

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

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

PRELIMINARY PROSPECTUS

INITIAL PUBLIC OFFERING

DATED: June 7, 2019

A-LABS CAPITAL IV CORP. (a capital pool company)

Offering: \$200,000
2,000,000 Common Shares
Price: \$0.10 per Common Share

A-Labs Capital IV Corp. (the "**Corporation**") hereby offers through its agent (the "**Agent**"), Haywood Securities Inc., 2,000,000 common shares ("**Common Shares**") in the capital of the Corporation for sale to the public at a price of \$0.10 per Common Share for gross proceeds of \$200,000. The purpose of this offering (the "**Offering**") is to provide the Corporation with a minimum of funds with which to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction, as hereinafter defined. See "Glossary" for the definitions of capitalized terms herein. 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 must also receive Majority of the Minority Approval, 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".

Distribution

	Common Shares	Price to Public	Agent's Commission ⁽¹⁾	Proceeds to Corporation ⁽²⁾
Per Common Share	1	\$0.10	\$0.01	\$0.09
Offering	2,000,000	\$200,000	\$20,000	\$180,000

Notes:

- (1) A cash commission of 10% of the gross proceeds of the Offering will be paid to the Agent. In addition the Agent and its sub-agents, if any, will be granted Agent's Warrants to purchase 200,000 Common Shares equal to 10% of the aggregate number of Common Shares expected to be sold pursuant to the Offering, at a price of \$0.10 per Common Share, for a period of 24 months from the Listing Date, which Agent's Warrants are qualified for distribution under the Prospectus. The Agent will also be paid a corporate finance fee of \$10,000. The Agent will be reimbursed by the Corporation for its

legal fees and other reasonable expenses. The Corporation has made an advance payment of \$5,000 towards audit fees and expenses and a retainer of \$10,000 towards the Agent's expenses. See "Plan of Distribution – Agency Agreement and Agent's Compensation".

- (2) *Before deducting the additional costs of this issue estimated at \$65,000 which includes legal and audit fees and other expenses of the Corporation, the Agent's corporate finance fee, the Agent's legal fees and disbursements and the listing fees payable to the Exchange. See "Use of Proceeds".*
- (3) *The Corporation also intends on granting Incentive Stock Options to purchase 400,000 Common Shares, at a price of \$0.10 per Common Share exercisable for a period of five years from the Closing Date, to the Corporation's directors and officers in accordance with the policies of the Exchange, which options are also qualified for distribution under this Prospectus. See "Plan of Distribution", "Description of Securities Distributed" and "Options to Purchase Securities".*

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

Market for Securities

Other than the initial distribution of the Common Shares pursuant to this Prospectus, the grant of the Agent's Warrants and the concurrent grant of the Incentive Stock Options, trading in all securities of the Corporation is prohibited during the period between the date a receipt for the preliminary Prospectus is issued by each of the applicable securities commissions and the time the Common Shares are listed for trading on the Exchange except, subject to prior acceptance of the Exchange, where appropriate registration and Prospectus exemptions are available under securities legislation or where the applicable securities regulatory authority grants a discretionary order.

There is no market through which the Common Shares offered by this Prospectus may be sold and purchasers may not be able to resell the Common Shares purchased under this Prospectus. The Corporation has applied to list its Common Shares on the Exchange. Listing will be subject to the Corporation fulfilling all of the listing requirements of the Exchange.

Summary of Risk Factors

Investment in the Common Shares offered by this Prospectus is highly speculative due to the nature of the Corporation's business and its present stage of development. This Offering is suitable only to those investors who are willing to rely solely on the management of the Corporation and who are prepared to risk the loss of their entire investment. See a full discussion of "Risk Factors" below.

Upon completion of this Offering, purchasers will suffer an immediate dilution (based on the gross proceeds from this and prior share issuances without deduction of selling and related expenses) of \$0.025 or 25% per Common Share based on the gross proceeds of the Offering, before deduction of selling commissions or related expenses of the Offering. See "Dilution".

The Corporation was only recently incorporated and does not currently own any assets other than cash. The business objective of the Corporation is to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction that requires Exchange approval and in the case of a Non Arm's

Length Qualifying Transaction, Majority of the Minority Approval of the Corporation's shareholders. The Corporation has only limited funds with which to identify and evaluate potential Qualifying Transactions. Accordingly, there can be no assurance that the Corporation will successfully complete any Qualifying Transaction. 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. Where the investment or acquisition is financed by the issuance of Common Shares from the Corporation's treasury, control of the Corporation may change and shareholders may suffer significant dilution to their investment.

Investors must rely solely on the expertise of the Corporation's management for any possible return on their investment. The directors and officers of the Corporation will only devote a portion of their time to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the opportunities available to, and the activities of, the Corporation.

The Exchange may suspend from trading or delist the Common Shares where the Corporation has failed to complete a Qualifying Transaction within 24 months from the date of listing. Neither the Exchange nor any securities regulatory authority passes upon the merits of a proposed Qualifying Transaction.

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.

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

The Corporation will be in competition with other corporations with greater resources. The Corporation has neither a history of earnings nor has it paid any dividends and it is unlikely to generate earnings or pay dividends in the immediate or foreseeable future. See "Capitalization", "Business of the Corporation", "Directors, Officers and Promoters", "Use of Proceeds", "Conflicts of Interest" and "Risk Factors".

Maximum Investment

This Offering is subject to the CPC Policy and the securities laws of the Provinces of British Columbia and Alberta. Pursuant to the CPC Policy, no purchaser of the Common Shares is permitted to directly or indirectly purchase more than 2% of the total Common Shares offered under this Prospectus or 40,000 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 number of Common Shares offered under this Prospectus or 80,000 Common Shares. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that share certificates for the Common Shares evidencing the Common Shares in definitive form will be available for delivery on the Closing Date unless the Agent elects for delivery in electronic book entry form through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee. If delivered in book entry form, purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Common Shares were purchased.

Haywood Securities Inc., as Agent, conditionally offers these Common Shares, on a commercially reasonable efforts basis, if, as and when subscriptions are accepted by the Corporation, subject to prior sale,

in accordance with the terms and conditions of the Agency Agreement referred to under "Plan of Distribution" and subject to the approval of certain legal matters by DLA Piper (Canada) LLP, on behalf of the Corporation and Getz Prince Wells LLP by on behalf of the Agent.

Shay Benhamou resides outside of Canada. Although Shay Benhamou has appointed DLA Piper (Canada) LLP, as his agent for service of process in British Columbia it may not be possible for investors to collect from Shay Benhamou judgments obtained in courts in British Columbia predicated on the civil liability provisions of securities legislation.

No person is authorized to provide any information or to make any representation in connection with the Offering other than as contained in this Prospectus.

HAYWOOD SECURITIES INC.

Suite 700 - 200 Burrard Street
Vancouver, BC V6C 3L6
Telephone: 604.697.7100
Facsimile: 604.697.7499

TABLE OF CONTENTS

TABLE OF CONTENTS.....	v
GLOSSARY	vii
SUMMARY OF PROSPECTUS	1
Business of the Corporation	1
Offering	1
Use of Proceeds	1
Directors and Officers	1
Escrow	2
Risk Factors	2
CORPORATE STRUCTURE	3
Name and Incorporation	3
BUSINESS OF THE CORPORATION	3
Preliminary Expenses	3
Proposed Operations until Completion of a Qualifying Transaction	3
Method of Financing	3
Criteria for a Qualifying Transaction	4
Filings and Shareholder Approval of a Non Arm’s Length Qualifying Transaction	4
Potential Qualifying Transaction.....	5
Initial Listing Requirements	5
Trading Halts, Suspension and Delisting	5
Refusal of Qualifying Transaction	5
USE OF PROCEEDS	6
Proceeds and Principal Purposes	6
Permitted Use of Funds	7
Restrictions on Use of Proceeds.....	8
Private Placements for Cash.....	8
Prohibited Payments to Non Arm’s Length Parties.....	8
PLAN OF DISTRIBUTION.....	9
Agency Agreement and Agent's Compensation	9
Commercially Reasonable Efforts Offering	9
Other Securities To Be Distributed	10
Determination of Price	10
Listing Application.....	10
Subscriptions by and Restrictions on the Agent.....	10
Restrictions on Trading	10
DESCRIPTION OF THE SECURITIES DISTRIBUTED	10
CAPITALIZATION	11
OPTIONS TO PURCHASE SECURITIES	11
Agent’s Warrants.....	11
Stock Option Terms.....	12
DIVIDEND POLICY.....	12
PRIOR SALES.....	12
ESCROWED SECURITIES	13
Securities Escrowed Prior to the Completion of the Qualifying Transaction	13
Escrowed Securities On Qualifying Transaction.....	14
PRINCIPAL SHAREHOLDERS	15
DIRECTORS, OFFICERS AND PROMOTERS	16
Name, Address, Occupation and Security Holdings	16
Other Reporting Issuer Experience	18

Corporate Cease Trade Orders or Bankruptcies	18
Penalties or Sanctions.....	19
Personal Bankruptcies	19
Conflicts of Interest	19
EXECUTIVE COMPENSATION	19
DILUTION	20
RISK FACTORS	20
LEGAL PROCEEDINGS	22
RELATIONSHIP BETWEEN CORPORATION AND AGENT	22
RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS	22
INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	22
AUDITORS, TRANSFER AGENT AND REGISTRAR.....	22
Auditors.....	22
Transfer Agent and Registrar	22
MATERIAL CONTRACTS	22
ELIGIBILITY FOR INVESTMENT.....	23
OTHER MATERIAL FACTS	23
PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION.....	23
FINANCIAL STATEMENTS.....	23
CERTIFICATE OF THE CORPORATION	
CERTIFICATE OF THE PROMOTER	
CERTIFICATE OF THE AGENT	

GLOSSARY

The following is a glossary of capitalized and other terms & abbreviations used frequently throughout this Prospectus.

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

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

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

A Company is "controlled" by a Person if:

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

A Person beneficially owns securities that are beneficially owned by:

- (a) a Company controlled by that Person, or
- (b) an Affiliate of that Person or an Affiliate of any Company controlled by that Person.

"**Agency Agreement**" means the agency agreement dated as of ♦ between the Corporation and the Agent.

"**Agent**" means Haywood Securities Inc.

"**Agent's Warrants**" means the warrants issued by the Corporation to the Agent on completion of the Offering wherein the Agent will have the right to purchase 10% of the number of Common Shares sold pursuant to the Offering exercisable at the Offering Price, expiring 24 months from the Listing Date. For details see "Options to Purchase Securities".

"**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 Corporation 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 or Company, means

- (a) an issuer of which the Person or Company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer,
 - (b) any partner of the Person or Company,
 - (c) any trust or estate in which the Person or Company has a substantial beneficial interest or in respect of which a Person or Company serves as trustee or in a similar capacity,
 - (d) in the case of a Person, a relative of that Person, including
 - (i) that Person's spouse or child, or
 - (ii) any relative of the Person or of his spouse who has the same residence as that Person;
- but
- (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding Company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding Company.

"**Closing**" means the satisfaction of all conditions, and the completion of all steps and documents as required or contracted in order to effect the completion of the Offering.

"**Closing Date**" means the date the Offering is completed.

"**Common Shares**" or "**Shares**" means common shares in the capital of the Corporation.

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

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

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

"**Corporation**" means A-Labs Capital IV Corp., a corporation incorporated under the laws of the Province of British Columbia.

"**CPC**" means a corporation:

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

"**CPC Policy**" means Policy 2.4 of the Corporate Finance Manual of the Exchange, as may be amended from time to time.

"**Discounted Market Price**" means the Market Price less the following maximum discounts based on closing price (and subject, notwithstanding the application of any such maximum discount, to a minimum price per share, in the case of the Corporation while it is a CPC, of \$0.10):

Closing Price	Discount
up to \$0.50	25%
\$0.51 to \$2.00	20%
Above \$2.00	15%

"**Escrow Agent**" means TSX Trust Company, Calgary, Alberta.

"**Escrow Agreement**" means the escrow agreement among the Corporation, the Escrow Agent and the principal shareholders of the Corporation that will be effective on the Closing Date.

"**Exchange**" or the "**TSX-V**" means the TSX Venture Exchange Inc.

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

"**Final Receipt**" means written confirmation of acceptance for filing of this Prospectus received from each of the British Columbia Securities Commission, and the Alberta Securities Commission.

"**GST**" means the Canadian Goods and Services Tax.

"**Initial Public Offering**" or "**IPO**" means a transaction that involves an issuer issuing securities from its treasury pursuant to its first prospectus that has received a Final Receipt from the applicable regulatory authorities.

"**Incentive Stock Options**" means stock options to be issued to directors, officers and consultants of the Corporation pursuant to the terms of section 7 of the CPC Policy exercisable at prices and within time frames consistent with the terms of the CPC Policy and regulatory requirements.

"**Insider**" if used in relation to an issuer, means:

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

"**Listing Date**" means the date of listing of the Common shares on the Exchange.

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

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

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

"Market Price" means the last closing price of the Corporation's Common Shares on the Exchange before prescribed notice of an issuance of securities by the Corporation subject to certain exceptions as set out in the Policies of the Exchange.

"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.

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

"NEX" means the market on which former Exchange issuers that do not meet Exchange tier maintenance requirements for Tier 2 issuers may continue to trade.

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

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

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

"Offering" means the offering of Common Shares in accordance with the terms of this Prospectus.

"Person" means a Company or individual.

"Policy" means a policy issued by the Exchange.

"Principal" means

- (a) a Person or Company who acted as a promoter of the issuer within two years, or their respective Associates or Affiliates, before the date of the IPO Prospectus or Final Exchange Bulletin;

- (b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the IPO Prospectus or Final Exchange Bulletin;
- (c) a 20% holder – a Person or Company that holds securities carrying more than 20% of the voting rights attached to the issuer’s outstanding securities immediately before and immediately after the issuer’s IPO or immediately after the Final Exchange Bulletin for non IPO transactions;
- (d) a 10% holder – a Person or Company that
 - (i) holds securities carrying more than 10% of the voting rights attached to the issuer’s outstanding securities immediately before and immediately after the issuer’s IPO or immediately after the Final Exchange Bulletin for non IPO transactions; and
 - (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries.

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

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

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

"Pro Group" means:

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

- (i) the Person is an affiliate or associate of the Member acting at arm's length of the Member;
- (ii) the associate or affiliate has a separate corporate and reporting structure;
- (iii) there are sufficient controls on information flowing between the Member and the associate or affiliate; and
- (iv) the Member maintains a list of such excluded Persons.

"Promoter" has the meaning prescribed in section 1(1) of the *Securities Act* (British Columbia) and in the context of a CPC generally means a person who takes the initiative in founding, or organizing the business of the CPC.

"Prospectus" means this disclosure document of the Corporation required to be prepared in connection with a public offering of Common Shares, which document complies with the form and content requirements of a prospectus as promulgated under applicable securities laws.

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

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

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

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

"Sponsor" has the meaning specified in Exchange Policy 2.2 – Sponsorship and Sponsorship Requirements.

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

"TSX" means the Toronto Stock Exchange.

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

SUMMARY OF PROSPECTUS

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. Until the completion of a Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses in connection with a potential Qualifying Transaction. The Corporation has not commenced commercial operations and has no assets other than a minimal amount of cash. See "Business of the Corporation".

Offering

A total of 2,000,000 Common Shares are being offered under this Prospectus at a price of \$0.10 per Common Share for gross proceeds of \$200,000. This Offering is being made on a commercially reasonable efforts basis by the Agent.

In addition, the Corporation will, effective on Closing of the Offering, grant the Agent's Warrants to the Agent, that will provide the Agent with the right to purchase 10% of the number of Common Shares sold pursuant to the Offering that will be equal to 200,000 Common Shares at a price of \$0.10 per Common Share exercisable for a period of 24 months from the Listing Date, which Agent's Warrants are qualified for distribution under this Prospectus.

The Corporation also intends to grant Incentive Stock Options to its directors and officers to purchase in aggregate 400,000 Common Shares, which will be exercisable at \$0.10 per Common Share for a period of five years from the Closing Date which options are qualified for distribution under this Prospectus. See "Plan of Distribution".

Use of Proceeds

The net proceeds to the Corporation after deduction of the Agent's cash commission, but before deduction of the expenses of the Offering, the Agent's corporate finance fee and the expenses of the Agent, will be \$180,000. The net proceeds of this Offering together with the \$100,000 raised from a seed financing 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". Until completion of the Qualifying Transaction, neither the Corporation nor any party on behalf of the Corporation will engage the services of any person to provide investor relation activities or market making services.

Directors and Officers

The directors and officers of the Corporation – and the positions held by them – are as follows. See "Directors, Officers and Promoters".

Shay Benhamou - Chief Executive Officer, Promoter and Director
Yosef Shemesh - Chief Financial Officer, Corporate Secretary and Director
Hillar Lilles - Director
Robert Wilson - Director

Escrow

All of the currently issued and outstanding Common Shares of the Corporation, being 2,000,000 Common Shares have been 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

There is currently no established market for the Common Shares. Investment in the Common Shares must be regarded as highly speculative due to the proposed nature of the 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 the directors and officers of the Corporation will be subject to in connection with the operations of the Corporation.

Assuming completion of the Offering, an investor will suffer an immediate dilution of \$0.025 or 25% per Common Share. An acquisition financed by the issuance of Common Shares from treasury could result in a change in control of the Corporation and may cause the shareholder's interest in the Corporation to be further diluted. 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 "Risk Factors" below for more detailed information on the risks of an investment in the Corporation's Common Shares.

CORPORATE STRUCTURE

Name and Incorporation

The full name of the Corporation is "**A-Labs Capital IV Corp.**"

The registered office of the Corporation located at 2800 Park Place, 666 Burrard Street, Vancouver, British Columbia, Canada V6C 2Z7 and the head office is also located at 2800 Park Place, 666 Burrard Street, Vancouver, British Columbia, Canada V6C 2Z7.

The Corporation was incorporated pursuant to the provisions of the *Business Corporations Act* (British Columbia) on November 26, 2018 under the name "A-Labs Capital IV Corp." with authorized capital of an unlimited number of Common Shares without par value and an unlimited number of preferred shares without par value. The Corporation has no subsidiaries.

BUSINESS OF THE CORPORATION

Preliminary Expenses

The Corporation has incurred approximately \$21,000 in preliminary expenses to date all of which have been incurred since March 31, 2019 (the date of the most recent balance sheet included in this Prospectus) relating to professional fees and disbursements, filing fees, and taxes with respect to the requisite steps in proceeding with the Offering. Certain proceeds from the Offering may be used to satisfy the obligations of the Corporation related to this Offering, including the expenses of its auditors, legal counsel, and the Agent's legal counsel. See "Use of Proceeds" for total estimated expenses to completion of the Offering.

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 any commercial operations. The Corporation currently intends to pursue a Qualifying Transaction in the financial services industry but there is no assurance that this will, in fact, be the business sector of a proposed Qualifying Transaction or of the Corporation following Completion of the Qualifying Transaction.

Until completion of a Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as described under "Restrictions on Use of Proceeds" and "Private Placements for Cash", 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 a Qualifying Transaction, the Corporation has not yet entered into an Agreement in Principle.

Method of Financing

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

Criteria for a Qualifying Transaction

The board of directors of the Corporation must approve any proposed Qualifying Transaction. In exercising their powers and discharging their duties in relation to a proposed Qualifying Transaction, the directors will act honestly and in good faith with a view to the best interests of the Corporation and will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The potential acquisitions will be screened initially by management of the Corporation to determine their economic viability. Approval of acquisitions will be made by the board of directors. The board of directors will examine proposed acquisitions having regard to, among other things, the (a) projected rate of return; (b) risk of loss; (c) prospects for growth; (d) skill of the management team; and (e) basic financing considerations, including the costs of the acquisition and the prospect of obtaining debt or equity financing to complete the acquisition.

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

Upon the Corporation reaching an Agreement in Principle, the Corporation must issue a comprehensive news release, at which time the Exchange generally will halt trading in the 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. Upon acceptance by the Exchange, the Corporation must then either:

- (a) file the filing statement on SEDAR at least seven business days prior to closing of the Qualifying Transaction, and issue a news release which discloses the scheduled closing date for the Qualifying Transaction as well as the fact that the filing statement is available on SEDAR, or
- (b) mail the information circular and related proxy material to its shareholders in order to obtain the Majority of the Minority Approval of the Qualifying Transaction or other requisite approval, at a meeting of shareholders.

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

- (i) in the case of a Non Arm's Length Qualifying Transaction, confirmation of Majority of Minority Approval of the Qualifying Transaction;
- (ii) confirmation of closing of the Qualifying Transaction; and
- (iii) all post-meeting or final documentation, as applicable, otherwise required to be filed with the Exchange pursuant to the CPC Policy.

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

Potential Qualifying Transaction

The Corporation has not, as of the date hereof, entered into negotiations respecting a potential 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 Policy 2.1 and the related Policies of the Exchange.

Trading Halts, Suspension and Delisting

The Exchange will generally halt trading in the Common Shares from the date of the public announcement of an Agreement in Principle until all filing requirements of the Exchange have been satisfied, which includes the submission of a Sponsorship Acknowledgment Form, where the Qualifying Transaction is subject to sponsorship. In addition, personal information forms 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.

The Exchange may also impose a trading halt where the Corporation fails to file the supporting documents relating to the Qualifying Transaction within a period of 75 days after public announcement of the Agreement in Principle or if the CPC fails to file post-meeting or final documents as applicable, within the time required. A trading halt may also be imposed if 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 CPC within 24 months of the date of listing. In the event that the Common Shares of the Corporation are delisted by the Exchange, within 90 days from the date of such delisting, the Corporation shall wind up and shall make a pro rata distribution of its remaining assets to its shareholders, unless shareholders, pursuant to a majority vote exclusive of the votes of Non Arm's Length Parties to the Corporation, determine to deal with the Corporation or its remaining assets in some other manner. See "Filings and Shareholder Approval of a Non Arm's Length Qualifying Transaction".

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 proceeds from the sale of Common Shares and the principal uses of such proceeds by the Corporation are as follows:

- (a) gross proceeds of \$100,000 from the sale of 2,000,000 Common Shares at \$0.05 per Common Share prior to the date of this Prospectus;
- (b) gross proceeds of \$200,000 to be received by the Corporation from the sale of the Common Shares distributed under this Prospectus;
- (c) approximate expenses and costs of \$85,000 incurred to date and expected to be incurred in connection with the Offering. Such expenses include the Agent's commission, the Agent's corporate finance fee, regulatory fees, legal fees, audit fees, transfer agent fees, SEDAR fees, and general expenses; and
- (d) assuming the maximum proceeds are raised, the estimated funds, net of expenses and costs, to be available to the Corporation are approximately \$215,000.

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

PROCEEDS AND EXPENSES	AMOUNT
Gross cash proceeds raised prior to this Offering ⁽¹⁾	\$ 100,000
Gross cash proceeds to be raised pursuant to this Offering ⁽²⁾	200,000
Estimated expenses and costs relating to raising the seed share proceeds ⁽³⁾	-
Estimated expenses and costs relating to this Offering ⁽⁴⁾	(85,000)
Estimated funds available on completion of the Offering	215,000
Estimated general and administrative expenses until Completion of the Qualifying Transaction ⁽⁵⁾	(40,000)
Estimated Funds available for identifying and evaluating assets or business prospects ⁽⁶⁾	\$175,000

Notes:

- (1) See "Prior Sales"
- (2) In the event the Agent exercises the Agent's Warrants, or the directors or officers exercise their options, there will be available to the Corporation a maximum of an additional \$60,000 which will be added to the working capital of the Corporation. There is no assurance that any of these options will be exercised.
- (3) No issue costs have been allocated toward the issuance of the seed shares. See "Financial Statements".
- (4) Includes listing fees, Agent's commission, Agent's corporate finance fee, legal fees, audit fees and expenses.
- (5) Such expenses cover the maximum 24 month period that the Corporation has to complete a Qualifying Transaction, and includes estimated professional fees, office overhead, filing fees and due diligence expenses.
- (6) In the event that the Corporation enters into an Agreement in Principle prior to spending the \$175,000 available for 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 of this Offering 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:

- (i) valuations or appraisals;
- (ii) business plans;
- (iii) feasibility studies and technical assessments;
- (iv) sponsorship reports;
- (v) engineering or geological reports;
- (vi) financial statements, including audited financial statements;
- (vii) fees for legal and accounting services; and
- (viii) Agent's fees, costs and commissions

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

Until Completion of a Qualifying Transaction, no proceeds will be used to acquire or lease a vehicle.

Private Placements for Cash

After the closing of the Offering and until the Completion of the Qualifying Transaction, the Corporation will not issue any securities unless written acceptance of the Exchange is obtained before issuance. Prior to the Completion of the Qualifying Transaction, the Exchange generally will not accept a private placement by the Corporation where the gross proceeds raised from the issuance of securities both prior to and pursuant to the Offering, together with any proceeds anticipated to be raised upon closing of the private placement, will exceed \$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 in "Options to Purchase Securities" and "Restrictions on Use of Proceeds" the Corporation has not made, and until the Completion of the Qualifying Transaction will not make, any payment of any kind, directly or indirectly, to a Non Arm's Length Party to the Corporation or a Non Arm's Length Party to the Qualifying Transaction, or to a Person engaged in investor relations activities, by any means, including:

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

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

Notwithstanding the above, the Corporation may reimburse a Non Arm's Length Party to the Corporation for reasonable expenses for office supplies, office rent and related utilities, equipment leases (excluding vehicle leases), and legal services (provided that if the lawyer receiving the remuneration is a sole practitioner, or a member of an association of sole practitioners, the lawyer is not a Promoter of the CPC and if the legal services are provided by a firm of lawyers, no member of the law firm is a Promoter or owns greater than 10% of the 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 dated as of ♦ between the Corporation and the Agent, the Corporation has appointed the Agent as its agent to offer for sale on a commercially reasonable efforts basis to the public of 2,000,000 Common Shares as provided in this Prospectus, at a price of \$0.10 per Common Share, for gross proceeds of \$200,000, subject to the terms and conditions contained in the Agency Agreement. The Agent will receive a commission of 10% of the aggregate gross proceeds of the Offering. In addition, the Corporation has paid to the Agent a corporate finance fee of \$10,000 and will reimburse the Agent for its reasonable legal fees and other reasonable expenses.

The Corporation has also agreed to grant the Agent's Warrants to the Agent which constitute nontransferable options to purchase the equivalent of 10% of the aggregate number of Common Shares sold pursuant to the Offering, being 200,000 Common Shares, at a price of \$0.10 per Common Share which Agent's Warrants may be exercised for a period of 24 months from the Listing Date. The Agent's Warrants are qualified for distribution under this Prospectus. Not more than 50% of the Common Shares received on the exercise of the Agent's Warrants may be sold by the Agent prior to the Completion of the Qualifying Transaction. The remaining 50% may be sold after the Completion of the Qualifying Transaction. The Agent has agreed to use its 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 provided in the Agency Agreement.

Commercially Reasonable Efforts Offering

The total Offering consists of 2,000,000 Common Shares for gross proceeds of \$200,000. Under the CPC Policy, no purchaser of the Common Shares is permitted to purchase more than 2% of the Offering, being 40,000 Common Shares. 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% of the Offering, being 80,000 Common Shares. The funds received from the Offering will be held by the Agent and will not be released until \$200,000 has been received by the Agent. Minimum subscriptions of 2,000,000 Common

Shares for \$200,000 must be raised within 90 days from the date of the receipt for the final prospectus, or such other time as may be consented to by persons or companies who subscribed within that period, failing which the Agent will remit the funds collected to the original subscribers without interest or deduction, unless subscribers have otherwise instructed the Agent.

Other Securities To Be Distributed

The Corporation also proposes to grant Incentive Stock Options to the directors and officers of the Corporation to purchase 400,000 Common Shares of the Corporation as at the Closing of the Offering in accordance with the policies of the Exchange, which options and the Common Shares to be issued upon the due exercise thereof, are qualified for distribution under this Prospectus. The options are expected to be granted on the Closing Date and will be exercisable at \$0.10 per Common Share for five years from the Closing Date.

Determination of Price

The offering price per Common Share was determined by negotiation between the Corporation and the Agent.

Listing Application

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

Subscriptions by and Restrictions on the Agent

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

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

Restrictions on Trading

Other than the initial distribution of the Common Shares pursuant to this Prospectus, the grant of the Agent's Warrants and the grant of Incentive Stock Options to the directors, and officers of the Corporation, no securities of the Corporation will be permitted to be issued during the period between the date a receipt for the preliminary Prospectus is issued by the British Columbia Securities Commission 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

The Corporation is authorized to issue an unlimited number of Common Shares without par value and an unlimited number of preferred shares without par value, of which 2,000,000 Common Shares are issued and outstanding as fully paid and non-assessable in the capital of the Corporation as at the date hereof. There are no other classes of shares in the capital of the Corporation.

The Corporation, through the Agent, proposes to distribute 2,000,000 Common Shares pursuant to this Prospectus. The holders of Common Shares are entitled to one vote per Common Share at meetings of the shareholders of the Corporation, are entitled to dividends, if, as and when declared by the board of directors, and, upon liquidation, to share equally in such assets of the Corporation as are distributable to the holders

of Common Shares. All Common Shares to be outstanding after completion of this Offering will be fully paid and non-assessable.

200,000 Common Shares will be reserved for issuance pursuant to the Agent's Warrants and 400,000 Common Shares are expected to be reserved pursuant to Incentive Stock Options to be granted to the directors and officers of the Corporation. See "Plan of Distribution" and "Options to Purchase Securities". See also "Escrowed Securities".

CAPITALIZATION

The following table sets out the capitalization of the Corporation as at the date hereof before and after giving effect to the Offering:

Designation of Securities	Amount authorized	Amount outstanding as of the date of the most recent balance sheet contained in the Prospectus ⁽¹⁾	Amount outstanding as of a date within 30 days of the Prospectus	Amount to be outstanding upon completion of Offering
Common Shares	Unlimited	2,000,000 (\$100,000)	2,000,000 (\$100,000)	4,000,000 ⁽²⁾⁽³⁾ (\$300,000)

Notes:

- (1) As at the date of the Corporation's most recent balance sheet (March 31, 2019), the Corporation had not commenced commercial operations.
- (2) The above figures do not include Common Shares reserved for issuance upon the exercise of the Agent's Warrants or the Incentive Stock Options. Up to 200,000 Common Shares will be reserved for issuance pursuant to the Agent's Warrants. 400,000 Common Shares are expected to be reserved for issuance pursuant to Incentive Stock Options.
- (3) The proceeds from the sale of the Offering will be \$200,000 before deducting the Agent's commission, corporate finance fee and expenses and the fees, expenses and other costs of the Offering estimated at \$80,000.

OPTIONS TO PURCHASE SECURITIES

Agent's Warrants

As of the date hereof, the Corporation has agreed to grant the Agent's Warrants to the Agent to purchase the equivalent of 10% of the aggregate number of Common Shares sold pursuant to the Offering, as follows:

Warrant Holder	Number of Agents Warrants Each Carrying the Right to Purchase One Common Share	Exercise Price	Expiry Date
Haywood Securities Inc.	200,000	\$0.10 per Common Share	24 months after the Listing Date

Incentive Stock Options

As of the date hereof, the Corporation intends to grant Incentive Stock Options to the directors and officers of the Corporation following the Closing of the Offering, as follows:

Optionee	Number of Common Shares Optioned ⁽¹⁾	Exercise Price	Expiry Date ⁽¹⁾
Shay Benhamou	100,000	\$0.10 per Common Share	Five years after the Closing Date

Optionee	Number of Common Shares Optioned ⁽¹⁾	Exercise Price	Expiry Date ⁽¹⁾
Yosef Shemesh	100,000	\$0.10 per Common Share	Five years after the Closing Date
Hillar Lilles	100,000	\$0.10 per Common Share	Five years after the Closing Date
Robert Wilson	100,000	\$0.10 per Common Share	Five years after the Closing Date
Total:	400,000		

Note:

(1) The Incentive Stock Options to purchase 400,000 Common Shares which the Corporation proposes to grant to the directors and officers of the Corporation upon the Closing of the Offering are qualified for distribution pursuant to the Prospectus.

The Corporation has adopted the stock option granting, pricing, exercise and other requirements of the Exchange as largely contained in section 7 of the CPC Policy. When the Incentive Stock Options are granted they will be granted pursuant to such terms. See "Stock Option Terms" below.

Stock Option Terms

The Corporation may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, and technical consultants to the Corporation, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares of the Corporation as at the closing of the IPO, exercisable for a period of up to 10 years from the Closing Date. The exercise price of options to purchase Common Shares will be the greater of the IPO Common Share price and the Discounted Market Price. The number of Common Shares reserved for issuance to any individual optionee will not exceed five percent (5%) of the issued and outstanding Common Shares as at the closing of the IPO and the number of Common Shares reserved for issuance to all consultants will not exceed two percent (2%) of the issued and outstanding Common Shares as at the closing of the IPO. No options may be granted to investor relations service providers. Subject to the expiry date of the options held, where an optionee ceases to be a director, officer, or technical consultant, the period in which options held by such an optionee may be exercised is the greater of 12 months after the Completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation of office, directorship, or consulting arrangement was by reason of death, the options may be exercised within one (1) year after such death. Any Common Shares acquired pursuant to the exercise of options prior to the Completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. See "Escrowed Securities".

After the Corporation has completed a Qualifying Transaction, the Corporation expects to adopt a rolling 10% stock option plan consistent with Policy 4.4 of the Exchange in modification of the above option terms.

DIVIDEND POLICY

No dividends have been paid on any of the Common Shares of the Corporation since the date of its incorporation and it is not contemplated that any dividends will be paid in the foreseeable future.

PRIOR SALES

Since the date of incorporation of the Corporation, 2,000,000 Common Shares have been allotted and issued as follows:

Date	Number of Common Shares⁽²⁾	Issue Price per Common Share	Aggregate Issue Price	Consideration Received
November 26, 2018 ⁽¹⁾	1	\$0.05	\$0.05	\$0.05 Cash
January 21, 2019	2,000,000	\$0.05	\$100,000	\$100,000 Cash

Notes:

- (1) *The Incorporator's share was repurchased by the Corporation*
(2) *All above Common Shares are escrowed. See "Escrowed Securities".*

ESCROWED SECURITIES

Securities Escrowed Prior to the Completion of the Qualifying Transaction

All 2,000,000 Common Shares issued prior to this Offering at a price below \$0.10 per Common Share (see "Prior Sales"), all Common Shares that may be acquired by Non Arm's Length Parties of the Corporation either under the Offering or otherwise from treasury prior to Completion of the Qualifying Transaction and all Common Shares acquired by members of the Pro Group prior to this Offering will be deposited with the Escrow Agent under the Escrow Agreement.

All Common Shares acquired on exercise of Incentive 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 is or becomes a Control Person are required to be deposited in escrow. Subject to certain exemptions permitted by the Exchange, all securities of the Corporation held by Principals of the Resulting Issuer, will also be escrowed.

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

Name and Municipality of Residence of Shareholder	Common Shares Owned	Number of Common Shares held in escrow	Percentage of Common Shares prior to giving effect to the Offering	Percentage of Common Shares after giving effect to the Offering⁽¹⁾
Shay Benhamou, Ashdod, Israel	1,100,000 ⁽²⁾	1,100,000	55%	27.5%
Yosef Shemesh Keisarya, Israel	500,000	500,000	25%	12.5%
Hillar Lilles Calgary, AB	200,000	200,000	10%	5%
Robert Wilson Toronto, ON	200,000	200,000	10%	5%
TOTAL:	2,000,000	2,000,000	100%	50%

Notes:

- (1) *The percentages in this column are calculated on an undiluted basis (do not include the exercise of any proposed stock options, warrants or other convertible securities) and on the basis that the directors do not purchase any of the Common Shares in the Offering. See "Options to Purchase Securities".*
(2) *These shares are held by EDJ Investments Ltd., a holding company owned by Mr. Benhamou.*

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

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

If, upon completion of a Qualifying Transaction, the Corporation meets the Exchange's Tier 1 initial listing requirements either at the time the Final Exchange Bulletin is issued or subsequently, the release of the escrowed Common Shares will be accelerated. An accelerated escrow release will not commence until the Resulting Issuer has made application to the Exchange for listing as a Tier 1 issuer and the Exchange has issued a bulletin that announces the acceptance for listing of the Resulting Issuer on Tier 1 of the Exchange.

The Exchange's prior consent must be obtained before a transfer within escrow of escrowed Common Shares. Generally, the Exchange will only permit a transfer within escrow to be made to incoming Principals in connection with a proposed Qualifying Transaction.

If a Final Exchange Bulletin is not issued, the escrowed Common Shares will not be released. Under the Escrow Agreement each Non Arm's Length Party to the Corporation who holds escrowed Common Shares acquired at a price below the Offering price under this Prospectus has irrevocably authorized and directed the Escrow Agent to immediately:

- (a) cancel all of those escrowed Common Shares upon the issuance by the Exchange of a bulletin delisting the Common Shares of the Corporation; or
- (b) if the Corporation is listed on NEX, either:
 - (i) cancel all Seed Shares (as defined in the policies of the Exchange) purchased by Non Arm's Length Parties to the CPC at a discount from the IPO price, in accordance with section 11.2(a) of 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 (as defined in the policies of the Exchange) 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 of the securities issued to Principals of the Resulting Issuer pursuant to the Qualifying Transaction will be deposited into escrow pursuant to a value security agreement (the "**Value Security Escrow Agreement**"). "Value Securities" are securities issued pursuant to a transaction, for which the deemed value of the securities at least equals the value ascribed to the asset, using a valuation method acceptable to the Exchange, or securities that are otherwise determined by the Exchange to be Value Securities and required to be placed in escrow under a Value Security Escrow Agreement. However, if at least 75% of the securities issued pursuant to the Qualifying Transaction are not Value Securities, all securities issued pursuant to the Qualifying Transaction will be deposited into a surplus security escrow agreement (a "**Surplus Security Escrow Agreement**").

The principal distinction between a Value Security Escrow Agreement and a Surplus Security Escrow Agreement is the time period for release of securities from escrow. In the case of a Resulting Issuer that will be a Tier 2 issuer when the Final Exchange Bulletin is issued, the Value Security Escrow Agreement provides for a three year escrow release mechanism with 10% of the escrowed securities being releasable at the time of the Final Exchange Bulletin, and 15% of the escrowed securities being releasable every 6 months thereafter, on each of the 6, 12, 18, 24, 30 and 36 month anniversaries of the Final Exchange Bulletin. In the case of a Resulting Issuer that will be a Tier 2 issuer 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, with 25% of the escrowed securities being releasable every 6 months thereafter. In the case of a Resulting Issuer that will be a Tier 1 issuer when the Final Exchange Bulletin is issued, the Surplus Security Escrow Agreement provides for an 18 month escrow release mechanism with 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 ("principal shareholders") as at the date hereof:

Name and Municipality of Residence of Shareholder	Type of Ownership	Number of Common Shares	Percentage of Common Shares Prior to Giving Effect to the Offering	Percentage of Common Shares After Giving Effect to the Offering ⁽¹⁾
Shay Benhamou, Ashdod, Israel	Indirect	1,100,000 ⁽²⁾	55%	27.5%
Yosef Shemesh Keisarya, Israel	Direct	500,000	25%	12.5%
Hillar Lilles Calgary, AB	Direct	200,000	10%	5%
Robert Wilson Toronto, ON	Direct	200,000	10%	5%

Notes:

- (1) *The figures given in this column are on an undiluted basis. On a fully diluted basis after giving effect to the Offering, the exercise of the Agent's Warrants and the exercise of the Incentive Stock Options, Mr. Benhamou would own 1,200,000 Common Shares or 26% of the issued and outstanding Shares of the Corporation, and Mr. Shemesh would own 600,000 Common shares or 13% of the issued and outstanding Shares of the Corporation.*
- (2) *These shares are held by EDJ Investments Ltd., a holding company owned by Mr. Benhamou.*

DIRECTORS, OFFICERS AND PROMOTERS

Name, Address, Occupation and Security Holdings

The board of directors of the Corporation consists of four (4) persons and there are two executive officers. Each director and officer holds office until the next annual meeting of shareholders or until his or her successor is elected or appointed. An audit committee has been established as a subcommittee of the board of directors. Prescribed information regarding the Corporation's directors and officers is as follows:

Name, Age, Municipality of Residence & Position with the Corporation	Director or Officer Since	Number of Common Shares Owned	Principal Occupation
Shay Benhamou ⁽¹⁾ , 45 Ashdod Israel Chief Executive Officer and Director	November, 2018	1,100,000	Mr. Benhamou is the owner of EDJ Investments Ltd. (since 2006).
Yosef Shemesh, 54 Keisarya, Israel, Chief Financial Officer, Corporate Secretary and Director	November, 2018	500,000	Mr. Shemesh is presently the CFO and a director of Liacom Systems Ltd. (since 2012). He is also presently a Consultant with Shemesh Metals (since 2012)
Hillar Lilles ⁽¹⁾ , 46 Calgary Alberta, Director	November, 2018	200,000	Mr. Lilles is presently a Senior Geophysicist at Frontera Energy Corp., and its predecessors (since 2014).
Robert Wilson ⁽¹⁾ , 59 Toronto, Ontario Director	January 2019	200,000	Mr. Wilson is the principal of Temperance Capital (since 2014) where he continues to act as Managing Director and a significant shareholder.

(1) *Member of the Audit Committee of the Corporation.*

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

The directors and officers of the Corporation, as a group, own 2,000,000 Common Shares, being 100% of the issued Common Shares of the Corporation as of the date hereof, or approximately 50% of the issued and outstanding Shares after giving effect to the Offering. For particulars of the shareholdings of the directors and officers, see "Principal Shareholders".

Background information with respect to each member of management of the Corporation, including the individual's principal occupation or employment during the five years prior to the date of this prospectus, is as follows:

Shay Benhamou, Age 45 Chief Executive Officer, and Director

As the CEO of the Corporation, Mr. Benhamou is the lead member of management of the Corporation. Mr. Benhamou has many years experience in international trading and capital markets. He is currently the owner of EDJ Investments Ltd.

He obtained his Bachelors in Finance from Concordia University in 1996.

Yosef Shemesh, Age 55, Chief Financial Officer, Corporate Secretary and Director

Mr. Shemesh is currently the Chief Financial Officer of Liacom Systems Ltd., an advisory firm that provides consultants and IT professionals in the telecommunications field. He is also presently a Consultant with Shemesh Metals since 2012. Previously, he was a consultant for the Logia Group from 2010 - 2012 and the Vice President of Operations for BluePhoenix Solutions from 2003 - 2010, which specializes in modernizing outdated technology platforms.

He obtained his CPA from the Ben-Gurion University of the Negev in 1991 and his executive MBA from Tel Aviv University in 1999

Hillar Lilles, Age 46, Director

Mr. Lilles is a Professional Geoscientist and a member of the Association of Professional Engineers and Geoscientists of Alberta. Mr. Lilles has many years of experience working in the extractive resource industry, with the majority of his time having been focused on the exploration and development of oil and gas. Mr. Lilles was President and Chief Geophysicist of Blackhawk Resource Corp. from Sept 2009 - Sept 2010 and President and Senior Geophysicist of Black Bore Explorations Ltd. from Sept 2008 - Sept 2019.

He holds a Bachelor of Science degree in Geological Engineering, and a BA in Economics, both from Queen's University in Kingston. He holds dual Canadian and Estonian citizenships and speaks both English and Spanish.

Robert Wilson, Age 59, Director

Mr. Wilson is the managing director of the private debt fund, Temperance Capital and a significant shareholder. Temperance is in the business of making royalty-based investments in Canadian and US companies and through Temperance Capital Income Trust, offers investment units primarily to accredited and eligible investors under an Offering Memorandum.

Prior to forming Temperance, Mr. Wilson served as an executive and director of a number of private investment funds and public companies including as executive vice president and director of Asia BioChem

Group where he was responsible for all corporate governance, financial and regulatory reporting. He was also a director of Liuyang Fireworks and Gourmet Ocean Products.

Mr. Wilson holds a Bachelor of Commerce degree from Carleton University and currently serves as President of Wealthcraft Capital Inc. and Managing Director of Temperance Capital Corp.

Other Reporting Issuer Experience

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

Name	Name of Reporting Issuer	Name of Exchange or Market	Position	From	To
Robert Wilson	Wealthcraft Capital Inc.	Pink Sheets	CEO	Sept 2018	Present
	Gourmet Ocean Products Inc.	TSX-V	Director	March 2014	Jan 2019
	Liuyang Fireworks Ltd.	TSX-V	Director	July 2011	Nov 2015
	Asia Bio-Chem Group Corp.	TSXV	VP	Jan 2008	July 2015

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below with respect to Robert Wilson, to the Corporation's knowledge no director, officer, insider or promoter of the Corporation or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is, or within 10 years before the date of the Prospectus, has been a director, officer, insider or promoter of any other issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days, or
- (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Robert Wilson was a director of Asia Packaging Group Inc. ("Asia Packaging"), which was a reporting issuer listed on the TSX Venture Exchange. Together with the other Canadian directors of Asia Packaging, Mr. Wilson resigned from the board of directors of Asia Packaging on November 6, 2013. On December 6, 2013, the British Columbia Securities Commission issued a cease trade order against Asia Packaging for failing to file interim financial statements and management's discussion and analysis in the prescribed time. A similar order was issued by the Alberta Securities Commission on March 7, 2014. On May 21, 2014, the securities of Asia Packaging were delisted from the TSX Venture Exchange.

On April 25, 2014, class action proceedings (the "Claims") were filed in Alberta and British Columbia on behalf of the shareholders of Asia Packaging against Asia Packaging, its auditors and its former directors, including Mr. Wilson (the "Former Directors"). The Claims allege negligence, breach of duty of care and misrepresentations in certain of Asia Packaging's public disclosure documents. As at the date hereof, neither of the Claims has been certified as a class proceeding and neither Asia Packaging nor any of the Former Directors filed a statement of defence in connection with the Claims. In 2017, the Claims with respect to the Former Directors were settled pursuant to a settlement agreement. No determination of liability or fault was made with respect to the Former Directors and no admission of liability or fault was made by the Former Directors.

Penalties or Sanctions

To the Corporation's knowledge, no director, officer, insider, or promoter or a shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation, or a personal holding company of any such person 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 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

To the Corporation's knowledge no director, officer insider, or promoter or a shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation, or a personal holding company of any such person has, within the ten years prior to the date of the Prospectus, as applicable become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

Conflicts of Interest

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

Promoter

Shay Benhamou may be considered to be the Promoter of the Corporation in that he took the initiative in organizing the management of the Corporation. As of the date hereof, Mr. Benahmou owns, through EDJ Investment Ltd., 1,100,000 Common Shares and will be granted 100,000 Incentive Stock Options upon the Closing of the Offering. See "Principal Shareholders", "Prior Sales" and "Options to Purchase Securities".

EXECUTIVE COMPENSATION

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

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

The Corporation may reimburse Non Arm's Length Parties for the Corporation's reasonable allocation of rent, secretarial services and other general administrative expenses, at fair market value ("**Permitted Reimbursement**"), which reimbursements, since incorporation, have totaled the aggregate sum of \$Nil. No reimbursement may be made for any payment made to lease or buy a vehicle.

The directors and officers of the Corporation will also be granted stock options as more particularly described under the heading "Options to Purchase Securities".

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

DILUTION

Purchasers of Common Shares under this Prospectus will suffer an immediate dilution of \$0.025, or 25%, per Common Share on the basis of there being 4,000,000 Common Shares issued and outstanding following completion of this Offering. Dilution has been computed on the basis of total gross proceeds to be raised by this Prospectus and from sales of securities prior to filing this Prospectus, without deduction of commissions or related expenses incurred by the Corporation.

RISK FACTORS

A purchase of Common Shares of the Corporation is highly speculative, involving a number of substantial risks. The list below outlines material risk factors, which list is not exhaustive, that should be considered by persons considering purchasing the Common Shares:

- (a) the Corporation was only recently incorporated, has not commenced commercial operations and has no assets other than cash. It has no history of earnings, and shall not generate earnings or pay dividends until at least after Completion of the Qualifying Transaction. See "Corporate Structure", "Business of the Corporation" and "Proposed Operations until Completion of a 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 its present stage of development;
- (c) the directors and officers of the Corporation will only devote a portion of their time to the business and affairs of the Corporation and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time. See "Directors, Officers and Promoters" and "Conflicts of Interest";
- (d) assuming completion of the Offering, an investor will suffer an immediate dilution to the investor's investment of 25% or \$0.025 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. See "Proposed Operations until Completion of a Qualifying Transaction";
- (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. See "Filings and Shareholder Approval of a Non Arm's Length Qualifying Transaction";
- (j) unless the shareholder has the right to dissent and be paid fair value in accordance with applicable corporate or other law, a shareholder who votes against a proposed Non Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Corporation of fair value for the Common Shares;
- (k) upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares of the Corporation will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained and certain preliminary reviews have been conducted. The Common Shares of the Corporation will be reinstated to trading before the Exchange has reviewed the transaction and before the Sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Corporation completing the proposed Qualifying Transaction. See "Business of the Corporation" and "Trading Halts, Suspension and Delisting";
- (l) 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. See "Trading Halts, Suspension and Delisting";
- (m) the Exchange will generally suspend trading in the Corporation's Common Shares or delist the Corporation in the event that the Exchange has not issued a Final Exchange Bulletin within 24 months from the date of listing. See "Trading Halts, Suspension and Delisting";
- (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 all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation. See "Method of Financing"; and
- (q) subject to prior Exchange acceptance, the Corporation may be permitted to loan or advance up to an aggregate of \$250,000 of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Corporation will be able to recover that loan. See "Permitted Use of Funds".

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.

LEGAL PROCEEDINGS

The Corporation is not currently a party to any actual or pending material legal proceedings to which the Corporation is or is likely to be a party or of which any of its assets are or are likely to be subject. Management of the Corporation is not currently aware of any legal proceedings contemplated against the Corporation.

RELATIONSHIP BETWEEN CORPORATION AND AGENT

Neither the Corporation nor any of its directors or officers is a "connected issuer" or a "related issuer" as those terms are defined in National Instrument 33-105, of the Agent. No member of the Pro Group related to the Agent will hold any Common Shares upon completion of the Offering.

RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS

No professional person 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.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The directors and officers have acquired a total of 2,000,000 Common Shares of the Corporation and a total of 400,000 Common Shares are expected to be reserved for the management of the Corporation pursuant to Incentive Stock Options to be granted following Closing of the Offering. See "Options to Purchase Securities".

AUDITORS, TRANSFER AGENT AND REGISTRAR

Auditors

The auditors of the Corporation are RSM Canada LLP with an address of Suite 700, 11 King Street West, Toronto, Ontario, M5H 4C7.

Transfer Agent and Registrar

The transfer agent and registrar of the Corporation is TSX Trust Company, 300 5th Avenue SW, 10th Floor, Calgary, Alberta T2P 3C4.

MATERIAL CONTRACTS

The Corporation has not entered into, or will not enter into, any contracts or plans material to investors in the Common Shares since incorporation, other than contracts in the ordinary course of business, except

- (a) Agency Agreement between the Corporation and the Agent. See "Plan of Distribution".
- (b) Escrow Agreement between the Corporation, the Escrow Agent and the Principal Shareholders. See "Escrowed Securities".

Copies of these documents will be available for inspection at the registered office of the Corporation located at 2800 Park Place, 666 Burrard Street, Vancouver, British Columbia, Canada V6C 2Z7, during ordinary business hours while the Common Shares offered by this Prospectus are in the course of distribution and for a period of 30 days thereafter.

ELIGIBILITY FOR INVESTMENT

If, as and when the Common Shares are listed on a “designated stock exchange” (as defined in the Income Tax Act (Canada) (the "**Tax Act**") and the regulations thereunder), the Common Shares are expected to be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), registered education savings plan, deferred profit sharing plan, registered disability savings plan or a tax-free savings account ("**TFSA**"). Tier 1 and Tier 2 of the Exchange are currently designated stock exchanges for these purposes. Notwithstanding the foregoing, the annuitant or holder of an RRSP, RRIF or TFSA, as the case may be, will be subject to a penalty tax on such Common Shares held in the RRSP, RRIF or TFSA if such Common Shares are a "prohibited investment" for purposes of section 207.01 of the Tax Act. The Common Shares will generally be a "prohibited investment" if the annuitant of the RRSP or RRIF or the holder of the TFSA either a) does not deal at arm's length with the Corporation for purposes of the Tax Act or b) has a "significant interest" (within the meaning of that term in the Tax Act) in the Corporation. Prospective subscribers that intend to hold Common Shares in an RRSP, RRIF or TFSA are urged to consult their own tax advisors as to whether such shares would constitute a "prohibited investment" in their particular circumstances.

OTHER MATERIAL FACTS

There are no other material facts relating to the securities to be offered and not disclosed elsewhere in this Prospectus.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the Provinces of British Columbia and Alberta provide 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 of the said Provinces further provides a purchaser with remedies for rescission and damages if the Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's Province for the particulars of these rights or consult with a legal adviser.

FINANCIAL STATEMENTS

Audited Financial Statements of the Corporation for the period ended March 31, 2019 are attached. The Company has established March 31 as its financial year end.

A-Labs Capital IV Corp.
(A Capital Pool Company)

Financial Statements

(Expressed in Canadian Dollars)

**For the Period From Date of Incorporation
(November 26, 2018) To March 31, 2019**

INDEPENDENT AUDITORS' REPORT

**To the Board of Directors of A-Labs Capital IV Corp.
(A Capital Pool Company)**

Opinion

We have audited the financial statements of A-Labs Capital IV Corp., (the Company), which comprise the statement of financial position as at March 31, 2019 and the statements of income and comprehensive income, changes in equity and cash flows for the period from November 26, 2018 to March 31, 2019, and notes to the financial statements, including a summary or significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2019, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Octavio Cabral.

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario

A-Labs Capital IV Corp.
(A Capital Pool Company)
Statement of Financial Position
(Expressed in Canadian Dollars)
As at March 31, 2019

2019

Assets

Current

Cash (Note 4) \$ 100,191

Shareholders' Equity

Capital stock (Note 5) \$ 100,000

Retained earnings 191

\$ 100,191

Nature of Operations (Note 1)
Subsequent Events (Note 7)

Approved by the Board (signed) Director (signed) Director

A-Labs Capital IV Corp.
(A Capital Pool Company)
Statement of Income and Comprehensive Income
(Expressed in Canadian Dollars)
Period From Date of Incorporation (November 26, 2018) To March 31, 2019

	2019
Other income (expenses)	
Foreign exchange gain	\$ 191
Comprehensive Income, end of period	\$ 191
Comprehensive loss per share – basic and diluted	\$ 0.00
Weighted average number of shares outstanding	1,104,000

A-Labs Capital IV Corp.**(A Capital Pool Company)****Statement of Changes in Equity**

(Expressed in Canadian Dollars)

Period From Date of Incorporation (November 26, 2018) To March 31, 2019

	Capital Stock			
	Shares	Amount	Deficit	Total
Balance, November 26, 2018	-	\$ -	\$ -	\$ -
Shares issued for cash - founders' shares (Note 5)	2,000,000	100,000	-	100,000
Net earnings for the period	-	-	191	191
Balance, December 31, 2019	2,000,000	\$ 100,000	\$ 191	\$ 100,191

A-Labs Capital IV Corp.**(A Capital Pool Company)****Statement of Cash Flows**

(Expressed in Canadian Dollars)

Period From Date of Incorporation (November 26, 2018) To March 31, 2019

	2019
Cash provided by (used in)	
Operations	
Net earnings	\$ 191
Financing	
Issuance of capital stock	100,000
Cash, end of period	\$ 100,191
Cash paid for interest	\$ -

1. NATURE OF OPERATIONS

A-Labs Capital IV Corp. (the "Corporation") a private corporation, was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (BC) on November 26, 2018. The registered office is located at 2800 Park Place, 666 Burrard Street, Vancouver, BC, V6C 2Z7.

The Corporation is classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The principal business of the Corporation is to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein by completing a purchase transaction, by exercising of an option or by any concomitant transaction. The purpose of such an acquisition is to satisfy the related conditions of a qualifying transaction under the Exchange rules.

In November 2018, the Corporation issued 2,000,000 common shares for gross proceeds of \$100,000. The Corporation filed a prospectus for an Initial Public Offering ("IPO") of the Corporation's common shares which was receipted by the regulatory authorities on June •, 2019. There is no assurance that the Corporation will complete the IPO.

As a CPC, the Corporation's principal business will be the identification and evaluation of assets, properties or businesses with a view to acquisition or participation therein subject, in certain cases, to shareholder approval and acceptance by the TSX Venture. Where an acquisition or participation is warranted (the "Qualifying Transaction"), additional funding may be required. The ability of the Corporation to fund its potential future operations and commitments is dependent upon the ability of the Corporation to obtain additional financing. There is no assurance that the Corporation will complete a Qualifying Transaction within twenty-four months from the date the Corporation's shares are listed on the TSX Venture, at which time the TSX Venture may suspend or de-list the Corporation's shares from trading.

2. BASIS OF PRESENTATION

Statement of Compliance

This financial statement has been prepared in accordance and compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Reporting Interpretations Committee.

These financial statements were authorized for issuance by the Board of Directors on June •, 2019.

Basis of Measurement

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

2. BASIS OF PRESENTATION (Cont'd)

The financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value. The accounting policies have been applied consistently throughout the entire period presented in these financial statements.

Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities. The estimates and associated assumptions are based on anticipations and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

i) Financial assets

The Company adopted IFRS 9, Financial Instruments, on its incorporation. IFRS 9 replaces International Accounting Standards (IAS) 39, Financial Instruments: Recognition and Measurement. Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss); and
- those to be measured at amortized cost.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses are either recorded in profit or loss or OCI.

At present, the Company classifies all financial assets as held at amortized cost. Cash is classified as a financial asset.

Financial Instruments (Cont'd)

i) Financial assets (Cont'd)

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its financial assets:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.
- Fair value through OCI (FVOCI): Debt instruments that are held for collection of contractual cash flows and for selling the debt instruments, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the debt instrument is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these debt instruments is included as finance income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the statement of loss and comprehensive loss in the period in which it arises.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Instruments (Cont'd)

ii) Financial liabilities

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: where the Company optionally designates financial liabilities at FVTPL the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

At present, the Company classifies all of its financial liabilities as held at amortized cost. These financial liabilities are classified as current liabilities as the payment is due within 12 months.

Impairment

Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Deferred Taxes

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income (loss) in the period that substantive enactment occurs.

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

4. CASH RESTRICTION

Upon successful completion of the IPO (see note 7), the proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than 30% of the gross proceeds (to a maximum of \$210,000) may be used to pay for prescribed costs of issuing the common shares or administrative expenses of the Corporation. These restrictions may apply until completion of the Qualifying Transaction by the Corporation as pursuant to the policies of the Exchange.

5. CAPITAL STOCK

Authorized

Unlimited number of common voting shares without nominal or par value.

Issued Common Shares

Issued share capital is as follows:

Shares issued for cash	2,000,000
<hr/>	
Balance, March 31, 2019	2,000,000

All of the common shares upon successful completion of the IPO (see note 7) will be held in escrow until completion of a Qualifying Transaction. The escrowed common shares will be released as follows assuming listing on Tier 2 of the TSX Venture Exchange:

- 10% upon issuance of the Final Exchange Bulletin as defined under the policies of the Exchange; and,
- 15% on the dates that are 6, 12, 18, 24, 30 and 36 months following the date of the initial release.

Once the common shares are placed in escrow, they will be considered contingently issuable under IFRS until the Corporation completes a Qualifying Transaction and will not be considered outstanding for purpose of the earnings per share calculation.

Earnings Per Share

The calculation of basic and diluted loss per share for the period ended March 31, 2019 was based on the earnings attributable to common shareholders of \$191 and the average weighted average number of capital stock outstanding of 1,104,000.

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Corporation includes share capital in the definition of capital.

The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The Corporation is not subject to externally imposed capital requirements other than the cash restriction disclosed in Note 4.

Risk Disclosures and Fair Values

The Corporation's financial instruments, consisting of accrued liabilities, approximate fair values due to the relatively short term maturities of the instruments. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

As at March 31, 2019, the Corporation had no liabilities and had cash of \$100,191 to meet its current obligations. As a result the Corporation has minimal liquidity risk.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Corporation believes it has no significant credit risk.

7. SUBSEQUENT EVENTS

The Corporation has filed a prospectus with the securities regulators in the provinces of Alberta and British Columbia. Pursuant to an Agency Agreement (the "Agency Agreement") entered into between the Corporation and Haywood Securities Inc. (the "Agent"), to offer 2,000,000 common shares at \$0.10 per common share to the public (the "Offering") for total estimated gross proceeds of \$200,000. The Agent will be granted non-transferable options to purchase up to 200,000 common shares issued at a price of \$0.10 per share and expiring 24 months following the date on which the Corporation completes the securities offering.

The Corporation will also pay the Agent a commission equal to 10% of the gross proceeds and a corporate finance fee of \$10,000. A retainer of \$10,000 has been paid towards expenses.

7. SUBSEQUENT EVENTS (Cont'd)

The Corporation has adopted an incentive stock option plan in accordance with the policies of TSX Venture (the "Stock Option Plan") for the benefit of directors, officers, employees and other key personnel of the Corporation. A maximum of 10% of the issued and outstanding Common Shares of the Corporation upon completion of IPO may be reserved for issuance pursuant to the exercise of stock options to be granted to directors, officers, employees and other key personnel of the Corporation. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent (5%) and for consultants shall not exceed two percent (2%) of the issued and outstanding common shares. The Stock Option Plan provides that the terms of the options and the option price shall be fixed by the directors subject to the price restrictions and other requirements imposed by TSX Venture. Stock options granted under the Stock Option Plan may not be exercisable for a period longer than ten (10) years and the exercise price must be paid in full upon exercise of the option.

The Corporation intends to grant 400,000 stock options immediately after receipt of the prospectus to purchase common shares to the directors and officers under the Corporation's Stock Option Plan at a price of \$0.10 per share and an expiry date of five years from the date of grant.

CERTIFICATE OF THE CORPORATION

DATE: June 7, 2019

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

(signed) “Shay Benhamou”

Shay Benhamou
Chief Executive Officer and Director

(signed) “Yosef Shemesh”

Yosef Shemesh
Chief Financial Officer, Corporate Secretary and
Director

ON BEHALF OF THE BOARD OF DIRECTORS

(signed) “Hillar Lilles”

Hillar Lilles
Director

(signed) “Robert Wilson”

Robert Wilson
Director

CERTIFICATE OF THE PROMOTER

DATE: June 7, 2019

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

(signed) "Shay Benhamou"

Shay Benhamou

Promoter

CERTIFICATE OF THE AGENT

DATE: June 7, 2019

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

HAYWOOD SECURITIES INC.

Per: (signed) "Lawrence Rhee"
Lawrence Rhee
Managing Director, Investment Banking