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PROSPECTUS

Initial Public Offering

November 3, 2021

ECC VENTURES 5 CORP.

(a Capital Pool Company)

\$200,000

2,000,000 Common Shares

Price: \$0.10 per Common Share

ECC Ventures 5 Corp. (the “**Corporation**”) offers through its agent, Research Capital Corporation (the “**Agent**”), 2,000,000 common shares of the Corporation (the “**Common Shares**”) to the public at a price of \$0.10 per Common Share (the “**Offering**”). The purpose of the Offering is to provide the Corporation with funds with which to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction, as hereinafter defined. Any proposed Qualifying Transaction must be approved by the TSX Venture Exchange (the “**Exchange**”) and, in the case of a Non-Arm’s Length Qualifying Transaction, as hereinafter defined, must also receive Majority of the Minority Approval, as hereinafter defined, in accordance with Exchange Policy 2.4 – *Capital Pool Companies* (the “**CPC Policy**”). The Corporation is a Capital Pool Company (“**CPC**”, as further defined herein). It has not commenced commercial operations and has no assets other than a minimum amount of cash. Except as specifically contemplated in the CPC Policy, until the Completion of the Qualifying Transaction, as hereinafter defined, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a proposed Qualifying Transaction. See “Business of the Corporation” and “Use of Proceeds”.

	Common Shares	Price to Public	Agent’s Commission ⁽¹⁾⁽²⁾	Proceeds to Corporation ⁽³⁾
Per Common Share	1	\$0.10	\$0.01	\$0.09
Offering ⁽⁴⁾	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. Additionally, the Corporation will pay a corporate finance fee of \$12,000 plus GST to the Agent. The Agent will also be reimbursed by the Corporation for its expenses, including reasonable legal fees of the Agent’s counsel. The Agent will also be granted the Agent’s Option (as defined below) referred to below. See “Plan of Distribution - Agency Agreement and Agent’s Compensation”.
- (2) Pursuant to the Agency Agreement, the Agent, and any sub-agents as the Agent may direct, will be granted a non-transferable option (the “**Agent’s Option**”) to purchase up to 200,000 Common Shares (the “**Agent’s Shares**”), equal to 10% of the Common Shares sold pursuant to the Offering, at a price of \$0.10 per Agent’s Share, and expiring 60 months from the date the Common Shares are listed on the Exchange. The grant of the Agent’s Option is qualified under this prospectus. See “Agency Agreement and Agent’s Compensation”.
- (3) Before deducting the costs of the Offering estimated at \$79,350, which includes legal and audit and audit related fees and other expenses of the Corporation estimated at \$33,000 (exclusive of GST), the Agent’s corporate finance fee of \$12,600 (inclusive of GST) of which \$12,000 has been paid by the Corporation as a retainer, the Agent’s expenses, including legal fees of up to \$9,000 (exclusive of disbursements and taxes) of which \$7,500 has been paid by the Corporation as a retainer, the listing fee of \$15,750 payable to the Exchange (inclusive of GST) and estimated filing fees printing and mailing costs of \$9,000.
- (4) 2,000,000 Common Shares are qualified for distribution hereunder. In addition, this prospectus qualifies for distribution the Agent’s Option, as hereinafter defined, and the grant of an aggregate of 565,000 Share Options (as defined herein) exercisable at \$0.10 per Common Share to the directors and officers of the Corporation. See “Plan of Distribution” and “Options to Purchase Securities”.

The Offering is made on a “commercially reasonable efforts” basis by the Agent for 2,000,000 Common Shares for total gross proceeds to the Corporation of \$200,000. The offering price of the Common Shares was determined by negotiation between the Corporation and the Agent in accordance with the CPC Policy. All funds received from subscriptions for Common Shares will be held by the Agent pursuant to the terms of an agency agreement between the Corporation and the Agent (the “**Agency Agreement**”). If the subscription is not raised within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by persons or companies who subscribed within that period, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent.

Market for Securities

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

The Corporation has applied to list the Common Shares on the Exchange. Listing will be subject to the Corporation fulfilling all of the requirements of the Exchange, including distribution of the Common Shares to a minimum number of public securityholders.

Other than the initial distribution of the Common Shares pursuant to this prospectus, the grant of the Agent's Option and the grant of Share Options to the directors and officers of the Corporation, trading in all securities of the Corporation is prohibited during the period between the date a receipt for the preliminary prospectus is issued by the securities commission that is designated the principal regulator pursuant to Multilateral Instrument 11-102 - *Passport System* ("MI 11-102") and National Policy 11-202 - *Process for Prospectus Reviews in Multiple Jurisdictions* ("NP 11-202") and the time the Common Shares are listed for trading except, subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities commission grants a discretionary order.

Risk Factors

There is 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. This may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Common Shares, and the extent of issuer regulation. See "Risk Factors".

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

Upon completion of the Offering, purchasers will suffer an immediate dilution (based on the gross proceeds from this and prior issues without deduction of selling and related expenses) per Common Share of approximately \$0.018 or 18% if the Offering is completed. The Corporation 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 the Qualifying Transaction which receives Exchange approval and in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval of the Corporation's shareholders; however, there can be no assurance that the Corporation will be able to identify or successfully complete the Qualifying Transaction. The Corporation has commenced the process of identifying potential acquisitions, but to date, the Corporation has not identified any potential acquisitions. The Corporation may determine that current markets, terms of acquisition, or pricing conditions make such potential acquisitions uneconomic. The Corporation may find that even if the terms of a potential acquisition are economic, the Corporation may not be able to finance such acquisition and additional funds may be required. The Qualifying Transaction may involve the acquisition of a business located outside of Canada and, as such, investors should be aware that it may be difficult or may not be possible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and that it may not be possible to enforce against such persons or companies, judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada. Where the investment or acquisition is financed by the issuance of shares from the Corporation's treasury, control of the Corporation may change, and shareholders may suffer further dilution of their investment. The Corporation will be in competition with other entities with greater resources.

The Corporation does not currently own any assets other than cash. 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. Investors must rely solely on the expertise of the Corporation's Promoter, as hereinafter defined, directors and officers for any possible return on their investment.

The Corporation's directors, officers and, as applicable, Control Persons, as hereinafter defined, and their Associates, as hereinafter defined, and Affiliates, as hereinafter defined, as a group, beneficially own or control, directly or indirectly, 2,000,000 Common Shares, which represents 54.8% of the issued and outstanding Common Shares before giving effect to the Offering, and 35.4% of the issued and outstanding Common Shares in the event the Offering is completed. The directors and officers of the Corporation will only devote part of their time to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in

connection with the operations of the Corporation. See “Business of the Corporation”, “Use of Proceeds”, “Capitalization”, “Officers, Directors and Promoters”, “Dilution”, “Risk Factors” and “Conflicts of Interest”.

Maximum Investment

Pursuant to the CPC Policy, 75% of the total number of Common Shares offered under this prospectus, being 1,500,000 Common Shares, are subject to the following limits: (i) no purchaser of the Common Shares is permitted to directly or indirectly purchase more than 2% of the total Common Shares offered under this prospectus, being 40,000 Common Shares (\$4,000); and (ii) the maximum number of Common Shares that may directly or indirectly be purchased by any one purchaser, together with that purchaser's Associates or Affiliates of that purchaser, is 4% of the total number of Common Shares offered under this prospectus, being 80,000 Common Shares (\$8,000).

Receipt of Subscriptions

Research Capital Corporation (previously defined as the “**Agent**”), as agent, hereby 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 Cassels Brock & Blackwell LLP, on behalf of the Corporation and by Vantage Law Corporation, on behalf of the Agent.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that one or more global certificates that represent the aggregate number of Common Shares subscribed for under the Offering will be issued in registered form as directed by the Agent and will be available for delivery at the closing of the Offering. The Common Shares subscribed for under the Offering may also be issued on an uncertificated basis in electronic book entry form through CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee. In either case, purchasers of Common Shares will only receive a client confirmation from the Agent as to the number of Common Shares subscribed for. Certificates representing the Common Shares in registered and definitive form will be issued to the purchasers in certain limited circumstances only.

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GLOSSARY

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

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

- (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 November 3, 2021 between the Corporation and the Agent.

"Agent" means Research Capital Corporation at its office in the City of Vancouver, in the Province of British Columbia.

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

"Agent's Option" means the non-transferable option to be granted by the Corporation to the Agent entitling the Agent to purchase Agent's Shares in an amount equal to 10% of the number of Common Shares sold pursuant to the Offering at an exercise price of \$0.10 per Agent's Share, expiring 60 months from the date of listing of the Common Shares on the Exchange.

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

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

- (a) identifies assets or a business to be acquired which would reasonably appear to constitute Significant Assets and the acquisition of which would reasonably appear to constitute the Qualifying Transaction;
- (b) identifies the parties to the Qualifying Transaction;
- (c) identifies the consideration to be paid for the Significant Assets or otherwise identifies the means by which the consideration will be determined; and
- (d) identifies the conditions to any further formal agreements to complete the transaction; and

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

"Associate" when used to indicate a relationship with a Person, means:

- (a) an Issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10 percent of the voting rights attached to all outstanding voting securities of the Issuer;
- (b) any partner of the Person;
- (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which the Person serves as trustee or in a similar capacity; and

- (d) in the case of a Person who is an individual:
 - (i) that Person's spouse or child; or
 - (ii) any relative of that Person or of his spouse who has the same residence as that person;

but:

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

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

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

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

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

"Concurrent Financing" has the meaning ascribed to that phrase in section 9.5 of the CPC Policy.

"Conditional Acceptance Documents" has the meaning ascribed to that phrase in section 11.5 of the CPC Policy.

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

"Corporation" means ECC Ventures 5 Corp., a corporation incorporated under the *Business Corporations Act* (British Columbia) having its registered office in the City of Vancouver, in 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 Commissions in compliance with the CPC Policy; and
- (b) in regard to which the Final QT Exchange Bulletin has not yet been issued.

"CPC Filing Statement" means the Filing Statement of the CPC prepared in accordance with Form 3B2 – *Information Required in a Filing Statement for a Qualifying Transaction*, which provides full, true and plain disclosure of all material facts relating to the CPC and the Significant Assets.

"CPC Information Circular" means the Information Circular of the CPC prepared in accordance with applicable Securities Laws and Form 3B1 – *Information Required in an Information Circular for a Qualifying Transaction*, which provides full, true and plain disclosure of all material facts relating to the CPC and the Significant Assets.

"CPC Policy" means Policy 2.4 of the Exchange's Corporate Finance Manual.

"Declaration" means Form 2C1 of the Exchange.

"Disclosure Document" means the CPC Filing Statement or the CPC Information Circular, as the case may be, or the prospectus if required by section 11.1(f) of the CPC Policy.

"Escrow Agreement" means the escrow agreement dated August 30, 2021 among the Corporation, Transfer Agent and certain shareholders of the Corporation.

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

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

"Geological Report" has the meaning ascribed to it in Policy 1.1 of the Exchange's Corporate Finance Manual.

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

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

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

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

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

"Listed Share" means a share or other security that is listed on the Exchange.

"Majority of the Minority Approval" means the approval of the Qualifying Transaction by the majority of the votes cast by shareholders, other than:

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

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

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

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

"Non-Arm's Length Party" means:

- (a) in relation to a company, a Promoter, an officer, director, other Insider or Control Person of that company (including an Issuer) and any Associates or Affiliates of any of such Persons; and
- (b) in relation to an individual, means any Associate of the individual or any company of which the individual is a Promoter, an officer, director, Insider or Control Person.

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

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

“Offering” means the offering of 2,000,000 Common Shares at the Offering Price per Common Share for aggregate gross proceeds of \$200,000, in accordance with the terms of this prospectus.

“Offering Price” means \$0.10 per Common Share.

“Option Plan” means the Corporation’s incentive stock option plan.

“Person” means a company or individual.

“Personal Information Form” mean Form 2A of the Exchange.

“Principal” means:

- (a) a Person who acted as a Promoter of the Issuer within two years or their respective Associates or Affiliates before the IPO prospectus or the Final QT 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 QT Exchange Bulletin;
- (c) a 20% holder - a Person that holds securities carrying more than 20% of the voting rights attached to the Issuer’s outstanding securities immediately before and immediately after the Issuer’s IPO or immediately after the Final QT Exchange Bulletin for non IPO transactions; and
- (d) a 10% holder - a Person that:
 - (i) holds securities carrying more than 10% of the voting rights attached to the Issuer’s outstanding securities immediately before and immediately after the Issuer’s IPO or immediately after the Final QT Exchange Bulletin for non IPO transactions; and
 - (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Issuer or any of its material operating subsidiaries.

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

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

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

“Pro Group” means:

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

- (c) The Exchange may, in its discretion, exclude a Person from the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is acting at arm's length of the Member.
- (d) The Exchange may deem a Person who would otherwise be included in the Pro Group pursuant to subparagraph (a) to be excluded from the Pro Group where the Exchange determines that:
 - (i) the Person is an affiliate or associate of the Member is acting at arm's length of the Member;
 - (ii) the associate or affiliate has a separate corporate and reporting structure;
 - (iii) there are sufficient controls on information flowing between the Member and the associate or affiliate; and
 - (iv) the Member maintains a list of such excluded Persons.

"Promoter" has the meaning ascribed to it in section 1(1) of the *Securities Act* (British Columbia).

"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.

"Qualifying Transaction Agreement" means any agreement or other similar commitment respecting the Qualifying Transaction which identifies the fundamental terms upon which the parties agree or intend to agree, including:

- (a) the Significant Assets and/or Target Company;
- (b) the parties to the Qualifying Transaction;
- (c) the value of the Significant Assets and/or Target Company and the consideration to be paid or otherwise identifies the means by which the consideration will be determined; and
- (d) the conditions to any further formal agreements or completion of the Qualifying Transaction.

"Related Party Transaction" has the meaning ascribed to that term under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*, together with the Companion Policy 61- 101CP, and includes a related party transaction that is determined by the Exchange to be a Related Party Transaction. The Exchange may deem a transaction to be a Related Party Transaction where the transaction involves Non-Arm's Length Parties, or other circumstances exist which may compromise the independence of the Corporation with respect to the transaction.

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

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

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

"Service Agreement" means the transfer agent, registrar and dividend disbursing agent agreement dated August 17, 2021 between the Corporation and Transfer Agent.

"Share Option(s)" means incentive stock options to be granted upon completion of the Offering pursuant to the Option Plan.

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

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

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

"Transfer Agent" means Endeavor Trust Corporation.

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

"Warrant" means Listed Share purchase warrants, being a right which can be exercised to acquire Listed Shares upon payment of cash consideration.

PROSPECTUS SUMMARY

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

- Business of the Corporation:** The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing the Qualifying Transaction. The Corporation has not commenced commercial operations and has no assets other than a minimum amount of cash. See "Business of the Corporation".
- Offering:** 2,000,000 Common Shares are being offered under this prospectus at a price of \$0.10 per Common Share. In addition, pursuant to the Agency Agreement, the Corporation will grant to the Agent and its designated sub-agents, if any, the Agent's Option to purchase up to such number of Common Shares as is equal to 10% of the aggregate number of Common Shares sold pursuant to the Offering, at an exercise price of \$0.10 per Agent's Share which will be exercisable for a period of 60 months from the date of listing of the Common Shares on the Exchange. The grant of the Agent's Option is qualified under this prospectus. See "Plan of Distribution" and "Options to Purchase Securities".
- Immediately prior to the listing of the Common Shares on the Exchange, the Corporation will grant 565,000 Share Options under the Option Plan which Share Options are qualified for distribution under this prospectus. The number of Common Shares reserved for issuance under the Option Plan may not exceed 10% of the total issued and outstanding Common Shares at the time of issuance. The Share Options will vest immediately and each Share Option will be exercisable into one Common Share at \$0.10 per Common Share for a period of ten years. See "Other Securities to be Distributed" and "Options to Purchase Securities".
- Use of Proceeds:** The net proceeds of the Offering to the Corporation will be \$180,000. The net proceeds of the Offering plus the proceeds from prior sales of Common Shares will be used to provide the Corporation with funds with which to identify and evaluate assets or businesses for acquisition with a view to completing the 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. See "Use of Proceeds" for details of the restrictions and prohibitions on the Corporation's use of funds, "Business of the Corporation" and "Risk Factors".
- Management and Directors:** Doug McFaul – Director, CEO, CFO, President and Corporate Secretary
Peter Dickie – Director
David Bremner – Director
- Doug McFaul is considered to be the Promoter of the Corporation. See "Directors, Officers and Promoters" and "Promoter".
- Escrowed Securities:** The 2,000,000 Common Shares issued to the founders, have been deposited in escrow, and all of the Share Options, being 565,000 will be deposited in escrow, pursuant to the terms of the Escrow Agreement and will be released from escrow in stages over a period of 18 months after the date of the Final QT Exchange Bulletin. See "Escrowed Securities" and "Options to Purchase Securities".
- Risk Factors:** Investment in the Common Shares must be regarded as highly speculative due to the proposed nature of the Corporation's business and its present stage of development. The Corporation was only recently incorporated and has no active business or assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. **The Offering is only suitable to investors who are prepared to rely entirely on the directors and management of the Corporation and can afford to risk the loss of their**

entire investment. The directors and officers of the Corporation will only devote part of their time and attention to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. Assuming completion of the Offering, an investor will suffer an immediate dilution on investment of approximately 18% or \$0.018 per Common Share. There can be no assurance that an active and liquid market for the Common Shares will develop and an investor may find it difficult to resell the Common Shares. Until Completion of the Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing the Qualifying Transaction. The Corporation has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Corporation will be able to identify or complete a suitable Qualifying Transaction. The Qualifying Transaction may involve the acquisition of a business or assets located outside of Canada. It may therefore be difficult or impossible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and it may not be possible to enforce against such persons or companies judgments obtained in Canadian courts predicated upon the civil liability provisions applicable to securities laws in Canada. See "Business of the Corporation", "Use of Proceeds", "Officers, Directors and Promoters", "Capitalization", "Dilution", "Plan of Distribution", "Risk Factors" and "Conflicts of Interest".

THE CORPORATION

The Corporation was incorporated on August 11, 2021 by a Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (British Columbia) under the name “ECC Ventures 5 Corp.”.

The head office of the Corporation is located at 1600-609 Granville Street, Vancouver, British Columbia V7Y 1C3 and the registered office of the Corporation is located at Suite 2200 – 885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

BUSINESS OF THE CORPORATION

Preliminary Expenses

Other than the retainer of \$12,000, towards the corporate finance fee of the Agent, \$7,500 of the agent's legal fees of up to \$9,000 (exclusive of disbursements and taxes), audit and audit related fees of \$8,000 (exclusive of GST), and the payment of the minimum listing fee to the Exchange of \$5,250 (inclusive of GST), the Corporation has not incurred any additional expenses to date in proceeding with the Offering. However, certain of the Offering proceeds will be utilized to satisfy the obligations of the Corporation related to the Offering, including the expenses of its auditor and legal expenses of the Corporation and the Agent. See “Use of Proceeds”.

Proposed Operations until Completion of the Qualifying Transaction

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

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

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

Method of Financing

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

Criteria for the Qualifying Transaction

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

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

Filings and Shareholder Approval of a Qualifying Transaction

Upon the Corporation reaching a Qualifying Transaction Agreement, the Corporation must issue a comprehensive news release, at which time the Exchange generally will halt trading in the Common Shares until the filing requirements of the Exchange have been satisfied as set forth under “Trading Halts, Suspensions and Delisting”. Within 75 days

after issuance of such news release, the Corporation shall be required to submit for review to the Exchange a Disclosure Document that complies with Exchange requirements containing prospectus level disclosure of the Significant Assets and the Corporation, assuming Completion of the Qualifying Transaction. Where the proposed Qualifying Transaction is a Non-Arm's Length Qualifying Transaction, the Corporation must obtain Majority of the Minority Approval of the Qualifying Transaction. Where the proposed Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction, the Exchange will not require the Corporation to obtain Shareholder approval of the Qualifying Transaction provided that it files the CPC Filing Statement or a prospectus.

Once the Conditional Acceptance Documents have been accepted for filing, the Exchange will advise the Corporation that it is cleared to file the final Disclosure Document on SEDAR and:

1. where Shareholder approval of the Qualifying Transaction is not required, the Corporation must file the final CPC Filing Statement or prospectus on SEDAR at least seven business days prior to:
 - a. the resumption of trading in the securities of the Resulting Issuer following the Completion of the Qualifying Transaction, if the securities of the Corporation are halted from trading; or
 - b. the Completion of the Qualifying Transaction, if the securities of the Corporation are not halted from trading;
2. where Shareholder approval is required and is to be obtained at a meeting of Shareholders, the Corporation will file on SEDAR and mail to its Shareholders the notice of meeting, CPC Information Circular and form of proxy, together with any other required documents; and
3. where Shareholder approval is required and is to be obtained by written consent, the Corporation will file on SEDAR the final Disclosure Document.

If required by the Exchange, the Corporation will retain a Sponsor, who must be a Member of the Exchange or a Participating Organization of the Toronto Stock 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 QT Exchange Bulletin. The Exchange will generally not issue the Final QT Exchange Bulletin until the Exchange has received:

1. confirmation of Shareholder approval of the Qualifying Transaction, if required;
2. confirmation of closing of the Qualifying Transaction; and
3. 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 QT Exchange Bulletin, the CPC Policy will generally cease to apply, with the exception of the escrow provisions of the CPC Policy.

Initial Listing Requirements

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

Trading Halts, Suspensions and Delisting

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

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

1. the unacceptable nature of the business of the Resulting Issuer; or

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

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

In the event that the Common Shares are delisted by the Exchange, within 90 days from the date of such delisting, the Corporation shall wind up and shall make a pro rata distribution of its remaining assets to its shareholders, unless shareholders, pursuant to a majority vote exclusive of the votes of Non-Arm's Length Parties to the Corporation, determine to deal with the 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:

1. the Resulting Issuer fails to satisfy the applicable Initial Listing Requirements of the Exchange;
2. the Resulting Issuer will be a mutual fund, as defined in the securities legislation; or
3. notwithstanding the definition of a Qualifying Transaction, there is any other reason for denying acceptance of the Qualifying Transaction.

USE OF PROCEEDS

Proceeds and Principal Purposes

The gross proceeds to be received by the Corporation from the sale of all the Common Shares offered by this prospectus will be \$200,000 if the Offering is completed. The gross proceeds received by the Corporation from the sale of the 3,650,000 Common Shares prior to the date of this prospectus was \$265,000. Assuming the Offering is completed, from the aggregate gross proceeds will be deducted the expenses and costs of the Offering, estimated in the aggregate, including legal, accounting, mailing, printing, regulatory fees, the Agent's expenses, the corporate finance fee and the Agent's commission, to be approximately \$99,350.

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

Principal Uses	Amount after Offering
Gross cash proceeds raised prior to the Offering (Seed Shares) ⁽¹⁾	\$265,000
Expenses and costs relating to raising the cash proceeds referred to above	\$Nil
Gross cash proceeds to be raised pursuant to the Offering	\$200,000
Estimated expenses and costs relating to the Offering ⁽²⁾	(\$99,350)
Estimated funds available on completion of the Offering	\$365,650
Funds available for identifying and evaluating assets or business prospects ⁽³⁾⁽⁴⁾	\$315,650
Estimated general and administrative expenses until Completion of the Qualifying Transaction	\$50,000

Notes:

- (1) See "Prior Sales".
- (2) Includes fees and expenses relating to the incorporation and Seed Shares, listing and filing fees, the Corporation's legal and audit and audit related fees, the Agent's commission, the Agent's corporate finance fee, the Agent's expenses, including legal fees and disbursements.
- (3) In the event, and to the extent, the Agent exercises the Agent's Option it receives under the Offering and the directors and officers exercise the Share Options that will be granted immediately prior to listing of the Common Shares on the Exchange, there will be available to the Corporation an additional \$76,500, which will be added to the working capital of the Corporation. There is no assurance that the foregoing Agent's Option or Share Options will be exercised.
- (4) In the event that the Corporation enters into a Qualifying Transaction Agreement prior to spending all of the funds available to it on identifying and evaluating assets or businesses, the remaining funds may be used to finance or partly finance the acquisition of, or participation in, the Significant Assets or for working capital after Completion of the Qualifying Transaction. The total dollar amount of funds available upon completion of the Offering will be \$365,650.

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

The proceeds from the Offering and any prior sale of Common Shares, after deducting the expenses associated with the 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 "Prohibited Payments to Non-Arm's Length Parties", "Private Placements for Cash" and "Finder's Fees", 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 assets or businesses and obtain shareholder approval, if applicable, for a proposed Qualifying Transaction, including expenses such as:

1. reasonable expenses relating to the Corporation's IPO, including:
 - a. fees for legal services and audit services relating to the preparation and filing of this prospectus;
 - b. Agent's fees, costs and commissions; and
 - c. printing costs, including printing of this prospectus and share certificates;
2. reasonable general and administrative expenses of the Corporation (not exceeding in aggregate \$3,000 per month), including:
 - a. office supplies, office rent and related utilities;
 - b. equipment leases;
 - c. fees for legal services; and
 - d. fees for accounting and advisory services;
3. reasonable expenses relating to a proposed Qualifying Transaction, including:
 - a. valuations or appraisals;
 - b. business plans;
 - c. feasibility studies and technical assessments;
 - d. sponsorship reports;
 - e. Geological Reports;
 - f. financial statements;
 - g. fees for legal services; and
 - h. fees for accounting, assurance and audit services;
4. agents' and finders' fees, costs and commissions;
5. assurance and audit fees of the Corporation;
6. escrow agent and transfer agent fees of the Corporation; and
7. regulatory filing fees of the Corporation.

In addition, a maximum aggregate amount of \$25,000 may be advanced as a non-refundable deposit or unsecured loan to a Target Company or Vendor(s), as the case may be, without the prior acceptance of the Exchange. Any proposed deposit, advance or loan of funds from the Corporation to the Target Company or a Vendor(s) in excess of

such \$25,000 maximum aggregate may only be made as a secured loan with the prior acceptance of the Exchange where all of the following conditions are satisfied:

1. the Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction;
2. the Qualifying Transaction has been announced in a comprehensive news release;
3. due diligence with respect to the Qualifying Transaction is well underway;
4. if applicable, a Sponsor has been engaged or the sponsorship requirement has been waived;
5. the loan has been announced in a new release at least 15 days prior to the date of any such loan; and
6. the total amount of all deposits, advances and loans from the Corporation does not exceed a maximum of \$250,000 in aggregate unless the aggregate amount advanced from the Corporation to the Target Company or the Vendor(s) does not represent more than 20% of the working capital of the Corporation.

Prohibited Payments to Non-Arm's Length Parties

Except as described under "Permitted 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 to a Non-Arm's Length Party to the Qualifying Transaction, or to a person engaged in investor relations activities, promotional or market-making services in respect of the Corporation or the securities of the Corporation or any Resulting Issuer, by any means, including:

1. remuneration, which includes but is not limited to salaries, consulting fees, management contract fees or directors' fees, finders' fees (except as permitted under the CPC Policy), loans, advances and bonuses; and
2. deposits and similar payments.

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

Notwithstanding the above, the Corporation may pay or reimburse a Non-Arm's Length Party to the Corporation for reasonable general and administrative expenses of the Corporation (including office supplies, office rent and related utilities, equipment leases, fees for legal services and fees for accounting and advisory services) not exceeding in the aggregate \$3,000 per month, and for fees for legal services relating to a proposed Qualifying Transaction, 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.

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 \$10,000,000. Generally, the only securities issuable pursuant to such a private placement will be Common Shares and Agent's Option. 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.

Finder's Fees

Upon Completion of the Qualifying Transaction, the Corporation and Target Company may pay finder's fees in aggregate pursuant to Exchange Policy 5.1 – *Loans, Loan Bonuses, Finder's Fees and Commissions*:

1. to a Person that is not a Non-Arm's Length Party to the Corporation; and
2. to a Non-Arm's Length Party to the Corporation, provided that:

- a. the Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction;
- b. the Qualifying Transaction is not a transaction between the Corporation and an existing public company;
- c. the finder's fee is payable in the form of cash, Listed Shares and/or Warrants only;
- d. the amount of any Concurrent Financing is not included in the value of the measurable benefit used to calculate the finder's fee; and
- e. approval of the finder's fee is obtained by ordinary resolution at a meeting of Shareholders of the Corporation or by the written consent of Shareholders of the Corporation holding more than 50% of the issued Listed Shares of the Corporation, provided that the votes attached to the Listed Shares of the Corporation held by the recipient of the finder's fee and its Associates and Affiliates are excluded from the calculation of any such approval or written consent.

PLAN OF DISTRIBUTION

Agency Agreement and Agent's Compensation

Pursuant to the Agency Agreement between the Corporation and Research Capital Corporation (the "**Agent**"), the Corporation has appointed the Agent as its agent to offer for sale, on a "commercially reasonable efforts" agency basis to the public, 2,000,000 Common Shares as provided in this prospectus, at a price of \$0.10 per Common Share, for maximum gross proceeds of \$200,000, subject to the terms and conditions in the Agency Agreement. The Agent will receive a cash commission of 10% of the aggregate gross proceeds from the sale of the Common Shares, which equals \$20,000 in the event the Offering is completed. In addition, the Agent has been paid a retainer of \$12,000, towards the Agent's corporate finance fee. The Corporation will also pay the Agent's expenses, including reasonable legal fees up to a maximum of \$9,000, plus applicable taxes and disbursements, \$7,500 of which has been paid by the Corporation as a retainer.

The Corporation has also agreed to grant to the Agent, the Agent's Option to purchase up to 200,000 Common Shares in the event the Offering is completed, representing 10% of the total number of Common Shares sold to the public pursuant to the Offering at an exercise price of \$0.10 per Agent's Share, which may be exercised for a period of 60 months from the date the Common Shares are listed on the Exchange. The Agent's Option is qualified under this prospectus. Not more than 50% of the Common Shares received on the exercise of the Agent's Option may be sold by the holders thereof prior to the Completion of the Qualifying Transaction. The remaining 50% may be sold after the Completion of the Qualifying Transaction. The Agent has agreed to use its commercially reasonable efforts to secure subscriptions for the Common Shares offered hereunder on behalf of the Corporation and may make co-brokerage arrangements with other investment dealers at no additional cost to the Corporation. The obligations of the Agent under the Agency Agreement may be terminated at its discretion on the basis of its assessment of the state of financial markets and may also be terminated on the occurrence of certain events as stated in the Agency Agreement.

Commercially Reasonable Efforts Offering and Minimum Distribution

The total Offering is of 2,000,000 Common Shares for total gross proceeds of \$200,000. Under the CPC Policy, 75% of the total number of Common Shares offered under this prospectus (1,500,000 Common Shares in the event the Offering is completed) are subject to the following limits: (i) no purchaser of the Common Shares is permitted to purchase more than 2% (40,000 Common Shares in the event the Offering is completed) of the total number of Common Shares under the Offering; and (ii) the maximum number of Common Shares permitted to be purchased by any one purchaser together with that purchaser's Associates or Affiliates is 4% (80,000 Common Shares in the event the Offering is completed) of the total number of Common Shares under the Offering. The funds received from the Offering will be deposited with the Agent, and will not be released until minimum proceeds of \$200,000 have been deposited. The total subscription must be raised within 90 days of the date a receipt for this prospectus is issued, or such other time as may be consented to by persons or companies who subscribed during that period, failing which the Agent will remit the funds collected to the original subscribers without interest or deduction, unless subscribers have otherwise instructed the Agent.

Other Securities to be Distributed

The Corporation also proposes to grant Share Options to the directors and officers of the Corporation immediately prior to the listing of the Common Shares on the Exchange, which Share Options are qualified for distribution under this prospectus. The Share Options to be granted will represent up to 10% of the total issued and outstanding Common Shares after the completion of the Offering, being 565,000 Common Shares.

Determination of Price

The Offering Price of the Common Shares under the Offering was determined by negotiation between the Corporation and the Agent in accordance with the CPC Policy.

Listing Application

The Corporation has applied to list its Common Shares on the Exchange. Listing will be subject to the Corporation fulfilling all of the requirements of the Exchange, including distribution of the Common Shares to a minimum number of public securityholders.

Venture Issuers

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

Restrictions on Trading

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

DESCRIPTION OF THE SECURITIES DISTRIBUTED

The Corporation is authorized to issue an unlimited number of Common Shares without nominal or par value of which, as at the date hereof, 3,650,000 Common Shares are issued and outstanding as fully paid and non-assessable. 2,000,000 Common Shares are reserved for issuance under this prospectus, a maximum of 200,000 Agent's Shares will be reserved for issuance under the Agent's Option and a maximum of 565,000 Common Shares will be reserved for issuance pursuant to exercise of the Share Options. See "Plan of Distribution".

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

CAPITALIZATION

Designation of Security	Amount Authorized	Amount Outstanding as of August 31, 2021 (Audited) ⁽¹⁾	Amount Outstanding as of the date of this Prospectus (Unaudited)	Amount Outstanding After Giving Effect to the Offering (Unaudited) ⁽²⁾⁽³⁾⁽⁴⁾
Common Shares	Unlimited	\$265,000 (3,650,000 Common Shares)	\$265,000 (3,650,000 Common Shares)	\$465,000 (5,650,000 Common Shares)

Notes:

- (1) As at August 31, 2021, the Corporation had not commenced commercial operations.
- (2) The Corporation has reserved 200,000 Agent's Shares at \$0.10 per share pursuant to the Agent's Option that expire 60 months from the date the Common Shares are listed on the Exchange. See "Plan of Distribution".
- (3) Funds available upon completion of the Offering are expected to be \$365,650 in the event the Offering is completed, which is net of the \$99,350 estimated expenses for the Offering. See "Use of Proceeds".
- (4) In addition, immediately prior to the listing of the Common Shares on the Exchange, the Corporation will grant an aggregate 565,000 Share Options under the Option Plan. Each Share Option will be exercisable into one Common Share at \$0.10 per share for a period of ten years.

OPTIONS TO PURCHASE SECURITIES

The Corporation has adopted an incentive stock option plan (previously defined as the “**Option Plan**”) which provides that the board of directors of the Corporation may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, and technical consultants to the Corporation, non-transferable Share 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 date of grant of any Share Options, and the exercise period does not exceed 10 years from the date of grant.

The number of Common Shares issuable to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Common Shares of the Corporation as at the date of grant of the Share Options.

The number of Common Shares issuable at any given time to all technical consultants in aggregate will not exceed two percent (2%) of the issued and outstanding Common Shares of the Corporation as at the date of grant of any Share Options.

The number of Common Shares issuable at any given time to Eligible Charitable Organizations in aggregate will not exceed one percent (1%) of the issued and outstanding Common Shares of the Corporation as at the date of grant of any Share Options.

The term of a Share Option must expire not later than 12 months after the optionee ceases to be a director, officer or technical consultant of the Corporation, or of the Resulting Issuer, as the case may be, subject to any earlier expiry date of such Share Option.

All Share Options and Common Shares issued prior to the date of the Final QT Exchange Bulletin pursuant to the exercise of Share Options are subject to escrow under the CPC Escrow Agreement. In addition, all Common Shares issued on or after the date of the Final QT Exchange Bulletin pursuant to the exercise of Share Options granted prior to the Offering with an exercise price that is less than the issue price of this Offering are also subject to escrow under the CPC Escrow Agreement. For further details of the escrow requirements and release provisions, see “Escrow Securities”.

Immediately prior to the listing of the Common Shares on the Exchange, the Corporation intends to grant Share Options under the Option Plan, as follows:

Optionee	Number of Common Shares Under Options ⁽¹⁾	Exercise Price Per Common Share	Expiry Date from Date of Grant
Doug McFaul	245,000	\$0.10	Ten years
Peter Dickie	160,000	\$0.10	Ten years
David Bremner	160,000	\$0.10	Ten years
Total	565,000		

Note:

(1) Share Options available under the Option Plan assuming the Offering is completed.

The Share Options are qualified for distribution pursuant to this prospectus. The Share Options will vest immediately and be exercisable at \$0.10 per share for a period of ten years.

Agent's Option

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

Number of Common Shares Under Agent's Option	Exercise Price Per Agent's Share	Expiry Date
200,000	\$0.10	60 months from the date the Common Shares are listed on the Exchange

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

PRIOR SALES

Since the date of incorporation of the Corporation, 3,650,001 Common Shares have been issued and 3,650,000 Common Shares are currently outstanding as follows.

Date	Number of Common Shares	Issue Price Per Share	Aggregate Issue Price	Consideration Received
August 11, 2021 ⁽¹⁾	1	\$0.001	\$0.001	cash
August 27, 2021 ⁽²⁾	2,000,000	\$0.05	\$100,000	cash
August 27, 2021	1,650,000	\$0.10	\$165,000	cash

Notes:

(1) This Common Share was repurchased and cancelled by the Corporation on August 27, 2021.

(2) These Common Shares are being held in escrow. See "Escrowed Securities".

ESCROWED SECURITIES

All of the 2,000,000 Common Shares issued prior to the Offering at a price below \$0.10 per Common Share and all Common Shares that may be acquired from treasury by Non-Arm's Length Parties of the Corporation either under the Offering or otherwise prior to the date of the Final QT Exchange Bulletin will be deposited with the Transfer Agent under the Escrow Agreement.

All Share Options and all Common Shares issued prior to the date of the Final QT Exchange Bulletin pursuant to the exercise of Share Options are subject to escrow under the Escrow Agreement.

In addition, all Common Shares issued on or after the date of the Final QT Exchange Bulletin pursuant to the exercise of Share Options granted prior to the Offering with an exercise price that is less than the issue price of the Offering are also subject to escrow under the Escrow Agreement.

The following table sets out, as at the date hereof, the number of Common Shares and Share Options, which will be held in escrow.

Name and Municipality of Residence of Shareholder	Common Shares	Number of Common Shares Escrowed	Percentage of Common Shares Prior to Giving Effect to the Offering⁽¹⁾	Percentage of Common Shares After Giving Effect to the Offering⁽²⁾	Number of Share Options held in escrow After Giving Effect to the Offering
Doug McFaul Coquitlam, B.C.	1,800,000	1,800,000	49.31%	31.86%	245,000
David Bremner Vancouver, B.C.	100,000	100,000	2.74%	1.77%	160,000

Peter Dickie West Vancouver, B.C.	100,000	100,000	2.74%	1.77%	160,000
Total	2,000,000	2,000,000	54.79%	35.40%	565,000

Notes:

(1) Based on 3,650,000 Common Shares issued and outstanding as at the date of this prospectus.

(2) Assumes 5,650,000 Common Shares issued and outstanding on completion of the Offering.

Where the Common Shares 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 securities to be issued or transferred if it 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:

- a) all Share Options granted prior to the date of the Final QT Exchange Bulletin and all Common Shares that were issued pursuant to the exercise of such Share Options prior to the date of the Final QT Exchange Bulletin will be released from escrow on the date of the Final QT Exchange Bulletin, other than Share Options that were granted prior to the Offering with an exercise price that is less than the issue price of the Common Shares under this prospectus and any Common Shares that were issued pursuant to the exercise of such Share Options which will be released from escrow in accordance with (b);
- b) except for the Share Options and Common Shares issued pursuant to the exercise of such Share Options that are released from escrow on the date of the Final QT Exchange Bulletin as provided for in (a), all of the securities held in escrow will be released from escrow in accordance with the following schedule:

Release Dates	Percentage to be Released
Date of Final QT Exchange Bulletin	25%
Date 6 months following Final QT Exchange Bulletin	25%
Date 12 months following Final QT Exchange Bulletin	25%
Date 18 months following Final QT Exchange Bulletin	25%
TOTAL	100%

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 existing Principals of the Corporation and/or to incoming Principals in connection with a proposed Qualifying Transaction.

If a Final QT Exchange Bulletin is not issued, the escrowed Common Shares will not be released. Under the Escrow Agreement, upon the issuance by the Exchange of a bulletin delisting the Corporation, the Transfer Agent is irrevocably authorized to:

1. immediately cancel all of the escrowed Common Shares held by each Non-Arm's Length Party to the Corporation that were issued at a price below the Offering price under this prospectus and all Share Options and common shares issued upon exercise of Share Options held by such persons; and
2. cancel all of the escrowed securities on a date that is 10 years from the date of such Exchange bulletin.

Escrowed Securities on Qualifying Transaction

Generally, in connection with the Qualifying Transaction, subject to certain exemptions, all securities of the Resulting Issuer held by Principals of the Resulting Issuer will be required to be escrowed in accordance with the Policies of the Exchange.

PRINCIPAL SHAREHOLDERS

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

Name and Municipality of Residence of Shareholder	Type of Ownership	Number of Common Shares	Percentage of Common Shares Owned Prior to the Offering	Percentage of Common Shares Owned After the Offering⁽¹⁾	Percentage of Common Shares Owned After the Offering on a Fully Diluted Basis⁽²⁾
Doug McFaul Coquitlam, B.C.	Of Record	1,800,000	49.31%	31.86%	31.88%
Peter Dickie West Vancouver, B.C.	Of Record	100,000	2.74%	1.77%	4.05%
David Bremner Vancouver, B.C.	Of Record	100,000	2.74%	1.77%	4.05%
Scott Ackerman Surrey, B.C.	Of Record	550,000	15.07%	9.73%	8.57%
8185735 Canada Corp. ⁽³⁾ Vancouver, B.C.	Of Record	550,000	15.07%	9.73%	8.57%
The Emprise Special Opportunities Fund (2017) Limited Partnership ⁽⁴⁾ Vancouver, B.C.	Of Record	550,000	15.07%	9.73%	8.57%
Total		3,650,000	100.00%	64.59%	65.69%

Notes:

(1) Based on 5,650,000 issued and outstanding Common Shares, before giving effect to the exercise of the Agent's Option or the Share Options and assuming that no Common Shares are purchased by these persons under the Offering.

(2) The figures given in this column assume that (i) the Agent's Option to purchase up to 200,000 Agent's Shares have been fully exercised and (ii) that all Share Options granted have been fully exercised, which would result in the issued and outstanding Common Shares being increased to 6,415,000 Common Shares.

(3) 8185735 Canada Corp. is controlled by Nathan Durno.

(4) The Emprise Special Opportunities Fund (2017) Limited Partnership is managed by a general partner controlled by Robert Chisholm and Jeff Durno.

OFFICERS, DIRECTORS AND PROMOTERS

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

The following is a list of the current directors, officers and Promoter of the Corporation, their municipalities of residence, their current positions with the Corporation, and the number of shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised. Each director of the Corporation is elected annually and holds office until the next annual general meeting of Shareholders or until his or her successor is duly elected, unless his or her office is earlier vacated, in accordance with the articles of the Corporation.

Name, Province/State and Country of Residence	Positions and Offices Held	Number of Common Shares	Percentage of Common Shares Owned Prior to the Offering ⁽¹⁾	Percentage of Common Shares Owned After the Offering ⁽²⁾⁽³⁾	Date serving as a director of the Corporation ⁽⁴⁾
Doug McFaul Coquitlam, B.C.	Director, CEO, CFO, President, Corporate Secretary and Promoter	1,800,000	49.31%	31.86%	Since August 11, 2021
Peter Dickie West Vancouver, B.C.	Director	100,000	2.74%	1.77%	Since August 25, 2021
David Bremner Vancouver, B.C.	Director	100,000	2.74%	1.77%	Since August 25, 2021
Total:		2,000,000	54.79%	35.40%	

Notes:

- (1) Based on 3,650,000 Common Shares issued and outstanding as at the date of this Prospectus.
(2) Assuming that no Common Shares are purchased by these persons under the Offering.
(3) Assumes 5,650,000 Common Shares issued and outstanding on completion of the Offering.
(4) The directors have consented to hold office until they either revoke their consent in writing or until a successor is duly elected or appointed in accordance with the articles of the Corporation.

The Corporation's audit committee is comprised of Doug McFaul, Peter Dickie and David Bremner, with Peter Dickie and David Bremner acting as independent directors.

As of the date of this prospectus, the directors and officers of the Corporation, as a group, beneficially owned, directly or indirectly, or exercised control or direction over 2,000,000 Common Shares representing 54.80% of the issued and outstanding Common Shares prior to completion of the Offering, and 35.40% immediately upon completion of the Offering.

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

Doug McFaul, Age 56, Director, Chief Executive Officer, Chief Financial Officer, President, Promoter and Corporate Secretary

Mr. McFaul brings over 26 years of experience in the financial services and capital markets industries and since 2014 has served as the VP- Business Development of Emprise Capital Corp., a private merchant bank. Mr. McFaul has experience with the operations of public companies, as well as an in-depth understanding of the regulatory requirements, completion of necessary financial statements, raising capital, and shareholder relations. Mr. McFaul has held numerous board and management positions providing direction and leadership toward the achievement of an organization's philosophy, mission, strategy, and its annual goals and objectives. Mr. McFaul holds a Bachelor of Business Administration specialized in Finance from the University of Alaska Fairbanks and has completed the Canadian Securities Course. Doug McFaul is not an employee or independent contractor of the Corporation and as a director and officer, will devote the amount of time to the business and affairs of the Corporation as may be necessary to discharge his duties. Mr. McFaul has not entered into a non-competition or non-disclosure agreement with the Corporation.

Peter Dickie, Age 58, Director

Mr. Dickie has spent over 40 years, including acting as an independent business consultant since 2014, in the public and private corporate environment, having served a variety of management and executive roles in both private and public companies during that time. He is the former President, CEO and director of NioCorp Developments, a company developing the largest super-alloy mineral deposit in North America. During his six years with NioCorp, Mr. Dickie developed key relationships with property owners and all levels of government in the project area, built a team of internationally recognized executives, raised tens of millions of dollars and graduated the company to the TSX. During this time, NioCorp's market capitalization grew from under \$5 million to over \$200 million. Peter Dickie is not an employee or independent contractor of the Corporation and as a director, will devote the amount of time to the business and affairs of the Corporation as may be necessary to discharge his duties. Mr. Dickie has not entered into a non-competition or non-disclosure agreement with the Corporation.

David Bremner, Age 68, Director

David Bremner has over 30 years' experience, including acting as an independent business consultant since 1996, in corporate communication, finance, sales, and advertising, with a knowledge of North American stock exchanges, public markets, and institutional investors. He is a Board member of OCION Water Sciences Inc, a private BC company that specializes in developing and marketing environmentally responsible mineral-based concentrates. OCION products are registered with the US EPA and Health Canada and are certified Organic by OMRI. He also served as Director of Corporate Communications for PNI Digital Media (formerly PhotoChannel Networks) an open standard network environment utilized by major photofinishing retailers and wireless carriers to provide consumers with online image printing and messaging services used by some of the world largest mass merchants and drugstore chains. There are more than 14,000 retail locations worldwide accepting print orders from the PNI Digital Media system and software. PNI was sold to Staples Inc in 2014 for \$74 million. Mr. Bremner is the President and Founder of Quantas Capital Corporation, a private company with a unique understanding of financing and capital requirements associated with emerging and growth-oriented companies, focused on investing in public and private companies. David Bremner is not an employee or independent contractor of the Corporation and as a director, will devote the amount of time to the business and affairs of the Corporation as may be necessary to discharge his duties. Mr. Bremner has not entered into a non-competition or non-disclosure agreement with the Corporation.

Other Reporting Issuer Experience

The following table sets out the directors, officers or 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 of Director or Officer	Name of Reporting Issuer	Exchange	Position	Term
Doug McFaul	ECC Ventures 4 Corp.	TSXV	Director, CEO, CFO, President, Corporate Secretary	January 2021 to present
	Silver Phoenix Resources Inc.	CSE	Director, CFO	November 2018 to present
	WonderFi Technologies Inc.	NEO	Director	September 2018 to August 2021
	Infield Minerals Corp.	TSXV	Director	January 2018 to June 2021
	Sebastiani Ventures Corp.	TSXV	Director, CFO	March 2017 to June 2020

	ECC Diversified Inc.	Not listed	Director, President, CFO	February 2015 (President - October 2018, CFO – April 2019 to June 2020
	Empress Resources Corp.	TSXV	Director	October 2012 to May 2018
	Telescope Innovations Corp.	Not Listed	Director	May 2019 to June 2020
	Larose Ventures Ltd.	Not Listed	Director	May 2019 to June 2020
	Duckhorn Ventures Ltd.	Not Listed	Director	May 2019 to June 2020
	Osisko Development Corp.	TSXV	Director	August 2018 to June 2020
	A2Z Smart Technologies Corp.	TSXV	Director	January 2018 to December 2019
	World Class Extractions Inc.	CSE	Director	August 2014 to January 2019
	Nevada King Gold Corp.	TSXV	Director	June 2015 to January 2019
	Pegasus Resources Inc.	TSXV	Director, CFO	October 2010 to May 2019
	Discovery Silver Corp.	TSXV	Director, CFO	October 2016 to August 2017
	DionyMed Brands Inc.	CSE	Director	December 2017 to November 2018
	MedMen Enterprises Inc.	CSE	Director	May 2018 to May 2018
Peter Dickie	Gatling Exploration Inc.	TSXV	Director	October 2019 to April 2021
	Huntsman Exploration Inc.	TSXV	Director, President, CEO	March 2020 to April 2021
	Defense Metals Corp.	TSXV	Director	July 2018 to January 2019
	Central African Gold Inc. (formerly Bankers Cobalt Corp.)	TSXV	Director	October 2017 to November 2018

Cease Trade Orders

Other than as disclosed below, no director, officer, Insider or Promoter of the Corporation, or any shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is or was within the 10 years before the date of this prospectus, a director, officer, Insider or Promoter of any other Issuer that: (a) was subject to a cease trade or similar order or an order that denied the other issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued while the director, officer, Insider, promoter or shareholder was acting in the capacity as director, officer, Insider or promoter; or (b) was subject to a cease trade or similar order or an order that denied the other issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued after the director, officer, Insider, promoter or shareholder ceased to be a director, officer, Insider or promoter and which resulted from an event that occurred while that person was acting in the capacity as director, officer, Insider or promoter.

Doug McFaul was a director of egX Group Inc. ("egX"). In May 2009, while Mr. McFaul was a director of egX, egX was subject to a cease trade order of the BCSC and a cease trade order of the ASC (in August 2009) for failure to file the required continuous disclosure documents for the financial year ended December 31, 2008. Mr. McFaul resigned as a director of egX in 2014. The cease trade orders remain in effect."

Penalties or Sanctions

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

Bankruptcies

No director, officer, Insider or Promoter of the Corporation, or any shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation: (a) is, as at the date of the prospectus, or has been within the 10 years before the date of the prospectus, a director, officer, Insider or promoter of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, 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; or (b) has, within the 10 years before the date of the prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer, Insider, promoter or shareholder.

Conflicts of Interest

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

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

Audit Committee

The following information of the Corporation is disclosed in accordance with National Instrument 52-110 – *Audit Committees*.

Item 1: The Audit Committee Charter

The Audit Committee (the "**Committee**") is a committee of the board of directors (the "**Board**") of the Corporation. The role of the Committee is to provide oversight of the Corporation's financial management and of the design and implementation of an effective system of internal financial controls as well as to review and report to the Board on the integrity of the financial statements of the Corporation, its subsidiaries and associated companies. This includes helping directors meet their responsibilities, facilitating better communication between directors and the external auditor, enhancing the independence of the external auditor, increasing the credibility and objectivity of financial reports and strengthening the role of the directors by facilitating in-depth discussions among directors, management and the external auditor. Management is responsible for establishing and maintaining those controls, procedures and processes

and the Committee is appointed by the Board to review and monitor them. The Corporation's external auditor is ultimately accountable to the Board and the Committee as representatives of the Corporation's shareholders.

Duties and Responsibilities

External Auditor

To recommend to the Board, for shareholder approval, an external auditor to examine the Corporation's accounts, controls and financial statements on the basis that the external auditor is accountable to the Board and the Committee as representatives of the shareholders of the Corporation.

- (a) To oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- (b) To evaluate the audit services provided by the external auditor, pre-approve all audit fees and recommend to the Board, if necessary, the replacement of the external auditor.
- (c) To pre-approve any non-audit services to be provided to the Corporation by the external auditor and the fees for those services.
- (d) To obtain and review, at least annually, a written report by the external auditor setting out the auditor's internal quality-control procedures, any material issues raised by the auditor's internal quality-control reviews and the steps taken to resolve those issues.
- (e) To review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation. The Committee has adopted the following guidelines regarding the hiring of any partner, employee, reviewing tax professional or other person providing audit assurance to the external auditor of the Corporation on any aspect of its certification of the Corporation's financial statements:
- (f) No member of the audit team that is auditing a business of the Corporation can be hired into that business or into a position to which that business reports for a period of three years after the audit;
 - i. No member of the audit team that is auditing a business of the Corporation can be hired into that business or into a position to which that business reports for a period of three years after the audit;
 - ii. No former partner or employee of the external auditor may be made an officer of the Corporation or any of its subsidiaries for three years following the end of the individual's association with the external auditor;
 - iii. The Chief Financial Officer ("CFO") must approve all office hires from the external auditor; and
 - iv. The CFO must report annually to the Committee on any hires within these guidelines during the preceding year.
- (g) To review, at least annually, the relationships between the Corporation and the external auditor in order to establish the independence of the external auditor.

Financial Information and Reporting

- (a) To review the Corporation's annual audited financial statements with the Chief Executive Officer ("CEO") and CFO and then the full Board. The Committee will review the interim financial statements with the CEO and CFO.
- (b) To review and discuss with management and the external auditor, as appropriate:
 - i. The annual audited financial statements and the interim financial statements, including the accompanying management discussion and analysis; and
 - ii. Earnings guidance and other releases containing information taken from the Corporation's financial statements prior to their release.

- (c) To review the quality and not just the acceptability of the Corporation's financial reporting and accounting standards and principles and any proposed material changes to them or their application.
- (d) To review with the CFO any earnings guidance to be issued by the Corporation and any news release containing financial information taken from the Corporation's financial statements prior to the release of the financial statements to the public. In addition, the CFO must review with the Committee the substance of any presentations to analysts or rating agencies that contain a change in strategy or outlook.

Oversight

- (a) To review the internal audit staff functions, including:
 - i. The purpose, authority and organizational reporting lines;
 - ii. The annual audit plan, budget and staffing; and
 - iii. The appointment and compensation of the controller, if any.
- (b) To review, with the CFO and others, as appropriate, the Corporation's internal system of audit controls and the results of internal audits.
- (c) To review and monitor the Corporation's major financial risks and risk management policies and the steps taken by management to mitigate those risks.
- (d) To meet at least annually with management (including the CFO), the internal audit staff, and the external auditor in separate executive sessions and review issues and matters of concern respecting audits and financial reporting.
- (e) In connection with its review of the annual audited financial statements and interim financial statements, the Committee will also review the process for the CEO and CFO certifications (if required by law or regulation) with respect to the financial statements and the Corporation's disclosure and internal controls, including any material deficiencies or changes in those controls.

Membership

- (a) The Committee shall consist solely of three or more members of the Board, the majority of which the Board has determined has no material relationship with the Corporation and is otherwise "unrelated" or "independent" as required under applicable securities rules or applicable stock exchange rules.
- (b) Any member may be removed from office or replaced at any time by the Board and shall cease to be a member upon ceasing to be a director. Each member of the Committee shall hold office until the close of the next annual meeting of shareholders of the Corporation or until the member ceases to be a director, resigns or is replaced, whichever first occurs.
- (c) The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.
- (d) All members of the Committee must be "financially literate" (i.e., have the ability to read and understand a set of financial statements such as a balance sheet, an income statement and a cash flow statement).

Procedures

- (a) The Board shall appoint one of the directors elected to the Committee as the Chair of the Committee (the "**Chair**"). In the absence of the appointed Chair from any meeting of the Committee, the members shall elect a Chair from those in attendance to act as Chair of the meeting.
- (b) The Chair will appoint a secretary (the "**Secretary**") who will keep minutes of all meetings. The Secretary does not have to be a member of the Committee or a director and can be changed by simple notice from the Chair.
- (c) No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by resolution in writing signed by all the members of the

Committee. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one-half of the number of members plus one shall constitute a quorum and provided that a majority of the members must be "independent" or "unrelated".

- (d) The Committee will meet as many times as is necessary to carry out its responsibilities. Any member of the Committee or the external auditor may call meetings.
- (e) The time and place of the meetings of the Committee, the calling of meetings and the procedure in all respects of such meetings shall be determined by the Committee, unless otherwise provided for in the articles of the Corporation or otherwise determined by resolution of the Board.
- (f) The Committee shall have the resources and authority necessary to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms (including termination) of special counsel, advisors or other experts or consultants, as it deems appropriate.
- (g) The Committee shall have access to any and all books and records of the Corporation necessary for the execution of the Committee's obligations and shall discuss with the CEO or the CFO such records and other matters considered appropriate.
- (h) The Committee has the authority to communicate directly with the internal and external auditors.

Reports

The Committee shall produce the following reports and provide them to the Board:

- (a) An annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of this Charter. The performance evaluation should also recommend to the Board any improvements to this Charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make this report.
- (b) A summary of the actions taken at each Committee meeting, which shall be presented to the Board at the next Board meeting.

Item 2: Composition of the Audit Committee

National Instrument 52-110 Audit Committees, ("**NI 52-110**") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Corporation, which could, in the view of the Corporation's Board, reasonably interfere with the exercise of the member's independent judgment.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. The following sets out the members of the audit committee and their education and experience that is relevant to the performance of his responsibilities as an audit committee member.

The current members of the Audit Committee are Doug McFaul, David Bremner and Peter Dickie, all of whom are financially literate as defined by NI 52-110, with Messrs. David Bremner and Peter Dickie acting as independent directors.

Item 3: Relevant Education and Experience

The Instrument provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

All current and proposed members of the Audit Committee have received relevant education in financial literacy and have been involved in enterprises which publicly report financial results, each of which requires a working understanding of, and ability to analyze and assess, financial information (including financial statements).

Further, each member has the requisite education and experience that has provided the member with:

- (a) an understanding of the accounting principles used by the Corporation to prepare the Corporation's financial statements;
- (b) the ability to assess the general application of the above-noted principles in connection with estimates, accruals and reserves;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

Item 4: Audit Committee Oversight

At no time since incorporation was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Item 5: Reliance on Certain Exemptions

Since incorporation, the Corporation has not relied on certain exemptions set out in NI 52-110, namely section 2.4 (*De Minimis Non-audit Services*), subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), subsection 6.1.1(5) (*Events Outside Control of Member*), subsection 6.1.1(6) (*Death, Incapacity or Resignation*), and any exemption, in whole or in part, in Part 8 (*Exemptions*).

Item 6: Pre-Approval Policies and Procedures

The Audit Committee has not adopted formal policies and procedures for the engagement of non-audit services. Subject to the requirements of the NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case by case basis.

Item 7: External Auditor Service Fees (By Category)

The following table sets out the aggregate fees charged to the Corporation by the external auditor since incorporation of the Corporation for the category of fees described.

	Since incorporation on August 11, 2021 to the date of this prospectus
Audit Fees ⁽¹⁾	\$8,000
Audit-Related Fees ⁽²⁾	\$Nil
Tax Fees ⁽³⁾	\$Nil
All Other Fees ⁽⁴⁾	\$Nil
Total Fees:	\$8,000

Notes:

(1) "Audit fees" include aggregate fees billed by the Corporation's external auditor since incorporation of the Corporation.

(2) "Audited related fees" include the aggregate fees billed since incorporation of the Corporation for assurance and related services by the Corporation's external auditor that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax fees" include the aggregate fees billed since incorporation of the Corporation for professional services rendered by the Corporation's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All other fees" include the aggregate fees billed since incorporation of the Corporation for products and services provided by the Corporation's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above

Item 8: Exemption

Since incorporation, the Corporation has not relied on any exemption set out in NI 52-110.

EXECUTIVE COMPENSATION

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

1. grants of Share Options as described in "Options to Purchase Securities";
2. payment for and reimbursement of certain expenses as described in "Use of Proceeds – Permitted Use of Funds" and "Use of Proceeds – Prohibited Payments to Non-Arm's Length Parties"; and
3. finder's fees as described in "Use of Proceeds – Finder's Fees".

Further, no payment will be made by the Issuer, or by any party on behalf of the Issuer, after Completion of the Qualifying Transaction if the payment relates to services rendered or obligations incurred or in connection with the Qualifying Transaction.

Following Completion of the Qualifying Transaction, it is anticipated that the Corporation shall pay compensation to its directors and officers.

PROMOTER

Doug McFaul may be considered to be the Promoter of the Corporation in that he took initiative in establishing the Corporation.

DILUTION

Purchasers of Common Shares under this prospectus will suffer an immediate dilution of approximately \$0.018 per Common Share or 18% if the Offering is completed. Dilution has been computed on the basis of there being 5,650,000 Common Shares issued and outstanding following completion of the Offering and total gross proceeds to be raised by this prospectus and from sales of securities prior to filing of this prospectus, without deduction of commissions or related expenses incurred by the Corporation.

	Offering
Gross proceeds of prior share issues	\$265,000
Gross proceeds of the Offering	\$200,000
Total gross proceeds after the Offering	<u>\$465,000</u>
Offering price per share	\$0.100
Gross proceeds per share after the Offering	<u>\$0.082</u>
Dilution per share to subscriber	<u>\$0.018</u>
Percentage of dilution in relation to offering price	<u>18%</u>

RISK FACTORS

Investment in the Common Shares must be regarded as highly speculative and there are a number of risks inherent in making such an investment. The following are some of the risk factors associated with the Corporation:

1. 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 "Business of the Corporation" and "Use of Proceeds";

2. investment in the Common Shares offered by the prospectus is highly speculative given the proposed nature of the Corporation's business and present stage of development, see "Business of Corporation";
3. 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 "Officers, Directors and Promoters";
4. assuming completion of the Offering, an investor will suffer an immediate dilution to its investment of approximately \$0.018 or 18% per Common Share, see "Dilution";
5. 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. This may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Common Shares and the extent of issuer regulation.
6. 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;
7. until Completion of the Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions, see "Business of the Corporation";
8. 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, see "Plan of Distribution";
9. even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction, see "Business of the Corporation";
10. completion of the Qualifying Transaction is subject to a number of conditions including acceptance by the Exchange and, in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval, see "Business of the Corporation";
11. 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, see "Business of the Corporation";
12. upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares (if listed on the Exchange) will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained (if required) and certain preliminary reviews have been conducted. If listed on the Exchange, the Common Shares may be reinstated to trading before the Exchange has reviewed the transaction and before the Sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Corporation completing the proposed Qualifying Transaction, see "Business of the Corporation";
13. if listed on the Exchange, trading in the Common Shares may be halted at other times for other reasons, including for failure by the Corporation to submit documents to the Exchange in the time periods required, see "Business of the Corporation";
14. neither the Exchange nor any securities regulatory authority passes upon the merits of the proposed Qualifying Transaction;
15. 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;
16. the Qualifying Transaction may be financed in whole or in part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation;

17. subject to prior acceptance by the Exchange, the Corporation may be permitted to loan or advance up to the greater of \$250,000 and 20% of its working capital to a target business without shareholder approval and there can be no assurance that the Corporation will be able to recover that loan, see "Use of Proceeds"; and
18. if the Corporation does not list the Common Shares on the Exchange prior to the time of closing of the Offering or does not make an election to be a "public corporation" for purposes of the Tax Act in the manner contemplated under "Eligibility for Investment", adverse tax consequences will arise with respect to any Common Shares held in RRSPs, RRIFs, TFSA's or other deferred plans.

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

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Certain directors and officers of the Corporation have acquired Common Shares in the Seed Capital phase of the Corporation. See "Principal Shareholders".

MATERIAL CONTRACTS

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

1. Agency Agreement dated as of November 3, 2021 between the Corporation and the Agent. See "Plan of Distribution".
2. Escrow Agreement dated as of August 30, 2021 among the Corporation, the Transfer Agent and those shareholders that executed such agreement. See "Escrowed Securities".
3. Service Agreement dated as of August 17, 2021 between the Corporation and the Transfer Agent.
4. Option Plan.

Copies of these agreements will be available for inspection at the registered office of the Corporation located at Suite 2200 – 885 West Georgia Street, Vancouver, British Columbia, during ordinary business hours while the securities offered by this prospectus are in the course of distribution and for a period of 30 days thereafter.

Additional information relating to the Corporation and copies of the Corporation's material contracts are available for viewing under the Corporation's profile on SEDAR at www.sedar.com.

LEGAL PROCEEDINGS

Neither the Corporation nor its property is currently party to any legal proceedings and neither the Corporation nor its property were subject to, since its incorporation, any legal proceedings, nor is the Corporation currently contemplating any legal proceedings. Management of the Corporation is currently not aware of any legal proceedings contemplated against the Corporation or its property.

RELATIONSHIP BETWEEN THE CORPORATION AND THE AGENT

The Agent was not involved in the decision by the Corporation to distribute Common Shares pursuant to the Offering, nor was the Offering requested or suggested to the Corporation by the Agent. The Agent, through its corporate finance department, was involved in the determination of the terms of the Offering in its capacity as agent for the sale of the Common Shares on a commercially reasonable efforts basis. No employee, officer or director of the Agent, or any Associate or Affiliate thereof, owns, directly or indirectly, any Common Shares prior to completion of the Offering, and the only proceeds of the Offering to be received by the Agent is the remuneration to be paid to it in connection with the sale of the Common Shares, which includes the Agent's commission, the corporate finance fee payable to it and the Agent's Option. See "Plan of Distribution".

RELATIONSHIP BETWEEN THE CORPORATION AND PROFESSIONAL PERSONS

Certain legal matters relating to the Offering will be passed upon by Cassels Brock & Blackwell LLP, on behalf of the Corporation, and by Vantage Law Corporation, on behalf of the Agent. The partners and associates of Cassels Brock & Blackwell LLP and Vantage Law Corporation may subscribe pursuant to the Offering.

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

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of the Corporation is Davidson & Company LLP, Chartered Professional Accountants, 1200 - 609 Granville Street, Vancouver, British Columbia, V7Y 1G6. The transfer agent and registrar of the Corporation is Endeavor Trust Corporation of Vancouver, British Columbia.

DIVIDEND POLICY

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

ELIGIBILITY FOR INVESTMENT

In the opinion of Cassels Brock & Blackwell LLP, counsel to the Corporation, based on the current provisions of the *Income Tax Act* (Canada) (the "**Act**") and the regulations thereunder, in force as of the date hereof, the Common Shares, if, as and when listed on a designated stock exchange (which includes Tier 2 of the Exchange) or the Corporation is a "public corporation" (other than a mortgage investment corporation), as defined in the Act, will be qualified investments for a trust governed by a registered retirement savings plan ("**RRSP**"), a registered retirement income fund ("**RRIF**"), a registered education savings plan ("**RESP**"), a deferred profit sharing plan, a registered disability savings plan ("**RDSP**") and a tax-free savings account ("**TFSA**"), each as defined under the Act.

Notwithstanding that the Common Shares may be a qualified investment for a trust governed by an RRSP, RRIF, RESP, RDSP or TFSA (a "**Plan**"), the annuitant of the RRSP or RRIF, the subscriber under an RESP or the holder of a TFSA or RDSP, as the case may be, (the "**Controller**") will be subject to a penalty tax in respect of Common Shares acquired by a Plan if such Common Shares are a "prohibited investment" for the particular Plan. The Common Shares will generally be a "prohibited investment" of a Plan if the Controller of the Plan does not deal at arm's length with the Corporation for the purposes of the Act or has a "significant interest" (as defined in subsection 207.01(4) of the Act) in the Corporation. In addition, the Common Shares will not be a "prohibited investment" if the Common Shares are "excluded property" as defined in the Act for a Registered Plan.

Prospective investors are urged to consult their own tax advisors.

OTHER MATERIAL FACTS

There are no other material facts about the securities being distributed that are not disclosed under the preceding items and are necessary in order for the prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

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

ECC VENTURES 5 CORP.

Financial Statements
(Expressed in Canadian Dollars)

For the period from incorporation on
August 11, 2021 to August 31, 2021

INDEPENDENT AUDITOR'S REPORT

To the Directors of
ECC Ventures 5 Corp.

Opinion

We have audited the accompanying financial statements of ECC Ventures 5 Corp. (the "Company"), which comprise the statement of financial position as at August 31, 2021, and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the period from incorporation on August 11, 2021 to August 31, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

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 in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 IFRS, 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 Alyson Neil.

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

November 3, 2021

ECC VENTURES 5 CORP.

Statement of Financial Position

As at August 31, 2021

(Expressed in Canadian dollars)

		August 31, 2021
Assets		
Current Assets		
Cash	\$	240,243
Deferred financing costs (Note 11)		19,500
Total Assets	\$	259,743
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	\$	11,845
Shareholders' Equity		
Share capital (Note 6)		265,000
Deficit		(17,102)
		247,898
Total Liabilities and Shareholders' Equity	\$	259,743

Nature of business and continuing operations (Note 1)

Proposed transaction (Note 11)

Approved on Behalf of the Board on November 3, 2021:

"Doug McFaul"
Doug McFaul – CEO/CFO/Director

"Peter Dickie"
Peter Dickie - Director

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

ECC VENTURES 5 CORP.

Statement of Loss and Comprehensive Loss

For the period from incorporation on August 11, 2021 to August 31, 2021

(Expressed in Canadian dollars)

	Period from incorporation on August 11, 2021 to August 31, 2021
Expenses	
Bank charges	\$ 7
Filing fees	5,250
Professional fees	11,845
Loss and comprehensive loss for the period	\$ 17,102
Weighted average number of common shares outstanding – basic and diluted (Note 7)	730,000
Basic and diluted loss per share	\$ (0.02)

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

ECC VENTURES 5 CORP.

Statement of Changes in Shareholders' Equity

For the period from incorporation on August 11, 2021 to August 31, 2021

(Expressed in Canadian dollars)

	Share Capital Number (Note 6(b))	Amount	Deficit	Total Shareholders' Equity
Balance, (incorporation) – August 11, 2021	1	\$ 1	\$ -	\$ 1
Repurchased by the Company (Note 6)	(1)	(1)	-	(1)
Common shares issued (Note 6)	3,650,000	265,000	-	265,000
Loss for the period	-	-	(17,102)	(17,102)
Balance, August 31, 2021	3,650,000	\$ 265,000	\$ (17,102)	\$ 247,898

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

ECC VENTURES 5 CORP.

Statement of Cash Flows

For the period from incorporation on August 11, 2021 to August 31, 2021

(Expressed in Canadian dollars)

		For the period from incorporation on August 11, 2021 to August 31, 2021
Cash provided by (used for):		
Operating Activities:		
Loss for the period	\$	(17,102)
Net change in non-cash working capital items:		
Accounts payable and accrued liabilities		11,845
		(5,257)
Financing Activity:		
Proceeds from share issuance (Note 6)		265,000
Deferred financing costs (Note 11)		(19,500)
		245,500
Change in cash for the period		240,243
Cash, beginning of the period		-
Cash, end of the period	\$	240,243
Supplemental information:		
Interest paid	\$	-
Income taxes	\$	-

There were no significant non-cash transactions during the period from incorporation on August 11, 2021 to August 31, 2021.

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

ECC VENTURES 5 CORP.**Notes to the Financial Statements**

For the period from incorporation on August 11, 2021 to August 31, 2021

(Expressed in Canadian dollars)

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

ECC Ventures 5 Corp. (the “Company”) was incorporated on August 11, 2021 under the laws of British Columbia and is applying to be a Capital Pool Company (“CPC”) as defined in the TSX Venture Exchange (“TSX-V” or the “Exchange”) Policy 2.4. The head office is located at 1600 – 609 Granville Street, Vancouver, British Columbia V7Y 1C3, and the records and registered office is located at 2200 HSBC Building 885 West Georgia Street, British Columbia, V6C 3E8.

Since incorporation on August 11, 2021, the Company has had no active business operations. As a CPC, the Company’s business objective will be to identify and evaluate assets or businesses with a view to potential acquisition or participation by completing a Qualifying Transaction (“QT”), as defined in Exchange Policy 2.4 subject, in certain cases, to shareholder approval and acceptance by the TSX-V.

As a CPC, 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 up to \$3,000 per month may be used for reasonable general and administrative expenses of the Company. These restrictions will apply until completion of a QT by the Company as defined under the policies of the Exchange.

The Company has an accumulated deficit of \$17,102 as at August 31, 2021. The Company's ability to continue its operations is dependent upon obtaining additional financing sufficient to cover its operating costs. All the preceding indicates the existence of a material uncertainty that may cast substantial doubt about the Company’s ability to continue as a going concern. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. To date, COVID-19 has not had an adverse impact on the Company.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

ECC VENTURES 5 CORP.**Notes to the Financial Statements**

For the period from incorporation on August 11, 2021 to August 31, 2021

(Expressed in Canadian dollars)

3. BASIS OF PRESENTATION

The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. The financial statements are presented in Canadian dollars, which is also the Company's functional currency. In addition, the financial statements have been prepared using the accrual basis of accounting except for cash flow information. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

4. SIGNIFICANT ACCOUNTING POLICIES**(a) Income taxes**

Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

(b) Share capital

Common shares are classified as share capital. Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects.

ECC VENTURES 5 CORP.**Notes to the Financial Statements**

For the period from incorporation on August 11, 2021 to August 31, 2021

(Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)**(b) Share capital (continued)**

The proceeds from the issue of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the proceeds are allocated to share capital based on the fair value of the common shares and any residual value is allocated to common share purchase warrants.

(c) Basic and diluted loss per share

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

(d) Financial instrument measurement and valuation

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- | | |
|---------|--|
| Level 1 | Unadjusted quoted prices in active markets for identical assets or liabilities; |
| Level 2 | Inputs other than quoted prices that are observable for the assets or liability either directly or indirectly; and |
| Level 3 | Inputs that are not based on observable market data. |

The measurement of the Company's financial instruments is disclosed in Note 10 to these financial statements. Any financial instrument that is valued using level 2 or 3 inputs will involve estimation uncertainty.

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company's accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realized and unrealized gains

ECC VENTURES 5 CORP.

Notes to the Financial Statements

For the period from incorporation on August 11, 2021 to August 31, 2021

(Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)**(d) Financial instrument measurement and valuation (continued)**

and losses arising from changes in the fair value of the financial assets held at FVTPL are included in the statement of profit or loss in the period.

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (loss) in which they arise.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost: The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date, with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

Financial liabilities and equity: Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recorded at the proceeds received, net of direct issue costs.

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss (FVTPL) – This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Amortized cost – This category consists of liabilities carried at amortized cost using the effective interest method. Accounts payable and accrued liabilities are included in this category. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

ECC VENTURES 5 CORP.

Notes to the Financial Statements

For the period from incorporation on August 11, 2021 to August 31, 2021

(Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)**(e) Critical accounting estimates and judgements**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, and expenses. Estimates and associated assumptions applied in determining asset or liability values are based on historical experience and various other factors including other sources that are believed to be reasonable under the circumstances but are not necessarily readily apparent or recognizable at the time such estimate or assumption is made. Actual results may differ from these estimates.

Estimates and underlying assumptions used in determining asset and liability values 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 future periods if the revision affects both current and future periods.

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

Judgements**Going Concern**

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. The factors considered by management are disclosed in Note 1.

Estimates**Deferred tax assets and liabilities**

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development, and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

ECC VENTURES 5 CORP.**Notes to the Financial Statements**

For the period from incorporation on August 11, 2021 to August 31, 2021

(Expressed in Canadian dollars)

5. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

As of August 31, 2021, \$Nil was due to related parties.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

During the period from incorporation on August 11, 2021 to August 31, 2021, \$Nil was recorded as compensation costs for key management personnel and companies related to them.

6. SHARE CAPITAL**(a) Authorized**

Unlimited number of common and preferred shares without par value.

(b) Issued and outstanding

As at August 31, 2021, the issued share capital was comprised of 3,650,000 common shares.

The Company issued 1 common share for nominal consideration upon incorporation. The Company subsequently repurchased this share for the same amount.

On August 27, 2021, the Company completed a private placement financing and issued 2,000,000 common shares of the Company at a price of \$0.05 per share for total proceeds of \$100,000.

On August 27, 2021, the Company completed a private placement financing and issued 1,650,000 common shares of the Company at a price of \$0.10 per share for total proceeds of \$165,000.

(c) Escrowed shares

In connection with the Company's proposed transaction (Note 11), 2,000,000 common shares issued at \$0.05 per share are held in escrow pursuant to the requirements of the Exchange. Twenty five percent of the escrowed common shares will be released from escrow on the issuance of the Final Exchange Bulletin (as defined in the policies of the Exchange) (the "Initial Release")

ECC VENTURES 5 CORP.

Notes to the Financial Statements

For the period from incorporation on August 11, 2021 to August 31, 2021

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)**(c) Escrowed shares (continued)**

and an additional twenty five percent will be released on each of the dates which are six, twelve and eighteen months following the Initial Release.

All common shares acquired on exercise of stock options granted to directors and officers of the Company prior to completion of the QT, must also be deposited in escrow until the Final Exchange Bulletin is issued.

All common shares acquired in the secondary market prior to completion of a QT by a Control Person (as defined in the policies of the Exchange), are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Company held by principals of the resulting issuer will also be subject to escrow.

(d) Stock options

On August 25, 2021, the Company's board of directors adopted a stock option plan (the "Stock Option Plan") whereby it can grant incentive stock options to directors, officers, employees, and technical consultants of the Company. The Stock Option Plan remains subject to the approval of the Exchange. The maximum numbers of shares that may be reserved for issuance under the Stock Option Plan is limited to 10% of the issued common shares of the Company at any time. The vesting period for all options is at the discretion of the Board of Directors. The exercise price will be set by the Board of Directors at the time of grant and cannot be less than the discounted market price of the Company's common shares.

The Stock Option Plan provides that the number of common shares that may be reserved for the issuance to any one individual upon exercise of all stock options held by such an individual may not exceed 5% of the issued common shares, if the individual is a director or officer, or 2% of the issued common shares, if the individual is a consultant or engaged in providing investor relations services, on a yearly basis. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from date of termination other than for cause; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession. All common shares acquired on exercise of stock options granted to directors and officers prior to the completion of a QT must be deposited in escrow until the final exchange bulletin relating to a QT is issued.

The Company did not grant any options during the period from incorporation on August 11, 2021 to August 31, 2021.

ECC VENTURES 5 CORP.

Notes to the Financial Statements

For the period from incorporation on August 11, 2021 to August 31, 2021

(Expressed in Canadian dollars)

7. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the period ended August 31, 2021 was based on the loss attributable to common shareholders of \$17,102 and the weighted average number of common shares outstanding of 730,000.

8. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2021
Loss before income taxes	\$ 17,102
Expected income tax recovery at statutory rates	5,000
Change in unrecognized deferred tax assets	(5,000)
Income tax expense (recovery)	\$ -

Significant components of the Company's deferred income tax assets (liabilities) not recognized are shown below:

	2021
Non-capital losses carried forward	\$ 17,102

As at August 31, 2021, the Company had approximately \$17,102 of non-capital loss carry forwards available to reduce taxable income for future years. The non-capital losses start to expire in 2041.

9. MANAGEMENT OF CAPITAL

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

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 up to \$3,000 per month may be used for reasonable general and administrative expenses of the Company. These restrictions apply until completion of a QT by the Company as defined under the policies of the Exchange.

ECC VENTURES 5 CORP.**Notes to the Financial Statements**

For the period from incorporation on August 11, 2021 to August 31, 2021

(Expressed in Canadian dollars)

10. FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Market Risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk and are disclosed as follows:

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollars. As at August 31, 2021, the Company is not exposed to currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates relative to its cash balances is currently immaterial. The Company also has no long-term debt with variable interest rates, so it has no negative exposure to changes in the market interest rate.

(iii) Price rate risk

The Company has no exposure to price risk with respect to equity prices as the Company is not listed. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible.

ECC VENTURES 5 CORP.**Notes to the Financial Statements**

For the period from incorporation on August 11, 2021 to August 31, 2021

(Expressed in Canadian dollars)

10. FINANCIAL INSTRUMENTS (continued)**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. At August 31, 2021, the Company has no sources of revenue but has a cash balance of \$240,243 to settle current liabilities of \$11,845. As such, management feels the Company has sufficient cash to fund corporate overhead costs and the repayment of the Company's debt obligations for the next year. The Company's exposure to liquidity risk is currently negligible.

Fair Value Measurements

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market data.

As at August 31, 2021 the Company's financial instruments consist of cash, accounts payable and accrued liabilities. Cash is classified as fair value using Level 1 measurement. Accounts payable and accrued liabilities are classified as amortized cost. The fair value of accounts payable and accrued liabilities approximates its carrying value because of the short-term nature of the instruments.

11. PROPOSED TRANSACTION

The Company is in the process of filing its prospectus, and on August 11, 2021, the Company entered into an engagement agreement with Research Capital Corporation (the "Agent") in relation to its initial public offering ("IPO"), whereby it proposes to issue to the public 2,000,000 common shares at \$0.10 per common share for total proceeds of \$200,000 (the "Offering"). The Agent will be paid a cash commission of \$20,000, a corporate finance fee of \$12,000, and will be issued agent's options to acquire up to 200,000 common shares of the Company at \$0.10 per common share for a period of 60 months from the day the common shares of the Company are listed on the Exchange. The Company is also required to reimburse the Agent's reasonable expenses, including legal fees, which are estimated at \$7,500 (maximum \$9,000), related to the Offering. The retainers in the amount of \$19,500 for the corporate finance fee and estimated legal fees were paid as of August 31, 2021 and have been included in deferred financing costs. The purpose of the IPO is to provide the Company with funds with which to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction. Immediately prior to the listing on the Exchange, the Company also proposes to grant an aggregate of 565,000 stock options to directors and officers of the Company, exercisable at \$0.10 per common share for a period of ten years from the date of grant.

CERTIFICATE OF THE CORPORATION

Dated: November 3, 2021

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

"Doug McFaul"

Doug McFaul
President, CEO, CFO,
Promoter and Corporate
Secretary

ON BEHALF OF THE BOARD

"David Bremner"

David Bremner
Director

"Peter Dickie"

Peter Dickie
Director

CERTIFICATE OF THE PROMOTER

Dated: November 3, 2021

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

"Doug McFaul"

Doug McFaul
Promoter

CERTIFICATE OF THE AGENT

Dated: November 3, 2021

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

RESEARCH CAPITAL CORPORATION

By: "Jovan Stupar"

Name: Jovan Stupar

Title: Managing Director, Research Capital
Corporation

ACKNOWLEDGEMENT – PERSONAL INFORMATION

Dated: November 3, 2021

“Personal Information” means any information about an identifiable individual, and includes the information contained in any Items in the attached prospectus that are analogous to Items 4.2, 6.7, 11.1, 13.1, 14, 15 and 21 of Form 3A of the CPC Policy, as applicable.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

1. the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to the prospectus; and
2. the collection, use and disclosure of Personal Information by the Exchange for the purposes described on Appendix 6B or as otherwise identified by the Exchange, from time to time.

ON BEHALF OF THE BOARD

By: “Doug McFaul”
Doug McFaul
Director, CEO, CFO, President and Corporate
Secretary