applicable securities legislation, any securities issued to such Principals will be subject to a four month hold period, and
 - (iii) none of the proceeds of the private placement are allocated to pay compensation or to settle indebtedness owing to Principals of the Resulting Issuer.

PRINCIPAL SHAREHOLDERS

The following table lists those persons who beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued Common Shares as of the date of this prospectus.

Name and Municipality of Residence of Shareholder	Type of Ownership	Number of Common Shares held	Percentage of Shares Before Giving Effect to the Offering ⁽¹⁾	Percentage of Shares After Giving Effect to this Offering ⁽¹⁾	Percentage of Shares After Giving Effect to this Offering (Fully Diluted) ^{(2) (3)}
Kirk Shaw Vancouver, B.C.	Direct	212,500 ⁽⁴⁾	42.5%	14.17%	15.79%
David Hagemoen Surrey, B.C.	Direct	212,500 ⁽⁴⁾	42.5%	14.17%	15.79%
James Boyce Vancouver, B.C.	Direct	50,000	10%	3.33%	3.71%
Total		475,000	95%	31.67%	35.29%

Note:

- (1) Assuming these shareholders do not purchase any Common Shares under the Offering. The percentages have been calculated without including any Common Shares that may be issued upon the exercise of the

Agent's Option and the stock options granted to directors and officers, and assuming that the Agent elects to receive all of its commission and corporate finance fee in cash.

- (2) Assuming completion of the Offering and exercise of the Agent's Options and all stock options granted to the directors and officers of the Corporation, the Corporation will have 1,750,000 Common Shares outstanding.
- (3) Assuming that each shareholder does not purchase any Common Shares under the Offering and that this shareholder has exercised his stock options.
- (4) These Common Shares are subject to escrow.

The percentage of Common Shares beneficially owned, directly or indirectly, by promoters, directors, senior officers and Control Persons of the Corporation, and their Associates and Affiliates, collectively, is 100% before giving effect to this Offering and approximately 33.3% (undiluted) after giving effect to this Offering, assuming that no Common Shares are purchased by these persons under this Offering and assuming that the Agent elects to receive all of its commission and corporate finance fee in cash.

DIRECTORS, OFFICERS AND PROMOTERS

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

The following table sets out the names of the current directors, officers and promoters of the Corporation, their municipalities of residence, their current positions with the Corporation, their principal occupations during the past five years and the number of shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised.

Name, Municipality of Residence and Position	Principal Occupation for Past Five Years	Common Shares Held (2)	Percentage before Completion of Offering	Percentage After Completion of Offering (3)
Kirk Shaw ⁽¹⁾ Vancouver, BC President, CEO, Secretary, Director and Promoter	President of Insight Film Studios Ltd. since 1989; President and CEO of Odyssey Media since 2009	212,500	42.5%	14.17%
David Hagemoen ⁽¹⁾ Surrey, BC Director	President of Hagemoen Ent. Ltd. since November 2010 and Proprietor of Northstar Interiors from April 1989 to October 2010	212,500	42.5%	14.17%
James Boyce ⁽¹⁾ Vancouver, BC Director	President of ACR Access Computer Rentals Inc. since 1987; director of various public companies listed on the TSX Venture Exchange	50,000	10%	3.33%
Amar Balaggan Richmond, BC CFO	Controller (August 2009 to present) and previously Corporate Accountant (December 2008 to July 2009) of Insight Film Studios Ltd. since December 2008; Staff Accountant, S.G. Chartered Accountants 2007 to August 2008; Assistant Manager, BIG Services, January 2001 to March 2005	25,000	5%	1.67%

Notes:

- (1) Member of the Corporation's audit committee. The Corporation does not have any other board committees. Each director holds office until the next annual meeting of shareholders.
- (2) These Common Shares are subject to escrow restrictions. See "Escrowed Securities".
- (3) Assuming that no Common Shares are purchased by any of the above directors and officers of the Corporation under this Offering. The percentages have been calculated without including any Common Shares that may be issued upon the exercise of the Agent's Options and the stock options granted to directors and officers, and assuming that the Agent elects to receive all of its commission and corporate finance fee in cash.

It is expected that initially, Kirk Shaw will devote approximately 20-25% of his time to the affairs of the Corporation and Amar Balaggan will devote approximately 10% of his time to the affairs of the Corporation. The remaining directors will devote such time and expertise as is required by the Corporation. Time actually spent may vary according to the needs of the Corporation.

In addition to any other requirement 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.

Kirk Shaw (Age: 54) – President, Chief Executive Officer, Secretary, Director and Promoter

Mr. Shaw is president and CEO of Insight Film Studios Ltd. and president and CEO of Odyssey Media. As well, he is currently a director of Whistler Gold Exploration Inc. (formerly Maximum Ventures Inc.), Affinity Mediaworks Corp. and Ultra Uranium Corp. and has previously been a director of Totally Hip Technologies Inc., all Exchange-listed companies.

David Hagemoen (Age: 47) –Director

Mr. Hagemoen is currently president of Hagemoen Ent. Ltd. He also was the proprietor of Northstar Interiors from 1989 to 2010. He has been running his own contracting business for over 20 years, and been involved in all facets of the business including project management, bookkeeping and managing employees. Prior to owning his own business, Mr. Hagemoen was involved in the mineral exploration field, staking, sampling and managing camps.

James Boyce (Age: 59) - Director

Mr. Boyce is currently president and general manager of ACR Access Computer Rentals Inc. As well he is a director of Totally Hip Technologies Inc., Ultra Uranium Corp. and Goldbank Mining Corporation, all Exchange-listed companies. Mr. Boyce holds a Bachelor of Business Administration (1984) from Simon Fraser University.

Amar Balaggan (Age: 35) – Chief Financial Officer

Amar Balaggan is the Chief Financial Officer of the Corporation. He joined the Corporation in January 2011. Mr. Balaggan has experience in accounting, and is currently the Corporate Controller at Insight Film Studios Ltd. Mr. Balaggan holds a Bachelor of Technology degree in Accounting (2010) and is also a graduate of the Financial Management Diploma Program (2007) from the British Columbia Institute of Technology (BCIT).

Aggregate Ownership of Securities

Upon the completion of the Offering, the directors, officers and other members of management of the Corporation, as a group, will own, directly or indirectly, 500,000 Common Shares of the Corporation representing approximately 33.3% of the Common Shares then issued and outstanding (assuming no exercise of the Agent's Options, the stock options granted to the directors and officers and that no Common Shares are purchased by these persons under this Offering).

Audit Committee

Under the provisions of the *Business Corporations Act* (British Columbia), the Corporation is required to have an audit committee. The general function of the audit committee is to review the overall audit plan and the Corporation's system of internal controls, to review the results of the external audit and to resolve any potential dispute with the Corporation's auditor. The audit committee of the Corporation currently consists of Kirk Shaw, David Hagemoen and James Boyce. Once the Corporation has obtained a receipt for its CPC prospectus from the securities regulatory authorities, the Corporation will also be subject to the requirements of National Instrument 52-110 *Audit Committees*.

Other Reporting Issuer Experience

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

Name	Name of Reporting Issuer	Name of Exchange or Market (if applicable)	Position	Period
Kirk Shaw	Whistler Gold Exploration Inc. (formerly Maximum Ventures Inc.)	NEX	Director	September 2007 - Present
	Affinity Mediaworks Corp.	OTCBB	Director	June 2009 – Present
	Ultra Uranium Corp.	TSXV	Director	January 1999 – Present
James Boyce	Goldbank Mining Corporation	TSXV	Director	October 2010 - Present
	Totally Hip Technologies Inc.	TSXV	Director	March 2003 – Present
	Ultra Uranium Corp.	TSXV	Director	May 2009 - Present
	Pacific Topaz Resources Ltd.	TSXV	Director CFO	May 1996 - March 2011 May 2009 - March 2011

Corporate Cease Trade Orders or Bankruptcies

Other than as set out below, no director, officer, Insider, Control Person or promoter of the Corporation or a shareholder holding a sufficient number of 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 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, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that Person.

While Mr. James Boyce was a director of Pacific Topaz Resources Ltd. it was subject to a cease trade order of the British Columbia Securities Commission (“BCSC”) dated May 16, 2001 for failure to file required financial statements and continuous disclosure documents. The cease trade order was revoked on August 13, 2001. While Mr. Boyce was a director of Totally Hip Technologies Inc. it was subject to a cease trade order of the BCSC dated February 2, 2009 for failure to file required financial statements and continuous disclosure documents. The cease trade order was revoked on March 5, 2009.

While Mr. Kirk Shaw was president and a director of Affinity Mediaworks Corp. it was subject to a cease trade order of the BCSC dated July 29, 2009 for failure to file required documents under BC Instrument 51-509 – *Issuers Quoted in the U.S. Over-the-Counter Markets*. This cease trade order remains in effect.

Penalties or Sanctions

No director, officer, Insider, Control Person or promoter of the Corporation or a shareholder holding a sufficient number of 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-regulating authority that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director, officer, Insider, Control Person or promoter of the Corporation or a shareholder holding a sufficient number of 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 before 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 the assets of the individual.

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 *Business Corporations Act* (British Columbia).

Executive Compensation

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

- (a) remuneration, which includes but is not limited to:
 - (i) salaries;
 - (ii) consulting fees;

- (iii) management contract fees or directors' fees;
 - (iv) finder's 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**"). There have been no 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 will also be granted stock options. See "Options to Purchase Securities".

After Completion of the Qualifying Transaction, the Corporation may pay remuneration to its officers if the directors feel the Corporation is able to do so. Except for stock options, no remuneration is anticipated to be paid to directors in their capacity as directors in the foreseeable future. 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.

PROMOTERS

Kirk Shaw may be considered to be the promoter of the Corporation, in that he took the initiative in founding and organizing the Corporation. Mr. Kirk Shaw owns 212,500 shares of the Corporation. See "Prior Sales", "Principal Shareholders" and "Directors, Officers and Promoters" for additional information about Mr. Kirk Shaw and his shareholdings.

DILUTION

Purchasers of Common Shares under this prospectus will suffer no dilution per Common Share on the basis of there being 1,500,000 Common Shares issued and outstanding following completion of this Offering. Dilution has been computed on the basis of total gross proceeds to be raised by this prospectus and from sales of securities prior to filing this prospectus, without deduction of commissions or related expenses incurred by the Corporation, and is set forth below:

<u>Item</u>	<u>Total Offering</u>
Gross proceeds of prior share issues	\$ 100,000
Gross proceeds of this Offering	\$ 200,000
Total gross proceeds after this Offering	<u>\$ 300,000</u>
Offering price per share	\$ 0.20
Gross proceeds per share after this Offering	\$ 0.20
Dilution per share to subscriber	\$ Nil
Percentage of dilution in relation to offering price	0%

RISK FACTORS

Investment in the Common Shares must be regarded as highly speculative due to the proposed nature of the Corporation's business and its present stage of development. The following is a list of risk factors that a prospective investor should consider before subscribing for Common Shares:

- (a) the Corporation was only recently incorporated, has not commenced commercial operations and has no assets other than cash. It has no history of earnings, and will not generate earnings or pay dividends until at least after Completion of the Qualifying Transaction;
- (b) investment in the Common Shares offered by this prospectus is highly speculative given the proposed nature of the Corporation's business and its present stage of development;
- (c) the directors and officers of the Corporation will only devote a portion of their time to the business and affairs of the Corporation and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time;
- (d) assuming completion of the Offering, an investor will not suffer any dilution on investment (see calculation under "Dilution" above); however, future issuances of the Corporation's securities for financing purposes or completing a Qualifying Transaction may dilute investors;
- (e) 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;
- (f) 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;
- (g) 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;
- (h) even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction;
- (i) 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;
- (j) 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;
- (k) 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;

- (l) trading in the Common Shares of the Corporation may be halted at other times for other reasons, including without limitation, for failure by the Corporation to submit documents to the Exchange in the time periods required;
- (m) the Exchange will generally suspend trading in the Corporation's Common Shares or delist the Corporation in the event that the Exchange has not issued a Final Exchange Bulletin within 24 months from the date of listing;
- (n) neither the Exchange nor any securities regulatory authority passes upon the merits of the proposed Qualifying Transaction;
- (o) if management of the Corporation resides outside of Canada or the Corporation identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such Persons, judgments obtained in Canadian courts;
- (p) the Qualifying Transaction may be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation;
- (q) 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; and
- (r) if the Corporation does not make an election to be a public corporation in the manner contemplated in this prospectus, the purchasers may be penalized by the Canada Revenue Agency with respect to any Common Shares held in TFSAs (as defined hereafter under the heading "Eligibility for Investment").

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.

DIVIDEND RECORD AND POLICY

The Corporation has not paid any dividends since incorporation and it has no plans to pay dividends. The directors of the Corporation will determine if and when dividends should be declared and paid in the future based on the Corporation's financial position at the relevant time. All of the Common Shares are entitled to an equal share in any dividends declared and paid.

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.

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 or connected party (as such terms are defined in National Instrument 33-105 *Underwriting Conflicts*) to the Agent.

RELATIONSHIP BETWEEN CORPORATION AND PROFESSIONAL PERSONS

Certain legal matters relating to this Offering will be passed upon by Boughton Law Corporation, on behalf of the Corporation, and by Miller Thomson LLP, on behalf of the Agent. 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 will receive a direct or indirect interest in the property of the Corporation or any Associate or Affiliate of the Corporation. As at the date of this prospectus, the aforementioned Persons beneficially own, directly or indirectly, no securities of the Corporation or its Associates and Affiliates. In addition, 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.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The directors and officers of the Corporation have acquired Common Shares. See “Principal Shareholders”.

OTHER MATERIAL FACTS

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

AUDITORS

The auditors of the Corporation are Davidson & Company LLP, Chartered Accountants, at 1200 – 609 Granville Street, Vancouver, British Columbia, V7Y 1G6.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Common Shares is Olympia Trust Company, at Suite 1003, 750 West Pender Street, Vancouver, British Columbia, V6C 2T8.

MATERIAL CONTRACTS

The following are the material contracts of the Corporation entered into since the date of its incorporation:

- (a) Subscription agreement dated various dates between the Corporation and each holder of Common Shares issued prior to the date of this prospectus. See “Prior Sales”.
- (b) Registrar and Transfer Agent Agreement dated January 28, 2011 between the Corporation and the Trustee.
- (c) Stock Option Plan dated February 1, 2011.

- (d) Escrow Agreement dated for reference as of February 10, 2011 among the Corporation, the Trustee and certain shareholders of the Corporation. See “Escrowed Securities”.
- (e) Agency Agreement dated May 10, 2011 between the Corporation, and the Agent. See “Plan of Distribution”.

Copies of the material contracts described above may be inspected at the office of the Corporation or at the offices of Boughton Law Corporation, solicitors of the Corporation, located at Suite 700, 595 Burrard Street, Vancouver, British Columbia, during normal business hours during the period of the distribution of the Common Shares under this prospectus and for a period of 30 days thereafter.

ELIGIBILITY FOR INVESTMENT

Based on the current provisions of the *Income Tax Act* (Canada) (the “**Tax Act**”) and the regulations thereunder, all amendments thereto proposed by or on behalf of the Minister of Finance (Canada) prior to the date hereof and our understanding of the current published administrative practices of the Canada Revenue Agency, in the opinion of Boughton Law Corporation, counsel to the Corporation, if on or before the Corporation’s filing-due date for its first taxation year, the Common Shares are listed on a designated stock exchange and the Corporation elects in its return of income for the year in the manner and within the limits prescribed by the Tax Act to be a “public corporation”, as that term is defined in the Tax Act, then the Corporation will be deemed to have been a public corporation from the beginning of its first taxation year, and the Common Shares will be qualified investments for a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered education savings plan, a deferred profit sharing plan or a tax-free savings account (“**TFSA**”) under the Tax Act and the regulations made under that Act as of the date of the Offering. If it so qualifies, the Corporation will provide a covenant in the Agency Agreement to file the public corporation election noted above.

Notwithstanding the foregoing, a holder of Common Shares will be subject to a penalty tax if the Common Shares are held in a TFSA and are a “prohibited investment” for a TFSA under the Tax Act. However, the Common Shares will not be prohibited investments for a TFSA held by a particular holder provided the holder deals at arm’s length with the Corporation for the purposes of the Tax Act, and does not have a “significant interest” (as defined in the Tax Act) in either the Corporation or a person or partnership that does not deal at arm’s length with the Corporation for purposes of the Tax Act. **Holders that intend to hold Common Shares in a TFSA should consult their own tax advisors.**

The Minister of Finance (Canada) has proposed to extend the concept of “prohibited investment” rules to registered retirement savings plans and registered retirement income funds, with the penalty imposed on the annuitant thereof, for transactions occurring and investments acquired after March 22, 2011, with certain transitional provisions. There is no guarantee that the proposals will be enacted in their current form or at all. **Holders should consult their own tax advisors in this regard.**

PURCHASERS’ STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

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

AUDITORS' CONSENT

We have read the prospectus of Sophia Capital Corp. (the "Company") dated May 10, 2011 relating to the issue and sale of 1,000,000 Common Shares of the Company for gross proceeds of \$200,000. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the above-mentioned prospectus of our report to the directors of the Company on the statement of financial position of the Company as at February 15, 2011 and the statements of operations and comprehensive loss, changes in equity and cash flows for the period from incorporation on July 21, 2010 to February 15, 2011. Our report is dated February 23, 2011 (except as to Note 9 which is as of May 10, 2011).

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Accountants

May 10, 2011



SOPHIA CAPITAL CORP.
FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION TO FEBRUARY 15, 2011

SOPHIA CAPITAL CORP.

FINANCIAL STATEMENTS

FEBRUARY 15, 2011

INDEPENDENT AUDITORS' REPORT

To the Directors of
Sophia Capital Corp.

We have audited the accompanying financial statements of Sophia Capital Corp. which comprise the statements of financial position as at February 15, 2011 and the statements of operations and comprehensive loss, changes in equity and cash flows for the period from incorporation on July 21, 2010 to February 15, 2011, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, of the financial position of Sophia Capital Corp. as at February 15, 2011 and the results of its operations and its cash flows for the period from the date of incorporation on July 21, 2010 to February 15, 2011 in accordance with International Financial Reporting Standards.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Accountants

February 23, 2011
(except as to Note 9 which
is as of May 10, 2011)



SOPHIA CAPITAL CORP.
STATEMENT OF FINANCIAL POSITION
AS AT FEBRUARY 15, 2011

ASSETS	
Current	
Cash	\$ 89,804
Deferred financing costs (Note 3)	<u>10,000</u>
	<u>\$ 99,804</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Current	
Accounts payable and accrued liabilities (Note 4)	<u>\$ 5,633</u>
	<u>5,633</u>
Shareholders' equity	
Capital stock (Note 5)	100,000
Deficit	<u>(5,829)</u>
	<u>94,171</u>
	<u>\$ 99,804</u>

Nature and continuance of operations (Note 1)

Subsequent events (Note 9)

On behalf of the Board:

(signed) "Kirk Shaw" Director (signed) "David Hagemoen" Director

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

SOPHIA CAPITAL CORP.
STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS

	Period From Incorporation on July 21, 2010 to February 15, 2011
EXPENSES	
General and administrative fees	\$ 446
Professional fees	<u>5,383</u>
Loss and comprehensive loss	<u>5,829</u>
Basic and diluted loss per common share	<u>\$ (0.49)</u>
Weighted average number of common shares outstanding	<u>11,848</u>

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

SOPHIA CAPITAL CORP.
STATEMENT OF CHANGES IN EQUITY
AS AT FEBRUARY 15, 2011

	Capital Stock				Total Shareholders' Equity
	Shares	Amount	Deficit		
Balance, July 21, 2010 (incorporation)	-	\$ -	\$ -	\$ -	-
Common shares issued at \$0.20	500,000	100,000	-	-	100,000
Loss and comprehensive loss	-	-	(5,829)	(5,829)	(5,829)
Balance, February 15, 2011	500,000	\$ 100,000	\$ (5,829)	\$	94,171

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

SOPHIA CAPITAL CORP.
STATEMENT OF CASH FLOWS

Period From
Incorporation
on July 21,
2010 to
February 15,
2011

CASH FLOWS FROM OPERATING ACTIVITIES

Loss for the period	\$ (5,829)
Changes in non-cash working capital items:	
Increase in accounts payable and accrued liabilities	<u>5,633</u>
Net cash used in operating activities	<u>(196)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from the issuance of share capital	100,000
Deferred financing costs	<u>(10,000)</u>
Net cash provided by financing activities	<u>90,000</u>

Increase in cash for the period 89,804

Cash, beginning of period -

Cash, end of period \$ 89,804

Cash paid during the period for interest \$ -

Cash paid during the period for income taxes \$ -

There were no significant non-cash investing or financing transactions during the period ended February 15, 2011.

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Sophia Capital Corp. (the "Company") is in the process of completing an Initial Public Offering ("IPO") to be classified as a Capital Pool Company as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. The Company will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Company was incorporated as a private company by Certificate of Incorporation issued pursuant to the provisions of the *British Columbia Business Corporations Act* on July 21, 2010.

The Company's head office and registered and records office address is 112 – 6th Avenue West, Vancouver, British Columbia, Canada V5Y 1K6.

The statement of financial position of the Company is presented in Canadian dollars, which is the functional currency of the Company.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

The Company's continuing operations are dependent upon its ability to identify, evaluate and negotiate an agreement to acquire an interest in a material asset or business with 24 months of listing on the TSX-V (Note 9). Any acquisition or investment proposed by the Company will be subject to regulatory approval.

2. BASIS OF PREPARATION

This statement of financial position has been prepared using accounting policies consistent with IFRS. The financial statement has been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, this financial statement has been prepared using the accrual basis of accounting.

The preparation of this statement of financial position requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statement. Actual results could differ from these estimates.

3. SIGNIFICANT ACCOUNTING POLICIES

Deferred financing costs

Costs directly identifiable with the raising of capital will be charged against the related capital stock. Costs related to shares not yet issued are recorded as deferred financing costs. These costs will be deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related capital stock or charged to operations if the shares are not issued.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Stock-based compensation

The Company uses the fair value method whereby the Company recognizes compensation costs for the granting of all stock options and direct awards of stock based on its fair value over the period of vesting. Any consideration paid by the option holders to purchase shares is credited to capital stock.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a future tax asset will be recovered, it provides a valuation allowance against that excess.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the balance sheet at fair value with changes in fair value recognized in the income statement.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financial instruments (cont'd...)

Financial assets (cont'd...)

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the income statement.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the income statement.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the balance sheet at fair value with changes in fair value recognized in the income statement.

Other financial liabilities: This category includes promissory notes, amounts due to related parties and accounts payables and accrued liabilities, all of which are recognized at amortized cost.

The Company has classified its cash as fair value through profit and loss. The Company's accounts payable and accrued liabilities are classified as other financial liabilities.

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices; and

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financial instruments (cont'd...)

Financial liabilities (cont'd...)

- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

New accounting pronouncements

Certain new accounting standards and interpretations have been published that are not mandatory for the February 15, 2011 reporting period. The following standards are assessed not to have any impact on the Company's financial statements:

- IAS 24, Related Party Disclosure: effective for accounting periods commencing on or after January 1, 2011; and
- IFRS 9, Financial Instruments: effective for accounting periods commencing on or after January 1, 2013.

3. DEFERRED FINANCING COSTS

Deferred financing costs of \$10,000 consist of legal and agency fees related to the prospectus financing (Note 9).

4. RELATED PARTY TRANSACTIONS & BALANCES

During the period ended February 15, 2011, the Company accrued general and administrative fees of \$250 to Odyssey Media Inc. a company controlled by Kirk Shaw, CEO.

Included in accounts payable and accrued liabilities is \$633 due to related parties consisting of fees charged and the reimbursement of expenses that are unsecured, non-interest bearing with no stated terms of repayment.

5. CAPITAL STOCK

Authorized:

Unlimited common shares with no par value

Issuances:

During the period ended February 15, 2011, the Company issued 500,000 common shares at \$0.20 per share for gross proceeds of \$100,000. The 500,000 common shares are held in escrow until completion of the IPO (Note 9).

SOPHIA CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FEBRUARY 15, 2011

5. CAPITAL STOCK (cont'd...)

Stock options

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock, less an applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 10 years and vest at the discretion of the board of directors.

As at February 15, 2011, there are no stock options outstanding however the Company has reserved 150,000 common shares to be granted to the Company's directors and officers. The stock options are exercisable at \$0.20 expiring 5 years from the date of grant (Note 9).

6. INCOME TAXES

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

	Period From Incorporation on July 21, 2010 to February 15, 2011
Loss before income taxes	\$ (5,829)
Expected income tax recovery	\$ 2,018
Other items	692
Unrecognized benefit of non-capital losses	(2,710)
Net income tax recovery	\$ -

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

	February 15, 2011
Future income tax asset:	
Non-capital loss carryforwards	\$ 1,958
Financing costs	2,000
	3,958
Less: valuation allowance	(3,958)
Net future income tax assets	\$ -

6. INCOME TAXES (cont'd...)

The Company has non-capital losses carried forward for income tax purposes of approximately \$7,800 which can be applied against future years' taxable income. These losses will expire through to 2031. Future tax benefits which may arise as a result of these non-capital losses have been offset by a valuation allowance and have not been recognized in these financial statements.

7. FINANCIAL INSTRUMENTS

Fair value

Cash is carried at fair value using a level 1 fair value measurement. The recorded value of the accounts payable and accrued liabilities approximate their fair values due to their demand nature and their short term to maturity.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with major financial institutions.

Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

Liquidity risk

All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its positive working capital position.

Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities that are denominated in a foreign currency. As at February 15, 2011, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

Price risk

The Company has limited exposure to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities.

8. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity. As at February 15, 2011, the Company's shareholders' equity was \$94,171 and there was no long term debt outstanding. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital.

9. SUBSEQUENT EVENTS

These financial statements are authorized for issue by the Board of Directors on May 10, 2011.

Subsequent to the period ended February 15, 2011, the Company:

- i) filed a prospectus, offering 1,000,000 common shares at a price of \$0.20 per share (the "Offering") by way of an IPO pursuant to Policy 2.4 "Capital Pool Companies" of the TSX-V. A cash commission of 10% of the gross proceeds of the Offering will be paid to the Agent. The Agent will also be paid a corporate finance fee of \$10,000 (plus HST) and will be reimbursed by the Company for its expenses and legal fees plus disbursements. At the Agent's option, both the commission and the corporate finance fee may be paid one-half in cash and one-half in shares at the IPO price. The Agents will also be granted agents' options to purchase up to 100,000 common shares at a price of \$0.20 per common share, exercisable for a period of 24 months from the date of listing of the common shares on the TSX-V. The gross proceeds from the sale of securities will be restricted whereby the Company cannot spend more than the lesser of 30% or \$210,000 until the completion of a Qualifying Transaction for purposes other than to identify and evaluate assets or businesses and obtain shareholder approval for a proposed Qualifying Transaction if necessary.
- ii) intends to grant incentive stock options to directors and officers of the Company to purchase 150,000 common shares at a price of \$0.20 per share, expiring in 5 years from grant.

CERTIFICATE OF THE CORPORATION

Date: May 10, 2011

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta, Saskatchewan and Ontario.

"Kirk Shaw"

Kirk Shaw
President, Chief Executive Officer, Secretary

"Amar Balaggan"

Amar Balaggan
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"David Hagemoen"

David Hagemoen
Director

"James Boyce"

James Boyce
Director

CERTIFICATE OF THE PROMOTER

Date: May 10, 2011

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta Saskatchewan and Ontario.

"Kirk Shaw"

Promoter

CERTIFICATE OF THE AGENT

Date: May 10, 2011

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta, Saskatchewan and Ontario.

HAYWOOD SECURITIES INC.

“G. Frank Stronach”

G. Frank Stronach, MBA, CA
Vice President - Corporate Finance