

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

PROSPECTUS

Initial Public Offering

July 30, 2018

Cassowary Capital Corporation Limited (a capital pool company)

\$400,000 or 4,000,000 Common Shares

Price: \$0.10 per Common Share

The purpose of this offering (the "**Offering**") is to provide Cassowary Capital Corporation Limited (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 hereinafter defined. Any proposed Qualifying Transaction must be approved by the TSX Venture Exchange Inc. (the "**Exchange**") and, in the case of a Non Arm's Length Qualifying Transaction, as hereinafter 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".

	Common Shares	Price to Public	Agent's Commission ⁽¹⁾	Net Proceeds to Corporation ⁽²⁾
Per Common Share	1	\$0.10	\$0.01	\$0.09
Offering ⁽³⁾	4,000,000	\$0.10	\$40,000	\$360,000

Notes:

- (1) A cash commission of 10% of the gross proceeds of the Offering will be paid to the Agent (as defined below). Additionally, the Corporation has paid a corporate finance fee of \$7,500 plus GST to the Agent. The Agent will also be reimbursed by the Corporation for its expenses, including reasonable legal fees. The Agent will also be granted the Agent's Option referred to below. The Agent's Option is exercisable for a period of 24 months from the date the Corporation's shares are listed on the Exchange. The Agent's Options are qualified for distribution under this prospectus. See "Plan of Distribution - Agency Agreement and Agent's Compensation".
- (2) Before deducting the costs of this issue estimated at \$112,000, which includes listing and filing fees of the Exchange of \$15,000, the Corporation's legal and audit fees of approximately \$25,000, the Agent's commission of \$40,000, Agent's corporate finance fee of \$15,000, Agent's legal fees of approximately \$12,000 and printing and other miscellaneous expenses, and applicable taxes. See "Use of Proceeds".
- (3) 4,000,000 Common Shares, as defined herein, are qualified for distribution hereunder. In addition, this prospectus qualifies for distribution the Agent's Option (as defined below), and the grant of the Share Options (as defined below) to certain directors and officers. See "Plan of Distribution" and "Share Options".

This Offering is made on a commercially reasonable efforts agency basis by Richardson GMP Limited (the "**Agent**") of 4,000,000 common shares without par value in the capital of the Corporation (the "**Common Shares**") for total gross proceeds to the Corporation of \$400,000 (the "**Offering**"). 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 between the Corporation and the Agent (the "**Agency Agreement**"). If the minimum subscription is not completed within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by the regulatory authorities and the Agent and persons or companies who subscribed within that period, all subscription monies

will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent.

Pursuant to the Agency Agreement, the Agent, and any sub-agents as the Agent may direct, will be granted a non-transferable option (the "**Agent's Option**") to purchase 400,000 Common Shares (the "**Agent's Shares**") equal to 10% of the Common Shares sold pursuant to the Offering at a price of \$0.10 per Agent's Share, and expiring 24 months from the date the Corporation's shares are listed on the Exchange. The grant of the Agent's Option is qualified under this prospectus. See "Agency Agreement and Agent's Compensation". In addition, and subject to regulatory approval, the Corporation intends to grant incentive stock options to certain directors and officers of the Corporation to purchase an aggregate of 1,400,000 Common Shares (the "**Share Options**") under the Corporation's share option plan. See "Share Options". The Agent's Option and the Share Options are qualified for distribution under this prospectus.

Market for Securities

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 markets operated by Plus Markets Group plc.

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

Other than the initial distribution of the Common Shares pursuant to this prospectus, the grant of the Agent's Option and the grant of options to certain service providers of the Corporation, trading in all securities of the Corporation is prohibited during the period between the date a receipt for the preliminary prospectus is issued by the securities commission that is designated the principal regulator pursuant to Multilateral Instrument 11-102 - *Passport System* ("**MI 11-102**") and *National Policy 11-202 - Process for Prospectus Reviews in Multiple Jurisdictions* ("**NP 11-202**") 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 commission grants a discretionary order.

Risk Factors

There is currently no market through which these securities may be sold and purchasers may not be able to resell the securities purchased hereunder. This may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Common Shares and the extent of issuer regulation.

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

The Corporation has not commenced commercial operations and has no assets other than cash. It has no history of earnings and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. Until the Completion of the Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions. The Corporation has commenced the process of identifying potential acquisitions, but to date, the Corporation has not identified any potential acquisitions and has not entered into an Agreement in Principle as defined in the CPC Policy. The Corporation may determine that current markets, terms of acquisition, or pricing conditions make such potential acquisitions uneconomic. 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. 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 entities with greater resources. See "The Corporation", "Business of the Corporation" and "Use of Proceeds".

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

The directors and officers of the Corporation currently own 39.97% of the issued and outstanding Common Shares and will own approximately 28.57% of the issued and outstanding Common Shares assuming completion of the Offering.

Investors acquiring the Common Shares offered by this prospectus will suffer an immediate dilution of approximately 35.7% or \$0.0357 per Common Share assuming completion of the Offering, before the deduction of selling commissions and related expenses incurred by the Corporation. See "Dilution".

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. Further, even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to complete the transaction. The Qualifying Transaction may be financed in whole, or in part, by the issuance of additional securities by the Corporation and this may result in further dilution to investors. See "Use of Proceeds".

The Exchange will generally suspend trading in the Common Shares or delist the Corporation in the event that the Exchange has not issued a Final Exchange Bulletin (as hereinafter defined) in respect of the Qualifying Transaction within 24 months from the date of listing. Neither the Exchange, nor any securities regulatory authority, passes upon the merits of any proposed Qualifying Transaction. In addition, delisting of the Common Shares may result in the cancellation of all or some of the Common Shares of the Corporation owned by Non Arm's Length Parties, as hereinafter defined, issued prior to this Offering. Investors must rely solely on the expertise of the Corporation's Promoter, as hereinafter defined, directors and officers for any possible return on their investment.

In the event that the 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.

As a result of these factors and the other factors described in this prospectus, the Offering is suitable only to investors who are willing to rely solely on the 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. See "Business of the Corporation", "Officers, Directors 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% of the total Common Shares offered under this prospectus (being 80,000 Common Shares). In addition, the maximum number of Common Shares that may directly or indirectly be purchased by that purchaser, together with any Associates or Affiliates of that purchaser, is 4% of the total Common Shares offered under this prospectus (being 160,000 Common Shares).

Receipt of Subscriptions

The Agent hereby conditionally offers for sale, on behalf of the Corporation and on a commercially reasonable efforts agency basis, 4,000,000 Common Shares without nominal or par value at a price of \$0.10 per Common Share. The Common Shares are conditionally offered, subject to prior sale, if, as and when issued and delivered by the Corporation, and accepted in accordance with the conditions contained in the Agency Agreement referred to under "Plan of Distribution" and subject to the approval by Gowling WLG (Canada) LLP, on behalf of the Corporation, and by Borden Ladner Gervais LLP on behalf of the Agent, of such legal matters for which approval is specifically sought by the Corporation or the Agent.

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 one or more global certificates that represent

the aggregate number of Common Shares subscribed for under the Offering will be issued in registered form as directed by the Agent and will be available for delivery at the closing of the Offering. The Common Shares subscribed for under the Offering may also be issued on an uncertificated basis. In either case, purchasers of Common Shares will only receive a client confirmation from the Agent as to the number of Common Shares subscribed for. Certificates representing the Common Shares in registered and definitive form will be issued to the purchasers in certain limited circumstances only.

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GLOSSARY

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

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

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

A company is "controlled" by a Person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person; and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:

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

"Agency Agreement" means the agency agreement dated July 30, 2018 between the Corporation and the Agent.

"Agent" means Richardson GMP Limited at its office in the City of Calgary, in the Province of Alberta.

"Agent's Option" means the non-transferable option to be granted by the Corporation to the Agent and any sub-agents entitling the Agent and any sub-agents to purchase Agent's Shares in an amount equal to 10% of the number of Common Shares sold pursuant to the Offering at an exercise price of \$0.10 per Agent's Share, expiring 24 months from the date of listing of the Common Shares on the Exchange.

"Agent's Share" means Common Shares acquired upon exercise of the Agent's Option.

"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 percent 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:
 - (i) that Person's spouse or child; or
 - (ii) any relative of that Person or of his spouse who has the same residence as that person; but:
- (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding company.

"Commissions" means the Alberta Securities Commission, the British Columbia Securities Commission and the Ontario Securities Commission.

"Common Shares" means the common shares in the share 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 that holds a sufficient number of any of the securities of an Issuer so as to affect materially the control of that Issuer, or that holds more than 20% of the outstanding voting securities of an Issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the Issuer.

"Corporation" means Cassowary Capital Corporation Limited, a corporation incorporated under the *Business Corporations Act* (Alberta) having its registered office in the City of Calgary, in the Province of Alberta.

"CPC" means a corporation:

- (a) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the Commissions 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's Corporate Finance Manual.

"Escrow Agreement" means the escrow agreement dated July 30, 2018 among the Corporation, Alliance Trust Company and certain shareholders of the Corporation.

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

"Final Exchange Bulletin" means the Exchange bulletin 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.

"initial public offering" or **"IPO"** means a transaction that involves an Issuer issuing securities from its treasury pursuant to its first prospectus.

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

- (a) a director or senior officer of the Issuer;
- (b) a director or senior officer of the company that is an Insider or subsidiary of the Issuer;
- (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Issuer; or
- (d) the Issuer itself if it holds any of its own securities.

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

"Majority of the Minority Approval" means the approval of the 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
 - (i) in the case of a Related Party Transaction:
 - (ii) if the CPC holds its own shares, the CPC; and
 - (iii) 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:

- (a) 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; and
- (b) 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.

"Offering" means the offering of 4,000,000 Common Shares at a price of \$0.10 per Common Share for aggregate gross proceeds of \$400,000, in accordance with the terms of this prospectus.

"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 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 is 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 ascribed to it in section 1(1) of the *Securities Act* (Ontario).

"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 - *Protection of Minority Security Holders in Special Transactions*, together with the Companion Policy 61-101CP, 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 Corporation with respect to the transaction.

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

"Seed Capital" or **"Seed Shares"** means securities issued before an Issuer's IPO.

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

"Share Option(s)" means options to be granted at the completion of the Offering to certain directors and officers of the Corporation which options entitle the holders to purchase an aggregate of 1,400,000 Common Shares at an exercise price of \$0.10 per Common Share and which option may be exercised for a period of ten years from the date of grant.

"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.

"Sponsor" means a Member that meets the criteria specified in the Exchange Policy 2.2 which has an agreement with an Issuer to undertake the functions of sponsorship as required by that policy and various other Exchange policies.

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

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

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.

Business of the Corporation	The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Corporation has not commenced commercial operations and has no assets other than a minimum amount of cash. See "Business of the Corporation".
Offering:	4,000,000 Common Shares are being offered under this prospectus at a price of \$0.10 per Common Share. In addition, pursuant to the Agency Agreement, the Corporation will grant to the Agent and its designated sub-agents, if any, the Agent's Option to purchase up to such number of Common Shares as is equal to 10% of the aggregate number of Common Shares sold pursuant to the Offering, at an exercise price of \$0.10 per Agent's Share which will be exercisable for a period of 24 months from the date of listing of the Common Shares on the Exchange. The grant of the Agent's Option is qualified under this prospectus. The Corporation also intends to grant Share Options to purchase an aggregate of 1,400,000 Common Shares to certain directors and officers under the Corporation's share option plan which Share Options are qualified under this prospectus. See "Plan of Distribution" and "Share Options".
Use of Proceeds:	The net proceeds of the Offering to the Corporation will be \$360,000. The net proceeds of this Offering plus the proceeds from prior sales of Common Shares will be used to provide the Corporation with a minimum of funds with which to identify and evaluate assets or businesses for acquisition with a view to completing a Qualifying Transaction. The Corporation may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. Until Completion of the Qualifying Transaction and except as otherwise provided in the CPC Policy, a maximum of the lesser of 30% of the gross proceeds realized or \$210,000 may be used for purposes other than evaluating businesses or assets. See "Use of Proceeds", "Business of the Corporation" and "Risk Factors".
Management and Directors:	Stuart M. Olley – Chief Executive Officer and Director Gordon Chmilar – Chief Financial Officer, Corporate Secretary and Director Martin B. Mix – Director Guy Lander – Director Stuart M. Olley is considered to be the Promoter of the Corporation. See "Directors, Officers, and Promoters" and "Promoter".
Escrowed Securities:	All of the currently issued and outstanding Common Shares of the Corporation, being 10,000,100 Common Shares, shall be deposited in escrow pursuant to the terms of 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 suffer an immediate dilution on investment of approximately 35.7% or \$0.0357 per Common Share. There can be no assurance that an active and liquid market for the Corporation's Common Shares will develop and an investor may find it difficult to resell the Common Shares. Until Completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying 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", "Directors, Officers and Promoters", "Capitalization", "Dilution", "Risk Factors" and "Conflicts of Interest".

THE CORPORATION

The Corporation was incorporated on January 31, 2018 by Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (Alberta) under the name "Cassowary Capital Corporation Limited".

The head and registered office of the Corporation is located at 1600, 421 7th Avenue SW, Calgary, Alberta, T2P 4A9.

BUSINESS OF THE CORPORATION

Preliminary Expenses

Other than part of the corporate finance fee of the Agent of \$7,875 (inclusive of GST), \$10,000 paid to the Agent to be used as a retainer for legal expenses of the Agent in relation to the Offering, audit fees of \$5,000 plus GST, and the payment of the minimum listing fee to the Exchange of \$5,000, the Corporation has not incurred any additional expenses to date in proceeding with the Offering. However, certain of the Offering proceeds will be utilized to satisfy the obligations of the Corporation related to the Offering, including the expenses of its auditor, legal expenses and the Agent's legal counsel. See "Use of Proceeds".

Proposed Operations until Completion of a Qualifying Transaction

The Corporation proposes to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a Non Arm's Length Qualifying Transaction is also subject to Majority of the Minority Approval in accordance with the CPC Policy. The Corporation has not conducted commercial operations. The Corporation is not specifically considering pursuing a company, asset or business in any specific business or industry sector, or in any particular geographical area, and the Corporation anticipates reviewing companies, assets and businesses in a broad range of industry sectors and geographical areas.

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 "Private Placement for Cash" and "Restrictions on Use of Proceeds", the funds raised pursuant to this Offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions and not for any deposit, loan or direct investment in a potential acquisition.

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

Method of Financing

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

Criteria for a Qualifying Transaction

The Corporation will consider acquisitions of assets or businesses operated or located both inside and outside of Canada, as permitted by the CPC Policy. All potential acquisitions will be screened initially by management of the Corporation to determine their economic viability.

The board of directors will examine proposed acquisitions having regard to sound business fundamentals and to 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.

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 shall be required to submit for review to the Exchange either an information circular that complies with applicable corporate and securities laws or a filing statement that complies with Exchange requirements. An information circular must be submitted where there is a Non Arm's Length Qualifying Transaction. A filing statement must be submitted where the Qualifying Transaction is not a Non Arm's Length Qualifying Transaction. The information circular or filing statement, as applicable, must contain prospectus level disclosure of the Target Company 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:

1. 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
2. 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 pursuant to the CPC Policy.

Upon issuance of the Final Exchange Bulletin, the CPC Policy will generally cease to apply, with the exception of the escrow provisions of the CPC Policy and the restrictions in the CPC Policy precluding the Corporation from completing a reverse takeover 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, Suspensions and Delisting

The Exchange will generally halt trading in the Common Shares from the date of the public announcement of an Agreement in Principle until all filing requirements of the Exchange have been satisfied, which includes the submission of a Sponsorship Acknowledgment Form where the Qualifying Transaction is subject to sponsorship. In addition, personal information forms, 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 of the date of listing. In the event that the Common Shares of the Corporation are delisted by the Exchange, within 90 days from the date of such delisting, the Corporation shall wind up and shall make a pro rata distribution of its remaining assets to its shareholders, unless shareholders, pursuant to a majority vote exclusive of the votes of Non Arm's Length Parties to the Corporation, determine to deal with the issuer or its remaining assets in some other manner. See "Filings and Shareholder Approval of a Non Arm's Length Qualifying Transaction."

If the Corporation has not completed a Qualifying Transaction within the time frame prescribed by the CPC Policy, it 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 of the Corporation; and
- (b) either:
 - (i) cancel all Seed Shares purchased by Non Arm's Length Parties to the Corporation at a discount to the IPO price, in accordance with section 11.2(a) of the CPC Policy, as if the Corporation had delisted from the Exchange, or
 - (ii) subject to majority shareholder approval, cancel an amount of the 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 IPO price.

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

Refusal of Qualifying Transaction

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

- (a) the Resulting Issuer fails to satisfy the applicable 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 financial institution, finance company, finance issuer or mutual fund, as defined in the securities legislation;

- (d) the majority of the directors and senior officers of the Resulting Issuer are not residents of Canada or the United States or are individuals who have not demonstrated positive association as directors or officers with public companies that are subject to a regulatory regime comparable to the companies listed on a Canadian exchange; or
- (e) notwithstanding the definition of a Qualifying Transaction, there is any other reason for denying acceptance of the Qualifying Transaction.

USE OF PROCEEDS

Proceeds and Principal Purposes

The gross proceeds to be received by the Corporation from the sale of all the Common Shares offered by this prospectus will be \$400,000 if the Offering is completed. The gross proceeds received by the Corporation from the sale of 10,000,100 Common Shares prior to the date of this prospectus was \$500,005. Assuming the Offering is completed, from the aggregate gross proceeds of \$400,000 will be deducted the expenses and costs of this issue estimated in the aggregate, including legal, accounting, printing, regulatory fees and the Agent's commission, to be approximately \$112,000.

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

Principal Uses	Amount
Gross cash proceeds raised prior to this Offering (seed shares) ⁽¹⁾	\$500,005
Expenses and costs relating to incorporation and raising seed share cash proceeds	\$5,000
Gross cash proceeds to be raised pursuant to the Offering	\$400,000
Estimated expenses and costs relating to this Offering ⁽²⁾	\$112,000
Estimated funds available on completion of the Offering⁽³⁾	\$783,005
Funds available for identifying and evaluating assets or business prospects ⁽³⁾⁽⁴⁾	\$723,005
Estimated general and administrative expenses until Completion of a Qualifying Transaction	\$60,000
Total net proceeds	\$783,005

Notes:

- (1) See "Prior Sales".
- (2) Includes listing and filing fees of the Exchange of \$15,000, the Corporation's legal and audit fees of approximately \$25,000, Agent's commission of \$40,000, Agent's corporate finance fee of \$15,000, Agent's legal fees of approximately \$12,000 and printing and other miscellaneous expenses, and applicable taxes.
- (3) In the event, and to the extent, the Agent exercises the Agent's Option, and the directors and officers of the Corporation exercise their share options, there will be available to the Corporation an additional \$190,000 in the event the Offering is completed. There is no assurance that the foregoing options will be exercised.
- (4) In the event that the Corporation enters into an Agreement in Principle prior to spending all of the funds available to it 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) Agents' fees, costs and commissions,

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

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

Restrictions on Use of Proceeds

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

- (a) listing and filing fees (including SEDAR fees);
- (b) other costs for the issuance of securities (including legal, accounting and audit expenses) relating to the preparation and filing of this prospectus; and
- (c) administrative and general expenses of the Corporation, including:
 - (i) office supplies, office rent and related utilities;
 - (ii) printing costs (including the printing of this prospectus and share certificates);
 - (iii) equipment leases; and

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

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

Private Placements for Cash

After the closing of the Offering and until the Completion of the Qualifying Transaction, the Corporation will not issue any securities unless written acceptance of the Exchange is obtained before issuance. Prior to the completion of a Qualifying Transaction, the Exchange generally will not accept a private placement by the Corporation where the gross proceeds raised from the issuance of securities both prior to and pursuant to the Offering, together with any proceeds anticipated to be raised upon closing of the private placement, will exceed \$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 pursuant to the private placement to Non Arm's Length Parties to the Corporation and to Principals of the Resulting Issuer will be subject to escrow.

Prohibited Payments to Non Arm's Length Parties

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

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

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

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

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

PLAN OF DISTRIBUTION

Agency Agreement and Agent's Compensation

Pursuant to the Agency Agreement between the Corporation and the Agent, the Corporation has appointed the Agent as its agent to offer for sale, on a commercially reasonable efforts agency basis to the public, 4,000,000 Common Shares as provided in this prospectus, at a price of \$0.10 per Common Share, for maximum gross proceeds of \$400,000, 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, which equals \$40,000 in the event the Offering is completed. In addition, the Agent will be paid a corporate finance fee of \$15,000 plus GST. The Corporation will also pay the Agent's expenses, including reasonable legal fees.

The Corporation has also agreed to grant to the Agent, and any sub-agents, the Agent's Option to purchase 400,000 Common Shares in the event the Offering is completed, representing 10% of the total number of Common Shares sold to the public pursuant to the Offering at an exercise price of \$0.10 per Agent's Share, which may be exercised for a period of 24 months from the date the Common Shares of the Corporation are listed on the

Exchange. The Agent's Option is qualified under this prospectus. Not more than 50% of the Common Shares received on the exercise of the Agent's Option may be sold by the holders thereof prior to the Completion of the Qualifying Transaction. The remaining 50% may be sold after the Completion of the Qualifying Transaction. The Agent has agreed to use its 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

Under the CPC Policy, no purchaser of the Common Shares is permitted to purchase more than 2% (80,000 Common Shares in the event the Offering is completed) of the total number of Common Shares under 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% (160,000 Common Shares in the event the Offering is completed) of the total number of Common Shares under the Offering. The funds received from the Offering will be deposited with the Agent, and will not be released until proceeds of \$400,000 have been deposited. The total subscription must be raised within 90 days of the date a receipt for the prospectus is issued, or such other time as may be consented to by the Agent 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.

Other Securities to be Distributed

The Corporation also proposes to grant Share Options to purchase 1,400,000 Common Shares to certain directors and officers of the Corporation in accordance with the policies of the Exchange which Share Options are qualified for distribution under this prospectus. The Corporation will also grant the Agent's Option to purchase an additional 400,000 Common Shares which are qualified for distribution under this prospectus. See "Share Options".

Determination of Price

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

Listing Application

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

Subscriptions by and Restrictions on the Agent

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

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

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

(i) compliance with any applicable client priority rule, and (ii) the restrictions applicable to all purchasers to the Offering described under "Plan of Distribution".

Restrictions on Trading

Other than the initial public offering of the Common Shares pursuant to this prospectus, the grant of the Agent's Option, and the grant of the Share Options to certain service providers of the Corporation, no securities of the Corporation will be permitted to be issued during the period between the date(s) a receipt for the preliminary prospectus is issued by the securities commission that is designated the principal regulator pursuant to MI 11-102 and NP 11-202 and the time the Common Shares are listed for trading on the Exchange, except subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities regulatory authorities grant a discretionary order.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares without nominal or par value of which, as at the date hereof, 10,000,100 Common Shares are issued and outstanding as fully paid and non-assessable and 4,000,000 Common Shares are reserved for issuance under this prospectus, a maximum of 400,000 Common Shares will be reserved under the Agent's Option, and a maximum of 1,400,000 Common Shares are reserved for issuance to directors and officers pursuant to the exercise of the Share Options. See "Plan of Distribution" and "Share Options".

The holders of Common Shares are entitled to dividends, if, as and when declared by the board of directors, to notice of, attend and one vote per share at, meetings of the shareholders of the Corporation and, upon liquidation, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, to share on a pro-rata basis according to the number of Common Shares held, in the remaining property of the Corporation. All Common Shares outstanding after completion of this Offering will be fully paid and non-assessable.

CAPITALIZATION

Designation of Security	Amount Authorized	Amount Outstanding as of April 30, 2018 ⁽¹⁾⁽²⁾	Amount Outstanding After Giving Effect to Offering ⁽³⁾⁽⁴⁾
Common Shares	unlimited	\$500,005 (10,000,100 Common Shares)	\$900,005 (14,000,100 Common Shares)

Notes:

- (1) As at April 30, 2018, the Corporation had not commenced operations.
- (2) There has been no material change in the share and loan capital of the Corporation since the date of the most recent balance sheet contained in the prospectus.
- (3) The Corporation plans to immediately grant to certain directors and officers of the Corporation after closing of this Offering Share Options to purchase an aggregate of 1,400,000 Common Shares at \$0.10 per share and expiring ten years from the date of grant. Such Share Options to vest immediately upon issuance. The Corporation has also reserved 400,000 Common Shares at \$0.10 per share pursuant to the Agent's Option that expires 24 months from the date of listing of the Common Shares. See "Plan of Distribution" and "Share Options".
- (4) Funds estimated to be available upon completion of the Offering are expected to amount to \$783,005 in the event the Offering is completed, which is net of the \$112,000 estimated expenses for the Offering. See "Use of Proceeds".

SHARE OPTIONS

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 consultants to the Corporation, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed

10% of the issued and outstanding Common Shares. However, other than in connection with a Qualifying Transaction, during the time that the Company is a CPC, the aggregate number of Common Shares issuable upon exercise of all options granted under the Option Plan shall not exceed 10% of the Common Shares of the Corporation issued and outstanding at the closing of the Corporation's initial public offering. Such options will be exercisable for a period of up to ten years from the date of grant. In addition, the Option Plan provides that no more than 5% of the issued shares of the Corporation will be granted to any individual in any 12 month period; no more than 2% of the issued shares of the Corporation will be granted to any one consultant in any 12 month period; and no more than an aggregate of 2% of the issued shares of the Corporation will be granted to an employee conducting investor relations activities in any 12 month period. The Corporation, as long as it is a CPC, will not grant options to any person providing investor relations activities, promotional or market-making services. Options may be exercised the greater of 12 months after the Completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation of office, employment, directorship, or 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 under the Option Plan 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 "Escrowed Securities".

Pursuant to the Option Plan, immediately after closing this Offering, the board of directors of the Corporation intends to grant Share Options as set forth in the table below, each such Share Option to vest on the date of its issuance.

Optionee	Number of Common Shares Under Option	Exercise Price Per Common Share	Expiry Date
Stuart M. Olley Calgary, Alberta	350,000	\$0.10	Ten years from date of grant
Gordon Chmilar Calgary, Alberta	350,000	\$0.10	Ten years from date of grant
Martin B. Mix Calgary, Alberta	350,000	\$0.10	Ten years from date of grant
Guy Lander New York, New York	350,000	\$0.10	Ten years from date of grant
Total	1,400,000		

The Share Options to be granted to the directors and officers to purchase an aggregate of 1,400,000 Common Shares at a price of \$0.10 per Common Share are qualified under and distributed pursuant to this prospectus.

Pursuant to the terms of the Agency Agreement, upon closing this Offering, the board of directors of the Corporation intends to grant the Agent's Option to the Agent.

Optionee	Number of Common Shares Under Option	Exercise Price Per Common Share	Expiry Date from Listing Date
Richardson GMP Limited Calgary, Alberta	400,000	\$0.10	24 months

The Agent's Option (subject to regulatory approval) is qualified for distribution pursuant to this prospectus.

PRIOR SALES

Since the date of incorporation of the Corporation, 10,000,100 Common Shares have been issued and are currently outstanding as follows.

Date	Number of Common Shares	Issue Price Per Share	Aggregate Issue Price	Consideration Received
January 31, 2018	100 ⁽¹⁾	\$0.05	\$5.00	cash
April 30, 2018	10,000,000 ⁽¹⁾	\$0.05	\$500,000	cash

Notes:

(1) These Common Shares shall be held in escrow. See "Escrowed Securities".

ESCROWED SECURITIES

All of the 10,000,100 Common Shares issued prior to this Offering at a price below \$0.10 per Common Share, all Common Shares that may be acquired by Non Arm's Length Parties of the Corporation either under the Offering or otherwise prior to Completion of the Qualifying Transaction and all Common Shares acquired by the Aggregate Pro Group prior to this Offering will be deposited with Alliance Trust Company 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 hereof, the number of Common Shares of the Corporation, which will be held in escrow.

Name and Municipality of Residence of Shareholder	Common Shares	Number of Common Shares Escrowed	Percentage of Common Shares Prior to Giving Effect to the Offering ⁽¹⁾	Percentage of Common Shares After Giving Effect to the Offering ⁽¹⁾⁽²⁾
Stuart M. Olley Calgary, Alberta	1,000,100	1,000,100	10.00%	7.14%
Gordon Chmilar Calgary, Alberta	1,000,000	1,000,000	9.99%	7.14%
MDCGN Ltd ⁽³⁾ Calgary, Alberta	1,000,000	1,000,000	9.99%	7.14%

Name and Municipality of Residence of Shareholder	Common Shares	Number of Common Shares Escrowed	Percentage of Common Shares Prior to Giving Effect to the Offering ⁽¹⁾	Percentage of Common Shares After Giving Effect to the Offering ⁽¹⁾⁽²⁾
Guy Lander New York, New York	1,000,000	1,000,000	9.99%	7.14%
Smaller Company Capital Ltd. London, United Kingdom	2,000,000	2,000,000	19.99%	14.29%
William E.J. Hodson London, United Kingdom	1,000,000	1,000,000	9.99%	7.14%
Brian Hinchcliffe Mamaroneck, New York	500,000	500,000	4.99%	3.57%
Margaret Hinchcliffe Mamaroneck, New York	500,000	500,000	4.99%	3.57%
Zila Corporation Principality of Monaco	1,000,000	1,000,000	9.99%	7.14%
Darrin Hopkins ⁽⁴⁾ Calgary, Alberta	700,000	700,000	7.00%	5.00%
James Douglas Price ⁽⁴⁾ Toronto, Ontario	300,000	300,000	2.99%	2.14%
Total	10,000,100	10,000,100	100%	71.43%

Notes:

- (1) May not add due to rounding.
- (2) Assuming no Common Shares are purchased by these persons under the Offering.
- (3) MDCGN Ltd. is a corporation controlled by Martin B. Mix, a director of the Corporation.
- (4) Held through GMP Securities L.P.

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 could reasonably result in a change of control of the holding company. In addition,

the Exchange may require an undertaking from any control person of the holding company not to transfer the shares of that company.

Under the Escrow Agreement, 10% of the escrowed Common Shares will be released from escrow on the issuance of the Final Exchange Bulletin (the "**Initial Release**") and an additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release.

If the Resulting Issuer meets the Exchange's Tier 1 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 Alliance Trust Company to immediately:

- (a) cancel all of those escrowed Common Shares upon the issuance by the Exchange of a bulletin delisting the Common Shares of the Corporation; or
- (b) if the Corporation lists on NEX, either
 - (i) cancel all Seed Shares purchased by Non Arm's length Parties to the Corporation at a discount from the IPO 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 CPC so that the average cost of the remaining Seed Shares is at least equal to the IPO price.

Escrowed Securities on Qualifying Transaction

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

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

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

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

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

PRINCIPAL SHAREHOLDERS

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

Name and Municipality of Residence of Shareholder	Type of Ownership	Number of Common Shares	Percentage of Common Shares Owned Prior to the Offering	Percentage of Common Shares Owned After the Offering ⁽¹⁾⁽⁵⁾
Smarter Capital Corporation London, United Kingdom	Of record	2,000,000	19.99%	14.29%
Stuart M. Olley Calgary, Alberta	Of record	1,000,100	10.00%	7.14%
Total		3,000,100	29.99%	21.43%

Notes:

- (1) Assuming that no Common Shares are purchased by these persons under the Offering.
- (2) On a fully diluted basis, assuming the exercise of all of the Agent's Option and all of the Share Options to be granted to certain directors and officers of the Corporation pursuant to the Option Plan, Smarter Capital Corporation and Mr. Olley would own directly or indirectly approximately 12.66% and 8.55% of the Common Shares, respectively, after giving effect to the Offering.

OFFICERS, DIRECTORS AND PROMOTERS

Name, Municipality, Occupation, Security Holding and Involvement with Other Reporting Issuers

The following is a list of the current directors, officers and Promoter of the Corporation, their municipalities of residence, their current positions with the Corporation, and the number of shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised:

Name and Municipality of Residence	Positions and Offices Held	Number of Common Shares	Percentage of Common Shares Owned Prior to the Offering	Percentage of Common Shares Owned After the Offering ⁽¹⁾
Stuart M. Olley ⁽²⁾ Calgary, Alberta	Director, Chief Executive Officer and Promoter	1,000,100	10.00%	7.14%
Gordon Chmilar ⁽³⁾ Calgary, Alberta	Director, Chief Financial Officer and Corporate Secretary	1,000,000	9.99%	7.14%
Martin B. Mix ⁽²⁾⁽³⁾ Calgary, Alberta	Director	1,000,000 ⁽⁴⁾	9.99%	7.14%
Guy Lander ⁽²⁾⁽³⁾ New York, New York	Director	1,000,000	9.99%	7.14%

Notes:

- (1) Assuming that no Common Shares are purchased by these persons under the Offering.
- (2) Directors and officers will each be granted Share Options to purchase 350,000 Common Shares, all upon completion of the Offering. See "Share Options".
- (3) Member of the audit committee.
- (4) Held by MDCGN Ltd., a corporation controlled by Mr. Mix.

As at the date hereof, the 4,000,100 Common Shares legally owned, directly or indirectly, by the directors and officers as a group and their Associates and Affiliates, prior to giving effect to the Offering, represents 39.97% of the issued and outstanding Common Shares. After completion of the Offering, the 4,000,100 Common Shares to be legally owned, directly or indirectly, by the directors and officers as a group and their Associates and Affiliates will represent approximately 28.57% of the issued and outstanding Common Shares, assuming no directors or officers acquire any Common Shares pursuant to the Offering.

In addition to any other requirements of the Exchange, the Exchange expects management of the Corporation to meet a high management standard. The directors and officers of the Corporation believe that, on a collective basis, management possesses the appropriate experience, qualifications and history to be capable of identifying, investigating and acquiring a Significant Asset. Each of the officers and directors will devote the time considered necessary to perform the work required in connection with the management and direction of the Corporation and completion of the Qualifying Transaction.

Stuart M. Olley, Director and Chief Executive Officer

Mr. Olley is a senior partner of Gowling WLG (Canada) LLP in Calgary, Alberta. Mr. Olley has extensive experience, domestically and internationally, working with a variety of issuers and underwriters in transactions in industries including oil and gas, mining, real estate and technology. Mr. Olley has served on the board of directors of various public companies. Mr. Olley is a past member of the Securities Advisory Council of the Alberta Securities Commission. Mr. Olley holds a master's degree in law from Osgoode Hall Law School at York

University (securities speciality), a law degree and MBA from the University of Alberta, and a bachelor's degree in arts from the University of Toronto.

Gordon Chmilar, Director, Chief Financial Officer and Corporate Secretary

Mr. Chmilar is a partner of Gowling WLG (Canada) LLP in Calgary, Alberta. Mr. Chmilar frequently represents issuers, underwriters and investors in public and private securities offerings, and has gained extensive experience in international technology, oil & gas and mining-related financings and transactions. Mr. Chmilar acts for Canadian and international public and private clients in strategic transactions and joint ventures. Mr. Chmilar holds a law degree from the University of Calgary, and a bachelor of commerce (with distinction) from the University of Alberta.

Martin B. Mix, Director

Mr. Mix is a partner of Gowling WLG (Canada) LLP in Calgary, Alberta. Mr. Mix acts for public and private issuers, as well as underwriters on a range of transactional matters, including public and private debt and equity offerings, reorganizations and recapitalizations. Mr. Mix also regularly provides advice on corporate governance and securities regulatory compliance matters to various issuers. Mr. Mix holds a law degree from the University of Victoria, and a bachelor's degree in arts from the University of British Columbia.

Guy Lander, Director

Mr. Lander is a partner of Carter Ledyard and Milburn LLP in New York, New York. Mr. Lander practices corporate and securities law representing international and United States companies and financial institutions. His practice emphasizes a wide range of financial transactions, including United States and international public and private offerings of debt and equity, Rule 144A placements, Regulation S cross-border offerings, MJDS offerings, listing companies on U.S. exchanges, tender and exchange offers, mergers, and acquisitions. Mr. Lander holds a law degree from St. John's University School of Law and a bachelor's degree in arts from New York University.

Other Reporting Issuer Experience

The following table sets out the directors, officers and Promoter 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:

<u>Name of Director, Officer or Promoter</u>	<u>Name of Reporting Issuer</u>	<u>Exchange</u>	<u>Position</u>	<u>Term</u>
Gordon Chmilar	Rupert Resources Ltd.	TSXV	Corporate Secretary	06/15 to 12/17
	Suroco Energy Inc.	TSXV	Corporate Secretary	06/06 to 07/14

Corporate Cease Trade Orders or Bankruptcies

Mr. Olley was formerly a director of Javelin Energy Inc. ("**Javelin**"). The Alberta Securities Commission issued a cease trade order against Javelin on August 4, 2009 for failure to file the annual financial statements, annual MD&A and certifications of annual filings for the year ended March 31, 2009. Javelin was subsequently placed into receivership by the Court of Queen's Bench of Alberta on December 9, 2009 following an application by its creditors. Mr. Olley was no longer a director of Javelin at the time it was placed in receivership, having resigned in April 2009.

Mr. Olley is currently a director of Psinaptic Inc. ("**Psinaptic**"), a software technology company and former TSX Venture Exchange and NEX issuer. On February 3, 2010, while Mr. Olley was a director of Psinaptic, the Alberta Securities Commission issued a cease trade order against Psinaptic for failure to file financial statements. The cease trade order remains in effect.

No other director, officer, Insider or Promoter of the Corporation, or any shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is or has within the 10 years before the date of the prospectus been a director, officer, Insider or Promoter of any other 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 Issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days or

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

Penalties or Sanctions

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

Personal Bankruptcies

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

Conflicts of Interest

There are potential conflicts of interest to which all of the directors, officers, Insiders and Promoters of the Corporation may be subject in connection with the operations of the Corporation. Most of the directors and officers of the Corporation are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other entities, and situations may arise where these directors and officers will be in direct competition with the Corporation. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *Business Corporations Act* (Alberta). Some of the directors and officers of the Corporation are or may become directors or officers of other entities engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' and officers' duties to the Corporation and their duties to the other entities with which they are involved, the directors and officers of the Corporation have been advised the following by the Corporation:

- (a) participation in other business ventures offered to the directors or officers should be allocated between the various entities and on the basis of prudent business judgment and the relative financial abilities and needs of such entities to participate;
- (b) no commissions or other extraordinary consideration will be paid to such directors and officers; and
- (c) business opportunities formulated by or through other entities in which the directors and officers are involved should not be offered to the Corporation except on the same or better terms than the basis on which they are offered to third party participants.

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 may also be granted stock options.

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

PROMOTER

Stuart M. Olley may be considered to be the Promoter of the Corporation in that he took the initiative in founding and organizing the Corporation. Mr. Olley will be granted 350,000 Share Options upon completion of the Offering, all pursuant to the Option Plan. See "Principal Shareholders" and "Share Options".

DILUTION

Purchasers of Common Shares under this prospectus will suffer an immediate dilution of 37.5% or \$0.0375 if the Offering is completed on the basis of there being 14,000,100 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 of this prospectus, without deduction of commissions or related expenses incurred by the Corporation, as set forth below:

	Offering
Gross proceeds of prior share issues	\$500,005
Gross proceeds of this Offering	\$400,000
Total gross proceeds after this Offering	<u>\$900,005</u>
Offering price per share	<u>\$0.10</u>
Gross proceeds per share after this Offering	<u>\$0.0643</u>
Dilution per share to subscriber	<u>\$0.0357</u>
Percentage of dilution in relation to offering price	<u>35.7%</u>

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 are risk factors associated with the Corporation:

- (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 shall not generate earnings or pay dividends until at least after Completion of the Qualifying Transaction;

- (b) investment in the Common Shares offered by the prospectus is highly speculative given the proposed nature of the Corporation's business and 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 suffer an immediate dilution to its investment of approximately 35.7% or \$0.0357 per Common Share;
- (e) there can be no assurance that an active and liquid market for the Corporation's Common Shares will develop and an investor may find it difficult to resell its Common Shares;
- (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 (if listed on the Exchange) 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. If listed on the Exchange, 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) if listed on the Exchange, trading in the Common Shares of the Corporation may be halted at other times for other reasons, including for failure by the Corporation to submit documents to the Exchange in the time periods required;
- (m) if listed on the Exchange, 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) in the event that management of the Corporation resides outside of Canada or the Corporation identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts;

- (p) the Qualifying Transaction may be financed in whole or in part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation; and
- (q) subject to prior acceptance by the Exchange, the Corporation may be permitted to loan or advance up to an aggregate of \$250,000 of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Corporation will be able to recover that loan.

As a result of these factors, this Offering is 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.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Certain directors and officers of the Corporation have acquired Common Shares of the Corporation in the seed capital phase of the Corporation. In addition, each of the directors and officers of the Corporation will be granted options to purchase Common Shares pursuant to the Corporation's Option Plan. See "Principal Shareholders" and "Share Options".

MATERIAL CONTRACTS

The Corporation has not entered into any contracts material to investors in the Common Shares since the date of incorporation to the date hereof, other than the following:

1. Agency Agreement dated as of July 30, 2018 between the Corporation and the Agent. See "Plan of Distribution".
2. Escrow Agreement dated as of July 30, 2018 among the Corporation, Alliance Trust Company and those shareholders that executed such agreement. See "Escrowed Securities".
3. A registrar and transfer agency agreement dated July 17, 2018 between the Corporation and Alliance Trust Company. See "Auditor, Transfer Agent and Registrar".

Copies of these agreements will be available for inspection at the registered office of the Corporation located at 1600, 421 7th Avenue S.W., Calgary, Alberta T2P 4A9 during ordinary business hours while the securities offered by this prospectus are in the course of distribution and for a period of 30 days thereafter. Copies of these agreements are also available on the Corporation's profile on SEDAR at www.sedar.com.

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 Agent was not involved in the decision by the Corporation to distribute Common Shares pursuant to the Offering, nor was the Offering requested or suggested to the Corporation by the Agent. The Agent, through its corporate finance department, was involved in the determination of the terms of the Offering in its capacity as agent for the sale of the Common Shares on a commercially reasonable efforts agency basis. The Agent does not, prior to completion of the Offering, own directly or indirectly, any securities of the Corporation and the only proceeds of the Offering to be received by it is the remuneration to be paid to it in connection with the sale of the Common Shares, which includes the Agent's commission, the corporate finance fee payable to it and the Agent's Option. See "Plan of Distribution". The partners and associates of Gowling WLG (Canada) LLP and Borden Ladner Gervais LLP may subscribe pursuant to the Offering.

RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS

Certain legal matters relating to this Offering will be passed upon by Gowling WLG (Canada) LLP, on behalf of the Corporation, and by Borden Ladner Gervais LLP on behalf of the Agent. Messrs. Olley, Chmilar and Mix, who are lawyers with the law firm, Gowling WLG (Canada) LLP, are directors and/or officers of the Corporation and currently hold and aggregate of 3,000,100 Common Shares and will hold an aggregate of 1,050,000 Share Options. See "Officers, Directors and Promoters" and "Share Options".

Other than as set forth herein: a) no Person whose profession or business gives authority to a statement made by such Person and who is named in this prospectus has received or shall receive a direct or indirect interest in the property of the Corporation or any Associate or Affiliate of the Corporation; and b) as at the date hereof, the aforementioned Persons beneficially own, directly or indirectly, no securities of the Corporation or its Associates and Affiliates. In addition, other than as set forth above, none of the aforementioned Persons nor any director, officer or employee of any of the aforementioned Persons, is or is expected to be elected, appointed or employed as a director, senior officer or employee of the Corporation or of an Associate or Affiliate of the Corporation, or a Promoter of the Corporation or of an Associate or Affiliate of the Corporation.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of the Corporation is Kenway Mack Slusarchuk Stewart LLP, Chartered Professional Accountants, Chartered Accountants, Suite 1500, 333 11 Avenue S.W., Calgary, Alberta, T2R 1L9. The transfer agent and registrar is Alliance Trust Company, 1010, 407-2nd Street S.W., Calgary, Alberta, T2P 2Y3.

DIVIDEND POLICY

To date, the Corporation has not paid any dividends on its outstanding Common Shares. The future payment of dividends will be dependent upon the financial requirements of the Corporation to fund further growth, financial condition of the Corporation and other factors which the board of directors of the Corporation may consider in the circumstances. It is not contemplated that any dividends will be paid in the immediate or foreseeable future.

ELIGIBILITY FOR INVESTMENT

In the opinion of Gowling WLG (Canada) LLP, counsel to the Corporation, the Common Shares, if, as and when listed on a designated stock exchange (which includes Tiers 1 and 2 of the Exchange), will be qualified investments for a trust governed by a registered retirement savings plan ("RRSP"), a registered retirement income fund ("RRIF"), a registered education savings plan ("RESP"), a deferred profit sharing plan, a registered disability savings plan ("RDSP") or a tax-free savings account ("TFSA") as defined under the *Income Tax Act* (Canada) (the "Act") and the regulations made under that Act.

Notwithstanding that the Common Shares may be a qualified investment for a trust governed by an RRSP, RRIF or TFSA (a "**Plan**"), the annuitant of the RRSP or RRIF and the holder of a TFSA (the "**Controller**") will be subject to a penalty tax in respect of Common Shares acquired by a Plan if such Common Shares are a "prohibited investment" for the particular Plan. The Common Shares will generally be a "prohibited investment" of a Plan if the Controller of the Plan does not deal at arm's length with the Corporation for the purposes of the Act or has a "significant interest" (within the meaning of the Act) in the Corporation. Under proposals to amend the Act contained in the federal budget released on March 22, 2018, the prohibited investment rules will also apply to an RESP and RDSP, effective after March 22, 2018.

Prospective investors are urged to consult their own tax advisors.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the Provinces of Alberta, British Columbia and Ontario 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, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities

legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

FINANCIAL STATEMENTS OF THE CORPORATION
FOR THE PERIOD FROM INCORPORATION (JANUARY 31, 2018) TO APRIL 30, 2018

(Financial statements attached)

Cassowary Capital Corporation Limited
(a Capital Pool Corporation)

Financial Statements

From incorporation on January 31, 2018 to April 30, 2018



Independent Auditors' Report

To: The Directors of
Cassowary Capital Corporation Limited

We have audited the accompanying financial statements of **Cassowary Capital Corporation Limited**, which comprise the statement of financial position as at **April 30, 2018**, and the statements of comprehensive loss, changes in equity, and cash flows from incorporation on January 31, 2018 to April 30, 2018, and 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 auditors consider internal control relevant to the Company'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 Company'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 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, the financial position of Cassowary Capital Corporation Limited as at April 30, 2018, and its financial performance and its cash flows from incorporation on January 31, 2018 to April 30, 2018 in accordance with International Financial Reporting Standards.

Kenway Mack Slusarchuk Stewart LLP

Chartered Professional Accountants,
Chartered Accountants

July 30, 2018

Calgary, Alberta

Cassowary Capital Corporation Limited
Statement of Financial Position

As at April 30, 2018

Assets

Current assets

Cash held in trust	\$ 482,125
Deferred financing costs	<u>17,875</u>
	<u>\$ 500,000</u>

Liability and Shareholders' Equity

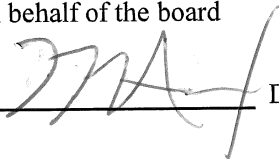
Current liability

Accounts payable	<u>\$ 10,000</u>
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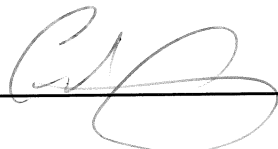
Shareholders' equity

Share capital (note 5)	495,005
Deficit	<u>(5,005)</u>
	<u>490,000</u>
	<u>\$ 500,000</u>

Approved on behalf of the board



Director



Director

Cassowary Capital Corporation Limited

Statement of Comprehensive Loss

From incorporation on January 31, 2018 to April 30, 2018

Revenue	\$ -
Expenses	
Professional fees	<u>5,005</u>
Net and comprehensive loss	<u>\$ (5,005)</u>
Basic and diluted earnings per share	<u>0.00</u>
Average weighted number of common shares	<u>0</u>

See accompanying notes to financial statements

Cassowary Capital Corporation Limited

Statement of Changes in Equity

From incorporation on January 31, 2018 to April 30, 2018

	Shares	Share capital	Deficit	Total
Balance, January 30, 2018	-	\$ -	\$ -	-
Net and comprehensive loss	-	-	(5,005)	(5,005)
Issuance of common shares	10,000,100	500,005	-	500,005
Offering costs	-	(5,000)	-	(5,000)
Balance, April 30, 2018	10,000,100	\$ 495,005	\$ (5,005)	490,000

See accompanying notes to financial statements

Cassowary Capital Corporation Limited

Statement of Cash Flows

From incorporation on January 31, 2018 to April 30, 2018

Operating activities

Net and comprehensive loss	\$	(5,005)
Change in non-cash working capital items		
Deferred financing costs		(17,875)
Accounts payable		<u>5,000</u>
		(17,880)

Financing activity

Issuance of share capital		<u>500,005</u>
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Net change during the period and cash at April 30, 2018	\$	<u>482,125</u>
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Cassowary Capital Corporation Limited

Notes to Financial Statements

April 30, 2018

1. **Nature of operations**

Cassowary Capital Corporation Limited (the "Company") was incorporated under the Business Corporations Act of Alberta on January 31, 2018. The Company maintains its head office and registered office at 1600, 421 - 7th Avenue SW Calgary, Alberta T2P 4K9. The Corporation is a Capital Pool Company ("CPC") as defined pursuant to Policy 2.4 of The TSX Venture Exchange (the "TSXV").

As a CPC, the proceeds raised by the Company from the issuance of common shares may only be used to identify and evaluate businesses and assets for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the sale of securities issued by the Company and \$210,000 may be used to cover prescribed costs of issuing common shares or administrative and general expenditures of the Company. These restrictions apply until the completion of a Qualifying Transaction by the Company as defined under the policies of the TSXV.

The Corporation has not conducted commercial operations. The Company's continuing operations are dependent upon its ability to evaluate and negotiate an agreement to acquire an interest in a material asset or business within twenty-four months of listing on the TSXV. There is no assurance that the Company will be able to complete a Qualifying Transaction within twenty-four months of being listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. TSXV may suspend or delist the Company's shares from trading should it not meet these requirements.

Where an acquisition or participation is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon its ability to obtain additional financing. Such an acquisition will be subject to regulatory approval and, if required, shareholder approval.

2. **Functional and presentation currency**

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

3. **Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB).

The financial statements were approved by the Board of Directors on July 30, 2018.

Cassowary Capital Corporation Limited

Notes to Financial Statements

April 30, 2018

4. Significant accounting policies

(a) Measurement uncertainty

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year.

It is management's opinion that there are no significant estimates that affected the reported amounts as at or for the period ended April 30, 2018.

(b) Financial instruments

Recognition

The Company recognizes financial assets and financial liabilities when it becomes party to the contractual provisions of the instrument.

Classification

Financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The classification of subsequently measured at amortized cost is used when the objective of the business model is hold assets and collect contractual cash flows, and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's cash is classified as a financial asset measured at fair value through profit and loss.

Financial liabilities are classified as subsequently measured at amortized cost, unless they meet the criteria for measurement at fair value or other prescribed measurement.

Measurement

Financial assets and financial liabilities classified as subsequently measured at amortized cost are initially measured at fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial asset or issue of the financial liability. Subsequently the financial assets and liabilities are measured at amortized cost using the effective interest rate method.

Impairment

Financial assets classified as subsequently measured at amortized cost or fair value through other comprehensive income reflect the Company's assessment of expected credit losses. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Cassowary Capital Corporation Limited

Notes to Financial Statements

April 30, 2018

4. Significant accounting policies, continued

(c) Deferred financing costs

Financing costs incurred related to the Company's proposed financing are deferred. Deferred cost consist primarily of agent and professional fees. Costs will be charged to share capital upon the issuance of shares. In the event that the share issuance does not occur, the costs will be charged to income in the period.

(d) Earnings per share

The Company presents basic and diluted earnings per share data for its common shares. Basic earnings per share is calculated by dividing earnings attributable to the equity shareholders by the weighted average number of common shares outstanding during the period. All of the shares held in escrow are considered contingently returnable until the Company completes a Qualifying Transaction and, accordingly, are not considered to be outstanding shares for purposes of the calculation. Diluted earnings per share are determined by adjusting the weighted average number of common shares for the dilutive effect of share based payments using the treasury stock method. Under this method, stock options, whose exercise price is less than the average market price of the Company's common shares, are assumed to be exercised and the proceeds used to repurchase common shares at the average market price for the period.

(e) Income taxes

Income taxes are calculated using the liability method of tax allocation accounting. Temporary differences arising from the difference between the tax basis of an asset or liability and its carrying value on the statement of financial position are used to calculate deferred income tax liabilities or assets. Deferred income tax liabilities or assets are calculated using tax rates anticipated to apply in the periods that the temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(f) Accounting standards issued but not yet adopted

The following is an overview of an accounting standard change that the Company will be required to adopt in future years. The Company does not expect to adopt the standard before its effective date.

IFRS 16 Leases

IFRS 16 Leases replaces the current leases guidance. Under the new standard lessees are required to apply the "right-of-use model" in accounting for leases of more than twelve months in length unless they are leases for which the underlying asset is of low value. The standard is effective for annual periods beginning on or after January 1, 2019. The Company does not expect a material impact on adoption of this standard on its statements of comprehensive income and financial position.

Cassowary Capital Corporation Limited

Notes to Financial Statements

April 30, 2018

5. Share capital

Authorized

Unlimited number of Common shares

Share issuance detail

On January 31 and April 30, 2018, the Company issued for cash consideration, 100 and 10,000,000 shares respectively, at a price of \$0.05 per common share, for total gross proceeds of \$500,005.

Escrowed shares

Pursuant to an escrow agreement dated July 30, 2018 between the Company, Alliance Trust Company and certain shareholders of the Company all of the issued and outstanding common shares have been deposited in escrow. Upon the Company completing a Qualifying Transaction, the TSXV will issue a bulletin announcing the final acceptance, and 10% of the common shares held pursuant to the escrow agreement shall immediately be released. Every six months following the initial release an additional 15% will be released. The release of the escrowed common shares will be accelerated if the resulting issuer meets the TSXV's Tier 1 initial listing requirements either at the time the bulletin announcing the final acceptance is released or subsequently.

Stock Options

The Company has adopted an incentive stock option plan which provides that the Board of Directors may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares. However, other than in connection with a Qualifying Transaction, during the time that the Company is a CPC, the aggregate number of Common Shares issuable upon exercise of all options granted under the Option Plan shall not exceed 10% of the Common Shares of the Company issued and outstanding at the closing of the Company's initial public offering. Such options will be exercisable for a period of up to ten years from the date of grant.

The Board of Directors determines the exercise price per common shares, the number of options granted to individual directors, officers, employees and consultants and all other terms and conditions of the options. The Plan is subject to regulatory approval.

As at April 30, 2018 no stock options have been granted.

Cassowary Capital Corporation Limited

Notes to Financial Statements

April 30, 2018

6. Financial instruments

The Company's financial instruments, consisting of cash held in trust and accounts payable, approximate fair value due to the relatively short maturities of the instruments. It is management's opinion that the Company is not exposed to significant interest, credit or currency risks arising from these instruments.

7. Capital management

The Company defines capital as total equity which was \$490,000 at April 30, 2018. The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets.

The Company does not have any externally imposed capital requirements to which it is subject other than the restriction on the use of cash as referred to in Note 1.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

8. Subsequent events

Prospectus

The Company is filing a Prospectus with the Alberta Securities Commission, Ontario Securities Commission, and British Columbia Securities Commission to issue 4,000,000 common shares at a price of \$0.10 per share. Pursuant to an Agency Agreement between the Corporation and Richardson GMP Limited (the "Agent"), the Company agreed to issue 4,000,000 common shares at a price of \$0.10 per share (the "Offering") and the Company appointed the Agent as its agent for the Offering. The Company has agreed to pay the Agent a commission of \$40,000 if the total Offering is sold; a corporation financing fee of \$15,000; and will reimburse the Agent for its legal fees estimated to be \$10,000 plus disbursements and applicable taxes. The Agent will also be granted, if the total Offering is sold, a non-transferable Agent's Option to purchase 400,000 common shares a price of \$0.10 per common share, which will expire 18 months from the date the common shares are listed for trading on the TSXV.

Stock option grants

The Company intends that, immediately after the closing of the offering, it will enter into stock option agreements granting stock options to certain officers and directors to acquire, in aggregate, 1,400,000 common shares at a price of \$0.10 per share and expiring 10 years from the date of grant.

CERTIFICATE OF THE CORPORATION

Dated: July 30, 2018

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 the Provinces of Alberta, British Columbia and Ontario.

"Stuart M. Olley" (signed)
Stuart M. Olley, Chief Executive Officer

"Gordon Chmilar" (signed)
Gordon Chmilar, Chief Financial Officer

ON BEHALF OF THE BOARD

"Martin B. Mix" (signed),
Martin B. Mix, Director

"Guy Lander" (signed)
Guy Lander, Director

CERTIFICATE OF THE PROMOTER

Dated: July 30, 2018

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 the Provinces of Alberta, British Columbia and Ontario.

"Stuart M. Olley" (signed)
Stuart M. Olley, Promoter

CERTIFICATE OF THE AGENT

Dated: July 30, 2018

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 the Provinces of Alberta, British Columbia and Ontario.

RICHARDSON GMP LIMITED

By: "Cameron Rees" (signed)
Cameron Rees
Vice President, Private Client Capital Markets