

*A copy of this amended and restated preliminary prospectus has been filed with the securities regulatory authority in the Province of British Columbia but has not yet become final for the purpose of the sale of securities. Information contained in this amended and restated preliminary prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus is obtained from the securities regulatory authority.*

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

*As at the date of this prospectus, CIC Capital Ltd. 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) other than the TSX Venture Exchange.*

## **NON-OFFERING AMENDED AND RESTATED PRELIMINARY PROSPECTUS**

Amended and restated preliminary prospectus dated March 18, 2020  
amending and restating the preliminary prospectus dated December 23, 2019

### **CIC CAPITAL LTD.**

**(the “Company” or “Issuer”)**

**Suite 700, 595 Burrard Street  
Vancouver, BC Canada V7X 1S8**

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**No securities are being offered pursuant to this Prospectus.**

**There is currently no market through which the common shares (the “Common Shares”) of the Company may be sold and shareholders may not be able to resell the Common Shares owned by them. 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”.**

This prospectus (the “Prospectus”) is being filed with the British Columbia Securities Commission for the purpose of allowing CIC Capital Ltd. (the “Company”, or the “Issuer”) to meet one of the eligibility requirements for the listing of its common shares (the “Common Shares”) on the TSX Venture Exchange (“TSXV” or the “Exchange”). As no securities are being sold pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company from its general funds.

**An investment in securities of the Company is speculative and involves a high degree of risk. In reviewing this prospectus, you should carefully consider the matters described under the heading “Risk Factors”.**

**The Company intends to submit an application to list our common shares on the Toronto Stock Exchange Venture Market (the “TSXV”). Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV.**

**No underwriter has been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus. No person is authorized by the Company to provide any information or make any representations other than those contained in this Prospectus.**

**This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities.**

Unless otherwise noted, all currency amounts in this prospectus are stated in Canadian dollars.

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## ABOUT THIS PROSPECTUS

The Issuer is not offering to sell securities under this Prospectus. An investor should rely only on the information contained in this Prospectus and is not entitled to rely on parts of the information contained in this Prospectus to the exclusion of others. The Issuer has not authorized anyone to provide investors with additional or different information. If anyone provides a prospective investor with additional, different or inconsistent information, including statements in the media about the Company, such information should not be relied on. The information contained in this Prospectus is accurate only as of the date of this Prospectus or the date indicated, regardless of the time of delivery of this Prospectus.

As used in this Prospectus, the terms “The Company”, “us” and “our”, mean the Issuer as the context requires, unless otherwise indicated.

## FORWARD-LOOKING INFORMATION

This Prospectus contains forward-looking information which reflects expectations of Management regarding the Issuer’s future growth, results of operations, performance and business prospects and opportunities. Often, but not necessarily always, words such as “will”, “should”, “additional”, “affect”, “anticipate”, “be required”, “believe”, “budget”, “contemplate”, “continue”, “could”, “does not expect”, “effect” “estimate”, “expect”, “intend”, “is expected”, “may”, “plan”, “planned”, “potential” , “target”, “predict”, “project”, “prospects”, “results”, “will exist” and similar expressions have been used to identify forward-looking information. This information reflects Management’s current beliefs and is based on information currently available to Management. Forward-looking information involves significant risks, uncertainties and assumptions. A number of factors could cause actual results to differ materially from the results discussed in forward-looking information, including those factors listed in the “Risk Factors” section of this Prospectus.

More particularly and without limitation, this Prospectus contains forward-looking statements and information relating to the following:

- the performance characteristics of the Company's advisory services
- projections of costs;
- future funds from advisory services;
- equity earned in client companies;
- sale of equity in client companies;
- capital programs;
- debt levels;
- treatment under governmental regulatory regimes and tax laws; and
- capital expenditures.

Although the Company believes that the expectations reflected in the forward-looking statements and information in this Prospectus are reasonable, it can give no assurance that such expectations will prove to be correct. Since forward- looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated due to a number of factors and risks.

These include, but are not limited to, the risks associated with advisory services industry in general, such as operational risks in development, and production, delays or changes in plans with respect to operations, development projects or capital expenditures, the uncertainty of estimates and projections relating to

production rates, costs and expenses and exchange rate fluctuations, marketing and transportation, environmental risks, competition, the ability to access sufficient capital from internal and external sources and changes in tax, royalty and environmental legislation. Readers are cautioned that the foregoing list of factors and risks is not exhaustive.

The forward-looking statements and information contained in this Prospectus are made as of the date hereof and, unless so required by applicable law, the Company undertakes no obligation to update publicly or revise any forward- looking statements or information, whether as a result of new information, future events or otherwise. The forward- looking statements and information contained in this Prospectus are expressly qualified by this cautionary statement.

### **GENERAL DISCLOSURE INFORMATION**

The Issuer is not offering to sell securities under this Prospectus. An investor should rely only on the information contained in this Prospectus. Prospective investors should read this entire Prospectus and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of an investment in the Common Shares.

### **CURRENCY AND CERTAIN INFORMATION**

Unless otherwise indicated or the context otherwise requires, all dollar amounts contained in this Prospectus are in US (US\$). Aggregated figures in graphs, charts and tables contained in this Prospectus may not add due to rounding. Historical statistical data and/or historical returns do not necessarily indicate future performance. Unless otherwise indicated, the market and industry data contained in this Prospectus is based upon information from industry and other publications and the knowledge of management and experience of the Issuer in the markets in which the Issuer operates. Words importing the singular number include the plural and *vice versa*, and words importing any gender or the neuter include both genders and the neuter.

## GLOSSARY

The following is a glossary of certain terms used in this Prospectus including the summary hereof. Terms and conditions used in the financial statements are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated.

<b>“Affiliate”</b>	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 Issuer 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 Issuer. 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.
<b>“Associate”</b>	when used to indicate a relationship with a person or company, means (a) an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer, (b) any partner of the person or company, (c) any trust or estate in which the person or company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity, and (d) in the case of a person, a relative of that person, including (i) that person’s spouse or child, or (ii) any relative of the person or of his spouse who has the same residence as that person.
<b>“Articles”</b>	means the Company’s articles of incorporation, as amended.
<b>“Audit Committee”</b>	means the audit committee established by the Board of Directors.
<b>“BCSC”</b>	means the British Columbia Securities Commission.
<b>“Board of Directors” or “Board”</b>	means the board of directors of the Company.
<b>“Common Shares”</b>	means common shares in the capital of CIC Capital Ltd.
<b>“CEO”</b>	means chief executive officer.
<b>“CFO”</b>	means chief financial officer.
<b>“Company” or “Issuer”</b>	means CIC Capital Ltd.
<b>“Company Shareholders”</b>	means the holders of Common Shares of CIC Capital Ltd.
<b>“Common Shares”</b>	means the common shares without par value in the capital of the Issuer.
<b>“Consolidated Financial Statements”</b>	means the audited consolidated financial statements of the Company for the periods ended December 31, 2017 and 2018.
<b>“Control Person”</b>	means any person or company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the Issuer.
<b>“Escrow Agent”</b>	means AST Trust Company (Canada), as escrow agent for the Common Shares held in escrow.

<b>"Escrow Agreement"</b>	means the escrow agreement among the Company, the Escrow Agent and certain shareholders of the Company pursuant to the TSX Policy 5.4.
<b>"Listing Date"</b>	means the date on which the Common Shares are listed and posted for trading on the TSXV.
<b>"Insider"</b>	has the meaning ascribed to that term in the <i>Securities Act</i> (British Columbia), which includes the directors and senior officers of the Issuer or any subsidiaries of the Issuer and any person that has direct or indirect beneficial ownership of, or control or direction over, securities of the Issuer carrying more than 10% of the voting rights attached to the Issuer's outstanding voting securities.
<b>"MD&amp;A"</b>	means Management Discussion and Analysis.
<b>"NI 51-102"</b>	means National Instrument 51-102 <i>Continuous Disclosure Requirements</i> .
<b>"NI 52-110"</b>	means National Instrument 52-110 <i>Audit Committees</i> .
<b>"NI 58-101"</b>	means National Instrument 58-101 <i>Disclosure of Corporate Governance Practices</i> .
<b>"NI 58-201"</b>	means National Policy 58-201 <i>Corporate Governance Guidelines</i> .
<b>"NP 46-201"</b>	means National Policy 46-201 <i>Escrow for Initial Public Offerings</i> as published by the Canadian Securities Administrators.
<b>"Prospectus"</b>	means this prospectus and any appendices, schedules or attachments hereto.
<b>"Principals"</b>	Principals include all persons or companies that fall into one of the following categories: <ul style="list-style-type: none"> <li>(a) directors and senior officers of the Issuer, as listed in this Prospectus;</li> <li>(b) promoters of the Issuer;</li> <li>(c) those who own and/or control more than 10% of the Issuer's voting securities; and</li> <li>(d) associates and affiliates of any of the above.</li> </ul>
<b>"Promoter"</b>	has the meaning set out in the <i>Securities Act</i> (British Columbia).
<b>"Related Person"</b>	means an "Insider", which has the meaning set forth in the <i>Securities Act</i> (British Columbia) being: <ul style="list-style-type: none"> <li>(a) a director or senior officer of the company that is an insider or subsidiary of the issuer;</li> <li>(b) a director or senior officer of the issuer;</li> <li>(c) a person that beneficially owns or controls, directly or indirectly, voting share carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or</li> <li>(d) the issuer itself if it holds any of its own securities.</li> </ul>
<b>"Securities Commission"</b>	means the British Columbia Securities Commission.
<b>"SEDAR"</b>	means the System for Electronic Document Analysis and Retrieval ( <a href="http://www.sedar.com">www.sedar.com</a> ).
<b>"Securitisation"</b>	the pooling of various assets and financing the acquisition of these pooled assets with the issuance of securities.
<b>"TSXV"</b>	means TSX Venture Exchange.

## SUMMARY OF PROSPECTUS

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

**General:** The Company was incorporated and registered in the Republic of Seychelles on 13 December 2013 under the International Business Companies Act 1994 and the regulations made thereunder as a tax-exempt international business company limited by shares, with the name CIC Capital Ltd. and with registered number 137439. On March 26, 2019, the Company continued (change of jurisdiction of incorporation) into British Columbia ("BC") Canada under the Business Corporation Act (British Columbia) with registered number C1202631.

The address of the registered office of the Company is 1100 - 570 Granville Street Vancouver, British Columbia V6C 3P1, Canada.

**The Issuer's Business:** The Issuer provides corporate, financial, technical, strategic, advisory and consulting services, including advice on listings on public markets. The Company generally receives equity and cash as consideration for its services.  
See "Narrative Description of the Business"

<b>Management, Directors and Officers:</b>	<b>Name</b>	<b>Position</b>
	Robert Leslie Rhodes	Independent Non-Executive Chairman
	Terrence Larkan	Independent Non-Executive Director
	Li Hongguang (Kevin)	Independent Non-Executive Director
	David R. Toyoda	Independent Non-Executive Director
	Inge Leutscher	Independent Non-Executive Director
	Stuart J. Bromley	Executive Director/CEO
	Jin Liang Li (David)	CFO

See "Directors and Executive Officers"

**The Offering:** The Issuer is not conducting an offering of securities pursuant to this Prospectus.

**Funds Available and Use of Available Funds:** As at December 31, 2019, the most recent month-end before the date of this Prospectus, the Issuer had an approximate consolidated working capital of \$430,240.

For a more detailed discussion on the Issuer's available funds, see "Use of Available Funds". The Issuer is generating cash flow to fund its working capital requirements and it is anticipated that the Company will not require funding from other sources to continue operations beyond the next year. The Company's estimated use of funds for the next twelve months is as follows:

<b>Use of Available Funds</b>	<b>Amount</b>
General Administration	\$ 35,000
Professional & Legal Fees	120,000
Staff/Director Salary's	245,000
Share Registrar	4,500
Unallocated Working Capital	55,479
Total	<u>\$459,979</u>

See "Use of Proceeds"

**Risk Factors** An investment in advisory services companies involves a degree of risk, including risks related to cash flow and liquidity, the ongoing need for financing, a volatile stock price, operational risks and costs, regulatory matters and risks related to advisory contracts. The above list of risk factors is not intended to be a definitive list of all risks associated with the Company. For a detailed description of these and other risks see "Risk Factors"

**Summary  
Financial  
Information:**

The following selected financial information is subject to the detailed information contained in the financial statements of the Company and related notes thereto appearing elsewhere in this Prospectus. The selected financial information is derived from the audited financial statements as of December 31, 2017 and 2018 and for the years then ended and the unaudited financial statements as of September 30, 2019 and for the nine-months then ended.

	<b>Sep. 30, 2019 (Unaudited)</b>	<b>Dec. 31, 2018 (Audited)</b>	<b>Dec. 31, 2017 (Audited)</b>
Total revenue	\$ 1,436,286	–	\$ 1,392,551
Net income for the period	3,550,201	198,687	1,376,711
Earnings per share, basic & diluted	0.07	–	0.03
Total assets	546,579	–	–
Total long-term liabilities	–	–	–

*See “Selected Financial Information and Management’s Discussion and Analysis”.*



## CORPORATE STRUCTURE

### Name, Address and Incorporation

The Company was incorporated and registered in the Republic of Seychelles on December 13, 2013 under the International Business Companies Act 1994 and the regulations made thereunder as a tax-exempt international business company limited by shares, with the name CIC Capital Ltd. and with registered number 137439.

The Company was established to provide advisory services initially to take up potential clients after CIC Capital Fund Ltd ("CIC Fund") cancelled its advisory client contracts on June 13, 2014. Shareholders of CIC Fund received equal shares they held in CIC Fund in CIC Capital Ltd. pro-rata in January 2015 as the Company UK legal advisor deemed the potential take up of CIC Funds clients as a farm-out. The Company created a gold company shell CIC Gold Group Ltd ("CIC Gold") and successfully listed CIC Gold on the regulated main board of the London Stock Exchange in June 2015 to prove the Company's business model. No other activities were undertaken to advise any former CIC Funds clients rather advise CIC Fund directly and remained effectively a shell company.

The Company resolved to only to provide its advisory services to its own clients and to completely separate from CIC Capital Fund Ltd. CIC Fund and the Company have one common director Li Honnguang.

On March 26, 2019, the Company continued (change of jurisdiction of incorporation) into British Columbia ("BC") Canada under the Business Corporation Act (British Columbia) with registered number C1202631. The address of the registered office of the Company is Suite 700, 595 Burrard Street Vancouver, BC Canada V7X 1S8 and its head office is 22-24 Boulevard Royal, L-2449 Luxembourg.

### Intercorporate Relationships

The Company has no subsidiary companies.

## NARRATIVE DESCRIPTION OF THE BUSINESS

### Background

The Company is an advisory firm, providing advisory services for client companies ("Client Companies"). The Company's key strength is ability to provide the advisory services on a fixed cost basis in return for equity and cash. The equity earned may be distributed in part or whole as a dividend in *specie* to the Company Shareholders.

The Company primarily focuses on the key vertical market clients that tend to be recession proof industries;

- i) Medical Sciences
- ii) Energy (non-fossil fuel)
- iii) Travel
- iv) Technology (new sciences)

Within these vertical markets, the Company primary focus is those clients the have significant illiquid assets namely intellectual property (patented assets), property and secured mortgages that can be securitised under Luxembourg laws. The Company focuses also on clients that may will lead to new business relationship or can be seen as a long-term growth prospect.

The Directors have adopted comprehensive corporate actions to ensure the Board is and remains free from any influence of founding shareholders and any significant shareholder. The Board is comprised of a majority

of independent directors (5 to 1) to facilitate independence for the benefit of non-controlling and minority shareholders. The Company is not registered, authorised or regulated by any financial or other authority and no warranties or representations are given to the Client Companies by any such authority nor does the Company engages in, or holding itself out as engaging in, the business of advising Client Companies with respect to investment in or the purchase or sale of securities or exchange contracts.

### **Company Structure**

The Company does not have any subsidiary companies.

### **History of Business Activities and Services of the Company**

The Company provides advisory services summarised as follows:

#### **i) Securitisation (Luxembourg) advisory services**

The main activity of the Company is advisory services is the Securitisation in Luxembourg of illiquid assets and positioning the client to secure financing of these illiquid assets with the issuance of loan notes. The Company generally will only deal with clients with illiquid asset value between €30,000,000 plus. The Company has established presence in Luxembourg to support clients with high value illiquid assets namely property and Intellectual property. The Company fees to client are cash for establishment and an administrative fee of 4.2% of value notes issue. The Company, provides two main Luxembourg platforms:

- Securitisation vehicles for used by the Client Company; and
- Company owned securitisation vehicles that can be used by the Client Company.

The Company future cash generation will be driven in majority by advisory fees earned from Securitisation in Luxembourg.

#### **ii) General Corporate Advisory**

The Company is a single point of source in many facets of corporate advisory services including corporate restructuring, change of seat or jurisdiction, merger and acquisitions, corporate governance, financial reporting procedure establishment, share register re-organisation, shareholder meetings, board structure, establishment of committees, share buybacks, financial reporting, introduction to regulated advisors for financing. Management has at its disposal significant experience and relationships to minimise any risk the corporate actions tend to create.

#### **iii) Advising regulated stock exchange listing**

The Company in providing securitisation and other advisory services, where the Company is being remunerated in shares in the client, the Company requires that client be a regulated public issuer to ensure there is value in the shares received. The Company is not focused on clients just seeking a regulated listing as the Company time and expertise is better utilised on activities that deliver high revenue streams.

Should the client not be public issuer, the company exclusively provides advisory services for a regulated stock exchange listing including on the EU, Hong Kong, United States and Canadian stock exchanges.

The Company is not registered or regulated in any jurisdiction to raise capital or to sponsor a listing or any associated fundraising, it provides an invaluable corporate advisory service through its network of adviser contacts and its internal team of employees and consultants. This positions the Client Company to achieve a public listing before incurring significant expenses using a number of advisors. The Company has an extensive database of all listing documentation including legal, accounting, corporate governance, working capital models, financial and a comprehensive database of precedent documentation.

#### **iv) Technical Advisory Services - Mining and Energy Sectors**

The Company has extensive knowledge and expertise in the mining and energy sectors providing strategies for fast track development, funding and divestment. The Company has in house modelling resource software and includes SURPAC and Micromine. The Company focuses on de-risking mineral assets by way of exploration and technical report production before any recommendation of exploration or capital raising. The Company provides securitisation in Luxembourg of mineral property title assets.

**v) Legal, Litigation Strategy and funding**

The Company uses its knowledge along with long established relationships with leading law firms in multiple jurisdictions to ensure agreements and other legal documents have the best jurisdictions to deal with any potential legal risk. The Company works on a wide range of client legal issues including litigation, arbitration, mediation, expert determination, change of jurisdictions, re-domiciliation and regulatory matters. In the provision of advisory services, the Company has to deal with current and pending litigation risk including arbitration dispute resolution as well as how to fund such litigation.

Legal disputes can be expensive with unpredictable results which often leads to businesses not pursuing claims and missing out on the opportunity to monetise a potential asset. The Company provides litigation strategies that also provide funding solutions that allow the Client Companies to reduce the risk and cost of legal expenses and signal to the market and to the plaintiff, that the Client Company is in an advantageous position with a viable case. Litigation funding is a potential source of capital and a risk management tool that is used individual and corporate claimants.

**Client Companies**

The Company provides advisory services to Client Companies in many sectors, provides funding support to decrease the cost of advisory services and facilitates working capital. The Company primarily focuses on advising clients with the potential for high growth. Prior to engaging with Client Companies, the Company conducts a due diligence process to determine the likelihood of success of a securitisation or future listing on a stock exchange or other exit strategy. The Company assesses potential Client Companies through the careful evaluation of, among other things, their management team; activities and operations; assets and licences and reserves; and prospects for the future success of the business. The Company uses in-house developed software systems to maintain work flow progress reporting, work flow critical path methods as well as a client document portal. Advisory services with time critical complex multiple tasks with larger number of interconnected companies and staff requires effective monitoring and critical path management techniques.

The Client Companies receive a single-source, managed solution with central visibility into all of the advisory services being provided.

Summary of Existing Client Companies:

**Client Advisory General**

Pearl Adventure Holdings Ltd.  
Detroit Electronic Group Company Holding Ltd.  
Intosol Holdings Plc.  
InnoMed Two LLC  
Securlinx Corporation

**Client Advisory Securitisation**

InnoMed Two LLC  
Securlinx Corporation  
Detroit Electronic Group Company Holding Ltd.

**Fees for consulting and advisory services**

The Company generally receives payment for services in the form of securities, or rights to subscribe for securities, in Client Companies on the basis that Client Companies will in due course list on a public market and such securities will be tradable. The Company may choose to sell some or all of its holdings in Client Companies without regard to the time they have been held when, in the opinion of Management and the Directors, it is appropriate to do so. The decision as to whether to take equity in a Client Company, rather than

cash, is made by the Board and will depend on a number of factors. These include the current stage of development of the business and against its peers, the quality of its management and operations, the price and quantum of the securities that can be negotiated as part of the overall contract and the expected value of such securities following the provision of the Company's services.

In cases where the Company feels there is a liquidity and commercial risk in receiving securities, it will seek cash payment for services. These fees will typically be denominated in Canadian dollars. The Company does not intend to use financial instruments for hedging purposes. The level of fees payable in securities depends on a number of factors including the level of service, Company resources used, deal size, complexity and timeframe to realisation. In order for the Company to have a degree of control over the advisory process and as such, the equity interest it receives in Client Companies, the exclusive right to assist in facilitating a public listing or offering is generally part of the advisory services agreement.

Payment for services is, where possible, required in advance, so where securities are being paid in lieu of cash, the obligation to issue these to the Company is effective from the commencement of the advisory contract. If the contract is not completed or terminated for breach by the Company, then securities will be, subject to legal requirements, returned to the Client Company or transferred to a nominated third party.

The Company seeks to receive minority equity interests in Client Companies upon investment, or interests which will become minority interest upon the listing of the Client Company. The earnings of the Company will be determined by the number of Client Companies, the Company is able to provide advisory and consulting services to, as well as its ability to realise an increase in value of the securities received in relation to services provided and the sustainability of earnings and cash flow in the future and may vary.

#### **Transaction pipeline**

The Company has identified a pipeline of other potential Client Companies. Along with this pipeline, current Client Companies are scheduled to utilize a majority of the Company's resources for the next 18 months following the date of this Prospectus providing sufficient time to develop and convert the identified targets into new clients.

#### **Revenue generation and client share exit routes**

The Company is of the belief that it will generate revenues from two main activities:

- i) Establishing securitisation vehicles, taking advantage of the Securitisation platforms and regulatory environment in Luxembourg. The associated advisory fee in such Securitisation is an administration fee of between 2 to 5% of the value of the asset per securitisation vehicle; and
- ii) The value of client common shares at the stage of being able to trade on a regulated market.

The Company will use the cash payments received from clients to fund normal operations and working capital needs. Surplus cash will be retained to fund future advisory services.

#### **Competition**

The Company currently does not believe there is a single identifiable direct competitor, however Management is aware that certain investment boutiques and consultancy and advisory firms could become active in seeking to duplicate the strategies the Company adopts in the sectors in which the Company is intending on providing its advisory and consultancy services. Management believes that the level of competition and threat that these could offer is mitigated on the following basis:

- The Management has a track record of operating in the various jurisdictions with Directors domiciled in those jurisdictions;
- The Company funds its services in part for equity in Client Companies; and

- The Management and the Directors have an extensive network of relationships developed and maintained over many years, with a pipeline of potential Client Companies already identified.

### **Investment Policy**

The Company has established an investment policy in relation to securities received from Client Companies.

The securities earned in part or whole from Client Companies may be divested by distributing them as a dividend in *specie* to Company Shareholders or disposed on the market of a stock exchange on which equity shares can be traded. It is intended that unlisted investments be realised through a future client public listing on a stock exchange, trade sale, management repurchase or other methods.

The Company will primarily focus on making investments in Client Companies with high prospect of being publically traded in the medium term (12 months) or in clients to which the Company is assisting in a future public listing. The Company will have flexibility to invest in a wide range of investments in addition to unlisted and listed equities and equity-related securities, including securitisation notes. The Company may take legal or management control of Client Companies from time to time. The Company may invest in other investment funds or vehicles where such investment would be complimentary to the Company's investment objective and policy. The Company may work with Client Companies on matters that are identified but do not meet the Company's corporate governance standards. Should a Client Company not accept or adopt appropriate governance standards, then the Company will, through provisions in its client contract, cease to provide the advisory services. This may lead to a loss of equity shares. Since the Company is investing in the Client Company, it will demand very high standards of corporate governance to protect its investment. There are no fixed limits on the allocation between unlisted and listed equities or equity-related securities and cash although, as a guideline, typically the Company will aim for the Company to be invested over the long-term in accordance with the following guidelines:

- between 20% and 100% of the value of its gross assets in unlisted equities or equity-related securities;
- up to 50% of the value of its gross assets in listed equities or equity-related securities;
- up to 10% of the value of its gross assets in cash or cash-like holdings; and
- typically, working with 10 to 15 Client Companies to provide adequate diversification whilst retaining a focused core approach.

The actual percentage of the Company's gross assets invested in listed and unlisted equities and equity related securities and cash and cash-like holdings, and the number of positions held, may fall outside these ranges from time to time. For example, listed securities might exceed the above guideline following a significant number of listings or in certain market conditions and likewise cash balances may exceed the above guideline following the realisation of one or more investments or following the issue of new equity in the Company, pending investment of the proceeds.

The investment policy has the following limits:

- Save in respect of cash and cash-like holdings awaiting investment, the Company will invest or lend no more than 30% in aggregate of the value of its gross assets in or to any one particular company or group of companies, as at the date of the relevant transaction.
- No more than 10% in aggregate of the value of the gross assets of the Company may be invested in other listed closed-ended investment funds, except for those which themselves have stated investment strategies to invest no more than 10% of their gross assets in other listed closed ended investment funds.

Where derivatives are used for investment exposure, these limits will be applied in respect of the investment exposures so obtained. The Company will avoid (a) cross-financing between the businesses forming part of its investment portfolio and (b) the operation of common treasury functions as between it and the investee companies. The Company will not normally hedge the exposure of the Company to currency fluctuations. In

the event of any material change in the investment objective, investment will only be made with the prior approval of the holders of Common Shares.

### **Patents and Trademarks**

The Company does not own, either legally or beneficially, any patent or trademark.

## **USE OF PROCEEDS**

### **Non-Offering Prospectus**

This is a non-offering prospectus. The Company is not raising any funds in conjunction with this Prospectus. Accordingly, there are no proceeds to the Company in connection with the filing of this Prospectus. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses in connection with the preparation and filing of this Prospectus will be paid by the Company from its working capital.

### **Funds Available and Use of Available Funds**

As at December 31, 2019, the most recent month-end before the date of this Prospectus, the Company had an approximate consolidated working capital of \$430,240. The Issuer is generating cash flow to fund its working capital requirements and it anticipates that it will not require funding from other sources to continue operations beyond the next year. Over the next twelve (12) months the normal expenditure is as follows:

<b>Use of Available Funds</b>	<b>Amount</b>
General Administration <sup>2</sup>	\$ 35,000
Professional & Legal Fees	90,000
Staff/Director Salary's <sup>1</sup>	245,000
Share Registrar	4,500
Unallocated Working Capital	55,479
<b>Total</b>	<b>\$459,979</b>

### **Note**

- 1 Excludes travel which is to be charged to client. General Administration includes multimedia Cdn\$3,000, phone Cdn\$2,200, office/car lease Cdn\$22,000, Client hosting Cdn\$4,500 and any offices expenses Cdn\$3,300.
- 2 Directors can elect to convert in part or whole salaries to common shares at 20% discount to trading price plus full warrant at same exercise price. All directors save CEO are remunerated at Cdn\$24,000 per year or Cdn\$120,000, CFO Cdn\$14,000. CEO salary budgeted at Cdn\$135,000. CEO will be compensated in addition to Cdn\$135,000 based on cash income generated up to CDN\$300,000 and this additional amount has not been budgeted as future income cannot be defined accurately. The director may elect to convert in part or whole salary to common shares.

Directors	120,000	(five directors at \$24,000 per director per year)
CFO	14,000	
CEO	<u>135,000</u>	balance on performance
<b>Cdn\$</b>	<b>245,000</b>	

## **Business Objectives and Milestones**

The Company's principal objectives and milestones before December 31, 2020 are:

- Select clients requiring securitisation of their illiquid assets;
- Select the majority securitisation clients that also require a public listing in either EU, Canada or US;
- Strengthen Luxembourg existing advisors in banking, fiduciary services and law; and
- Strengthen regulator relationships in Luxembourg

<b>Milestones</b>	<b>% Done</b>	<b>Cost Cdn\$</b>
1. Secure 3 clients for securitisation	90%	5,000
2. Secure 2 clients advisory services trading on stock exchange	85%	5,000
3. Establish office in Luxembourg	95%	25,000
4. Strengthen Board and Officers with specific key expertise	85%	180,000
5. Strengthen banking relationships Luxembourg	70%	5,000
6. Development of Legal data base document portal data	90%	15,000

The above milestone costs are contained in the twelve (12) month expenditures set out above.

## **SELECTED FINANCIAL INFORMATION**

### **Selected Financial Information**

The following table sets forth summary financial information for the Company for the years then ended December 31, 2017 and 2018 and the nine months then ended September 30, 2019. This information has been summarized from the Company's financial statements for these periods and should only be read in conjunction with the financial statements, and accompanying notes, included elsewhere in this prospectus.

	<b>Sep 30, 2019</b>	<b>Dec. 31, 2018</b>	<b>Dec. 31, 2017</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
Total revenue	\$ 1,436,286	–	\$ 1,392,555
Net income for year	3,550,201	198,687	1,376,717
Earnings per share, basic and diluted	0.07	–	0.03
Total assets	–	–	–
Total long-term liabilities	–	–	–

The Company provided limited advisory services prior to the quarter ending March 31, 2019 whilst maturing its business model. The first nine-months of ended September 30, 2019 has seen the Company now progress its advisory services with cash and equity revenues being generated.

### **Summary of Quarterly Results**

The following table summarizes selected unaudited financial data for each of the last eight (8) fiscal quarters, prepared in accordance with IFRS:

	<b>Revenues</b>	<b>Net income (loss)</b>	<b>Net earnings (loss) per share (basic and diluted)</b>
December 31, 2017	1,392,555	1,376,717	0.03
March 31, 2018	–	224,636	–
June 30, 2018	–	(25,949)	–
September 30, 2018	–	–	–
December 31, 2018	–	–	–
March 31, 2019	63,522	(6,761)	–
June 30, 2019	795,114	644,521	0.01
September 30, 2019	577,650	2,912,441	0.07

### **MANAGEMENT DISCUSSION & ANALYSIS**

The Company's MD&A for the year ended December 31, 2018 and the nine-month period ended September 30, 2019 are attached hereto as Appendix "B" and Appendix "D", respectively.

The MD&A should be read in conjunction with: (i) the Company's audited financial statements and the related notes for the years ended December 31, 2018 and 2017; and (ii) unaudited financial statements and related notes for the nine-month interim period ended September 30, 2019.

### **DIVIDEND POLICY**

The Company anticipates that it will distribute Client Company securities as a dividend in *specie* to the Company Shareholders pro-rata in part or whole. There are no restrictions in the Company's articles of incorporation or Articles that prevent it from declaring dividends unless insolvent or the payment of such dividend will render the Company insolvent.

On January 13, 2015, the Company distributed 20,000,000 Common Shares in specie in CIC Gold Company Limited ("CIC Gold") to all of its shareholders. Stuart J. Bromley and Officer and director of the Company declined the dividend in *specie*. \CIC Gold is a Client Company and the shares were earned as part of advisory services provided for the successful listing of CIC Gold on the main board of the London Stock Exchange in June 2015.



## DESCRIPTION OF SECURITIES

### Authorized and Issued Share Capital

The authorized share capital of the Issuer consists of an unlimited number of common shares without par value. As of the date of this Prospectus, 51,712,188 Common Shares were issued and outstanding.

### Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Issuer and each Common Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Issuer. The holders of the Common Shares are entitled to receive such dividends in any financial year as the Board of Directors may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Issuer, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, the remaining property and assets of the Issuer.

## CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Company's capitalization since December 31, 2018 (the Company's year-end), and as of the date of this Prospectus.

<b>Authorized</b>	<b>Outstanding as of Dec. 31, 2018</b>	<b>Outstanding as of Sep. 30, 2019</b>	<b>Outstanding as of the date of this prospectus</b>	<b>Outstanding as of the date of this prospectus on a fully-diluted basis</b>
	<b>(Audited)</b>	<b>(Un-Audited)</b>		
Unlimited Number of Common Shares	51,712,188	51,712,188	51,712,188	51,712,188
Unlimited Number of Preferred Common Shares	N/A	N/A	N/A	N/A
Long-term Debt	Nil	Nil	Nil	Nil

### Note

- i) The Company underwent a share consolidation of 10:1 on July 28, 2018.
- ii) All share amounts have been retroactively restated for all period presented regarding the share consolidation.

## WARRANTS

As of the date of this prospectus, the Company has no warrants outstanding

## OPTIONS TO PURCHASE SECURITIES

The Company has no outstanding options as of the date of this prospectus.

## PRIOR SALES

There have been no prior sales of the Company's Common Shares for the twelve (12) month period prior to the date of this prospectus.

## ESCROWED SECURITIES AND OTHER SECURITIES SUBJECT TO RESALE RESTRICTIONS

### Escrowed Securities

Under the applicable policies and notices of the Canadian Securities Administrators, securities held by Principals are required to be held in escrow in accordance with the national escrow regime applicable to initial public distributions. Equity securities, including Common Shares, owned or controlled by the Principals of the Company are subject to the escrow requirements. In connection with the proposed Listing, the Company expects to enter into the Escrow Agreement in accordance with NP 46-201 as described herein.

Pursuant to the Escrow Agreement to be entered into among the Escrow Agent, the Company, and the Principals, 18,143,952 Common Shares (the “Escrowed Securities”) will be held in escrow with the Escrow Agent. The Escrow Agreement provides that 10% of the Escrowed Securities will be released from escrow upon the Listing Date and that an additional 15% will be released therefrom every 6-month interval thereafter, over a period of 36 months. The Company is an “emerging issuer” as defined in the applicable policies and notices of the Canadian Securities Administrators. If the Company achieves “established issuer” status during the term of the Escrow Agreement, it will “graduate” resulting in a catch-up release and an accelerated release of any securities remaining in escrow under the 18-month schedule applicable to established issuers as if the Company had originally been classified as an established issuer.

Pursuant to the terms of the Escrow Agreement, the Escrowed Securities may not be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within the escrow are:

- (i) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Company or of a material operating subsidiary, with approval of the Board;
- (ii) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor’s spouse or children or parents;
- (iii) transfers upon bankruptcy to the trustee in bankruptcy;
- (iv) pledges to a financial institution as collateral for a loan, provided that upon a realization the securities remain subject to escrow; and
- (v) tenders of Escrowed Securities to a take-over bid are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation’s escrow classification.

The following table sets forth details of the Escrowed Securities that, as of the date of this Prospectus, will be subject to an Escrow Agreement, escrowed in connection with the Listing is shown in the following table:

Name	Designation of Security	Quantity	% Common Shares as of the date of Prospectus (1) (2)
Stuart J. Bromley	Common Shares	17,053,146	32.98%
Robert L. Rhodes	Common Shares	553,903	1.07%
Li Honnguang	Common Shares	536,903	1.04%
Terence A. Larkan	Common Shares	46,667	less than 1%
David R. Toyoda	Common Shares	65,000	less than 1%

(1) Based on 51,712,188 Common Shares issued and outstanding as of the date of this Prospectus.

(2) The Escrowed Securities are to be held by the Transfer Agent. Such Escrowed Securities are anticipated to be escrowed on or prior to the Listing Date per NP 46-201 and released pursuant to thereto.

NP 46-201 provides that all Common Shares of a company owned or controlled by Principals will be Escrowed at the time of the Company's initial public offering, unless the Common Shares held by the Principal or issuable to the Principal upon conversion of convertible securities held by the Principal collectively represent less than 10% of the total issued and outstanding Common Shares of the Company after giving effect to the initial public offering. An issuer will be classified for the purposes of escrow as either an "exempt issuer", an "established issuer" or an "emerging issuer" as those terms are defined in NP 46-201.

Principals include all persons or companies that fall into one of the following categories:

- (a) directors and senior officers of the Issuer, as listed in this Prospectus;
- (b) promoters of the Issuer; and
- (c) those who own and/or control more than 10% of the Issuer's voting securities; and associates and affiliates of any of the above.

Uniform terms of automatic timed-release escrow apply to Principals of exchange listed issuers, differing only according to the classification of the issuer. The Company anticipates that it will be classified by the TSXV as an "emerging issuer". As such, the Company anticipates that the following automatic timed releases will apply to the securities held by the Principals listed in the table above:

<b>Date of Automatic Timed Release</b>	<b>Amount of Escrowed Released</b>
On the Listing Date	1/10 of the Escrowed Securities
6 months after the Listing Date	1/6 of the remaining Escrowed Securities
12 months after the Listing Date	1/5 of the remaining Escrowed Securities
18 months after the Listing Date	1/4 of the remaining Escrowed Securities
24 months after the Listing Date	1/3 of the remaining Escrowed Securities
30 months after the Listing Date	1/2 of the remaining Escrowed Securities
36 months after the Listing Date	the remaining Escrowed Securities

Assuming there are no changes to the Escrowed securities initially deposited and no additional Escrowed securities are deposited, automatic timed-release escrow applicable to the Company will result in a 10% release on the Listing Date, with the remaining Escrowed securities being released every six months thereafter in accordance with the table above. Pursuant to the terms of the Escrow Agreement, Stuart J. Bromley, Robert L. Rhodes and Li Hongguang, have agreed to deposit their Common Shares in escrow with the Escrow Agent. Pursuant to the Escrow Agreement, 1,8143 Common Shares will be released from escrow on the Listing Date.

### **Common Shares Subject to Resale Restrictions**

There are no Common Shares securities issued by the Company by way of private placements, that are subject to four month holds period pursuant to NI 45-102.

## **PRINCIPAL SHAREHOLDERS**

### **Significant Shareholder above 10% of the Common Share of the Company**

<b>Name</b>	<b>Number of Common Shares held as at the date of this prospectus and on Admission</b>	<b>Percentage of Common Shares as at the date of this prospectus and on Admission</b>
Stuart J. Bromley	17,053,146	32.98%

## DIRECTORS AND EXECUTIVE OFFICERS

### Name, Occupation and Security Holdings

The following table provides the names, state or province and country of residence, position, principal occupations during the five preceding years and the number of voting securities of the Company that each of its directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date of this Prospectus:

Director/Residence	Director/ Officer Since	Principal Occupation for the Past Five Years	Shares Beneficially Owned Directly or Indirectly at the date of this Prospectus	% of common shares
<b>Robert L. Rhodes</b> <sup>1</sup> Non-Exec Chairman Perth, Australia	Jul. 2014	CIC Capital Ltd. CIC Capital Fund Ltd BTP Group Ltd.	Director 20% of time allocation retired Officer	553,903 1.07
<b>Terrence A. Larkan</b> <sup>1</sup> Non-Exec Director Perth, Australia	Nov. 2015	CIC Capital Ltd. Nakral Investments Pty Ltd. Kalia Limited Kalia Holdings Pty Ltd. Kaliia Investment Limited Tore Joint Venture Limited	Director 20% of time allocation retired retired retired retired	46,667 0.09
<b>David R. Toyoda</b> Non-Exec Director BC Canada	Sep. 2019	CIC Capital Ltd. Boughton Law Corp. Aurora Solar Technologies Inc. Paloma Resources Inc. Lite Access Technologies Inc.	Director time as required Associate Director Director Director Director	65,000 0.13
<b>Li Hongguang (Kevin)</b> Non-Exec Director Beijing, China	Jul. 2014	CIC Capital Limited CIC Capital Fund Ltd CIC Gold Group Limited. Headmen Consultants China	Director 15% of time allocation retired Director Director	536,903 1.04
<b>Inge Leutscher</b> <sup>1</sup> Non-Exec Director Geneva	Aug. 2019	CIC Capital Ltd. Excellence International SA Club Airways International SA Cindrigo SA Cindrigo Ltd	Director 10% of time allocation Director Director retired retired	- -
<b>Stuart J. Bromley</b> CEO / Director London, UK Luxembourg Beijing China	Dec. 2013	CIC Capital Ltd. CIC Capital Fund Ltd. CIC Angel Fund Ltd. Benxi Steel Group Ltd. Sino Reserves Oil Group Ltd. International Museum Inc. Arts Foundation Inc.	CEO/Director 85% of time allocation retired Director retired retired Patron Patron	17,053,146 32.98
<b>Jin Liang Li (David)</b> Beijing, China London UK	Feb 2020	CIC Capital Ltd.	CFO 15% of time allocation	- -

1 Audit Committee member

Percentage of Common Shares outstanding is based on 51,712,188 Common Shares issued and outstanding as of the date of this Prospectus.

As of the date of this Prospectus, the directors and executive officers of the Company as a group beneficially own, directly or indirectly, or exercise control or discretion over an aggregate of 18,255,619 Common Shares, which is equal to 35.30% of the Common Shares issued and outstanding.

### **Background – Directors and Executive Officers**

The following is a brief description of each of the directors and executive officers of the Company, including their names, ages, positions and responsibilities with the Company, relevant educational background, principal occupations or employment during the five years preceding the date of this Prospectus, experience in the Company's industry. All directors and officer's employment contracts have non-competition or non-disclosure agreement provisions with the Company. Stuart J. Bromley is the only full time employee:

**Robert L. Rhodes**                      *Independent No- Executive Chairman*                      *Age 62*

Mr. Rhodes has worked within the quarrying/mining and construction industry in Australia for the past 34 years. Mr. Rhodes has held senior management roles with Transmin Pty Ltd, BIS Industries, and international professional services consultancy Coffey International Limited. Mr. Rhodes has worked with many of the major national and international mining and construction companies that operate in Australia. For the five-year period from 2006 - 2011 Mr. Rhodes was the Regional General Manager for Komatsu Australia Pty Ltd.

After graduating from Curtin University in 1979 with a Bachelor of Applied Science Degree, Mr. Rhodes spent six years working as an agriculture research scientist. In 1985 Mr. Rhodes joined Boral Quarries Ltd which was the beginning of his career in the quarrying/mining and construction industry. Within this industry he has held roles responsible for sales, marketing, contracts, operations, human resources, regional and general management. Mr. Rhodes since 2007 has been a Canadian regulated public company Director as well as Director of London Stock Exchange company.

Mr. Rhodes is a Fellow of the Australian Institute of Quarrying, a Fellow of the Australian Institute of Management and a member of the West Australian Mining Club and is a member of the Company's Audit Committee, Nomination Committee and Compensation Committee.

**Terrence A. Larkan**                      *Independent Non-Executive Director*                      *Age 57*

Mr. Larkan has extensive experience working within and consulting to the mining industry over the past 31 years. Mr. Larkan's expertise is in finance and accounting functions as well as the operational support areas of IT, HR and supply chain augmented with extensive experience in corporate and project governance. Mr. Larkan has worked in Africa, Europe, North and South America, Australia and South East Asia.

Mr. Larkan having worked in the compliance functions of major corporates and on IPO and M&A projects, successfully managing relationships with professional services providers on many aspects of these processes, Mr Larkan has gained considerable experience of the regulatory and corporate governance requirements for publicly listed companies in the UK, USA, Canada and Australia. Mr. Larkan's recent career partnership with Ernst & Young (Australia) and VP responsible for compliance, audit, security and risk management at Barrick Gold Corporation and most recently as CFO for AIM listed Bellzone Mining plc.

Mr. Larkan holds a BCompt. and an MBA, is a FCPA (Aust.) as well as being a Fellow of both the Chartered Institute of Secretaries and Administrators, and the Governance Institute of Australia and a Member of the Australian Institute of Company Directors and is a member of the Company's Audit Committee, Nomination Committee and Compensation Committee.



Limited based in Japan, a world leading heavy oil technology company, Founder of CIC Gold Group Limited, Founder and CEO of CIC Capital Limited, Founder of CIC Capital Fund Ltd. (Canada) a public company and Founder of CIC Angel Fund providing capital to start-ups.

Also, from 1995, he has operated as Cultural Attaché for and adviser for various communist countries. Advisor to key African Country's Diplomatic Missions located in China including legal structural reform to attract investment. In addition, Mr. Bromley is the Secretariat for the PR China Investment Council, and was appointed as Investment Attaché by the Mongolian Government Cabinet between 2002 and 2004. Mr. Bromley has extensive regulated public company board experience in multiple jurisdictions on designated stock exchanges. Mr. Bromley is founder of International Museum and Arts Foundation both non-profits and credited with major class-one national treasury tours including World of Fabergé from Russian Government, Treasures of the Mongols on behalf of the Mongolia Government and other major national treasuries funding and touring development with National Governments 1996. Channel 7 Australia in association with CBS and National Geographic followed Mr. Bromley in unprecedented access in to the Kremlin, Moscow in the production of a one hour documentary of the work on the Fabergé collection and diamond fund screened worldwide.

**Jin Liang Li (David) (CPA)                      Chief Financial Officer                      Age 55**

Mr. Li is a member of the Association of Chartered Accountants UK (ACCA) and a Certified Enterprise Risk Manager in Asia. Mr. Li graduated in 1987 from the Renmin University China with a degree in Accounting. In 1988 he also gained a master's degree in Business Administration in Financial Services from the University of East London. Mr. Li served as the General Supervisor of the Financial and Investment Centre of Hopson Group Limited (listed on the main board of the Hong Kong Stock Exchange), the general supervisor of the Department of International Finance of China Oilfield Technology (listed on the main board of the Singapore Stock Exchange), the Chief Financial Officer of European Food Trading (UK) Co. Ltd., and the director of the financial department of the Engineering and Technology Research Institute of China National Petroleum Corporation (CNPC).

Mr. Li assisted in the listing of China Oilfield Technology in Singapore and CIC Gold Group Ltd. on the main board of the London Stock Exchange where he served as CFO and director. He has extensive experience of international capital markets, company IPOs, the listing regulations and laws of Hong Kong, UK, Canada and Singapore, international accounting principles and company management. Mr. Li has studied and worked in the field of accounting and senior financial management in the UK for eight years and Canada in regulated markets. He has a good understanding of commercial law and the accounting principles and taxation policies in the UK.

**Significant Employees**

The Company has available certain persons whom are contracted as and when need. Due to the multi jurisdictions to which the Company operate in and the large number of person contracted based in those jurisdictions, the Company does not employ staff directly.

**Enforcement of judgments against Director who are all foreign persons**

Other than David Toyoda, the directors Terrence Larkan, Inge Leutscher, Robert L. Rhodes, Stuart J. Bromley and Li Hongguang reside outside of Canada and in each case, have appointed FRASER / BATKIN / HANSON / TRIBE LLP, 1100 - 570 Granville Street, Vancouver, BC V6C 3P1 for service of process. Investors are advised that it may not be possible to enforce judgments obtained in Canada against any person who resides outside of Canada, even if the party has appointed an agent for service of process.

**Involvement in Certain Legal Proceedings**

There are currently no legal proceedings to which any of our directors or executive officers is a party adverse to us or in which any of our directors or executive officers has a material interest adverse to the Company.

### **Corporate Cease Trade Orders (CTO) or Bankruptcies**

The director Robert L. Rhodes, Stuart J. Bromley and Li Hongguang have been subject to cease trade orders from Securities Commissions in Canada as directors of CIC Mining Resources Ltd in the past ten years relating to filing of financial statements. The CTO against CIC Mining Resources (now CIC Capital Fund Ltd.) is still outstanding.

The details are as follows:

<b>Date</b>	<b>Subject</b>	<b>Type</b>	<b>Reason</b>
25-Sep-13	CIC Mining Resources Ltd	Cease Trade Order	failure to file financial statements
07-Jun-11	CIC Mining Resources Ltd.	Cease Trade Order	failure to file financial statements

Note: CIC Mining Resources Ltd. is renamed and is now CIC Capital Fund Ltd.

### **Penalties or Sanctions**

None of our directors, officers or principal shareholders are, or have been within the last 10 years, the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or have entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

### **Personal Bankruptcies**

None of our directors, officers or principal shareholders, or personal holding company of such persons, have, within the last 10 years became bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

### **Conflicts of Interest**

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such a participation or such terms. The directors of the Company are required to act honestly, in good faith and in the best interests of the Company.

The directors and officers of the Company are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with applicable laws and shall govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. The directors and officers of the Company are not aware of any such conflicts of interests.



## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### ***Compensation, Philosophy and Objectives***

The Issuer does not have a formal compensation program. The Board meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis. The general objectives of the Issuer's compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; (c) provide a compensation package that is commensurate with other advisory services companies to enable the Issuer to attract and retain talent; and (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Issuer is under by virtue of the fact that it is a company without a history of earnings.

The Board, as a whole, ensures that total compensation paid to all Named Executive Officers, as hereinafter defined, is fair and reasonable. The Board relies on the experience of its members as officers and directors with other companies in assessing compensation levels. The Compensation Committee makes recommendation of compensation of all directors and officers to the board for final decision.

#### ***Analysis of Elements***

Base salary is used to provide the NEOs a set amount of money during the year with the expectation that each NEO will perform his responsibilities to the best of his ability and in the best interests of the Issuer.

The Issuer considers the granting of Options to be a component of executive compensation as it allows the Issuer to reward each NEOs efforts to increase value for shareholders without requiring the Issuer to use cash from its treasury. Options are generally awarded to executive officers at the commencement of employment and periodically thereafter. The terms and conditions of the Option grants, including vesting provisions and exercise prices, will be governed by the terms of a stock option plan.

#### ***Long Term Compensation and Option-Based Awards***

The Issuer has no long-term incentive plans other than to review based on Companies performance incentive or bonuses in the form of common shares or cash subject to shareholder approval. The Issuer 's directors, officers, employees and certain consultants will be entitled to participate in any incentive in the form of common shares.

### Named Executive Officers

The following statement of executive compensation is prepared in accordance with Form 51-102F6V of National Instrument 51-102 - Continuous Disclosure Obligations. As used in this Prospectus, a "Named Executive Officer" or "NEO" means each of the following individuals:

- each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (a "CEO"), including an individual performing function similar to a CEO;
- each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (a "CFO"), including an individual performing function similar to a CFO;
- in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and
- each individual who would be a named executive officer but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

For the year ended December 31, 2019, the Company had the following two (2) NEOs: Stuart J. Bromley, Chief Executive Officer and Director and) Chief Financial Officer.

### **Outstanding Share-Based Awards and Option-Based Awards**

None of the Company's directors or NEOs owned any compensation securities as at the date of the Company's most recently completed financial year on December 31, 2018. No director or NEO has exercised any compensation securities during the most recently completed financial year.

### **Executive Compensation**

The following table sets forth a summary of the compensation paid to the NEO's and the Directors for the two most recently completed financial years ended on December 31, 2019 and 2018:

Name and position	Year	Salary, consulting fee, retainer or commission	Bonus	Committee or meeting fees	Value of perquisites	Value of all other compensation	Total compensation
		\$	\$	\$	\$	\$	\$
Robert L. Rhodes	2019	Nil	Nil	Nil	Nil	Nil	Nil
<i>Independent Chairman</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
Terrence Larkan	2019	Nil	Nil	Nil	Nil	Nil	Nil
<i>Independent Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
Li Hongguang (Kevin)	2019	Nil	Nil	Nil	Nil	Nil	Nil
<i>Independent Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
David Toyoda	2019	Nil	Nil	Nil	Nil	Nil	Nil
<i>Independent Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
Inge Leutscher	2019	Nil	Nil	Nil	Nil	Nil	Nil
<i>Independent Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
Stuart J. Bromley	2019	79,087	Nil	Nil	Nil	Nil	79,087
<i>CEO/Executive Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
Jin Liang Li (David)	2019	Nil	Nil	Nil	Nil	Nil	Nil
<i>CFO</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil

*Stuart J. Bromley is the only full time employee.*

### **Employment Contracts, Termination of Employment and Change-In-Control Arrangements**

#### ***Service Agreements and Letters of Appointment***

Stuart J. Bromley entered into an executive service agreement into with the Company on August 28, 2019 pursuant to which he was appointed as Executive Director and CEO of the Company at a fee of \$25,000 per month. One third of salary will be paid in cash and the balance subject to performance. The appointment is for an initial period of 3 years commencing, where after it may be terminated on not less than 3 written months' notice from either party. The agreement contains customary provisions in relation to duties of confidentiality and post-termination restrictive covenants. The agreement also has provisions to protect the Company's (and any Company Company's) intellectual property rights.

Robert L. Rhodes entered into a Letter of Appointment with the Company on August 28, 2019, pursuant to which he was appointed as a Non-Executive Chairman for an annual fee of \$24,000 (to be reviewed annually), payable in arrears by equal quarterly instalments. The appointment is for an initial term of three years and terminable on thirty days' notice by either party.

Terrance A. Larkan, Li Hongguang and Inge Leutscher entered into a Letter of Appointment with the Company on August 28, 2019, pursuant to which they were appointed as a Non-Executive Director for an annual fee of

\$24,000 (to be reviewed annually), payable in arrears by equal quarterly instalments. The appointment is for an initial term of three years and terminable on thirty days' notice by either party.

David R. Toyoda entered into a Letter of Appointment with the Company on September 26, 2019, pursuant to which he was appointed as a Non-Executive Director for an annual fee of \$24,000 (to be reviewed annually), payable in arrears by equal quarterly instalments. The appointment is for an initial term of three years and terminable on thirty days' notice by either party.

Jin Liang Li (David) entered into a Letter of Appointment with the Company on February 11, 2020, pursuant to which he was appointed as Chief Financial Officer for an annual fee of \$14,000 (to be reviewed annually). The appointment is for an initial term of three years and terminable on thirty days' notice by either party.

### **Oversight and Description of Director and NEO Compensation**

The Board is responsible for determining, by way of discussions at board meetings, the compensation to be paid to the executive officers of the Issuer recommended by the Compensation Committee to the board. The Issuer at this time does not have a formal compensation program with specific performance goals; however, the performance of each executive is considered along with the Issuer's ability to pay compensation and its results of operation for the period.

Compensation is designed to achieve the following key objectives:

- to support our overall business strategy and objectives;
- to provide market competitive compensation that is substantially performance-based;
- to provide incentives that encourage superior corporate performance and retention of highly skilled and talented employees; and
- to align executive compensation with corporate performance and therefore shareholders' interests.

The Issuer's compensation package is comprised of a base salary and, in the future, option-based awards.

The Company formal compensation is recommended by the Compensation Committee to the board which seeks to reward an executive officer's current and future expected performance. Individual performance in connection with the achievement of corporate milestones and objectives is also reviewed for all executive officers.

The Company does have a set policy (Corporate Governance Manual) preventing an NEO or director from purchasing financing instruments such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such person.

### ***Pension Disclosure***

The Company does not have any form of pension plan that provides for payments or benefits to the NEO at, following, or in connection with retirement. The Issuer does not have any form of deferred compensation plan.

### ***Intended Changes to Compensation***

Compensation for the executives will be reviewed initially every six months. At each review period, a compensation committee comprised of directors of the Issuer will be struck to review executive compensation to ensure compensation packages remains reflective of the current roles and responsibilities, and competitive enough to ensure leading candidates of the executive team can be attracted and retained.

## INDEBTEDNESS OF DIRECTORS AND OFFICERS

Other than routine indebtedness for management fees, travel and other expense advances, no existing or proposed director or executive officer of the Company, or any associate of any of them, was indebted to the Company as of date of the document, or is currently indebted to the Company or has any indebtedness to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

## AUDIT COMMITTEE AND CORPORATE GOVERNANCE

### Audit Committee

National Instrument 52-110 – *Audit Committees* ("NI 52-110"), NI 41-101 and Form 52-110F1 require the Issuer to disclose certain information relating to the Issuer's audit committee (the "Audit Committee") and its relationship with the Issuer's independent auditors. The Company is relying upon the exemption in section 6.1 of the National Instrument 52-110 Audit Committees as a venture issuer.

### *Audit Committee Charter*

The Audit Committee's charter is attached hereto as Appendix A.

### *Composition of the Audit Committee*

The members of the Issuer's Audit Committee are set out below:

Inge Leutscher	Independent (Chairperson) <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Robert L. Rhodes	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Terrence A. Larkan	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

- (1) A member of an audit committee is independent as defined by Canadian National Instrument NI52-110 Audit Committees Section 1.4. Further if the member has no direct or indirect material relationship with the Issuer, which could, in the view of the Issuer's Board of Directors, reasonably interfere with the exercise of a member's independent judgment.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth 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 Issuer's financial statements.

### **Relevant Education and Experience**

Each member of the Issuer's present Audit Committee has adequate education and experience that is relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Issuer to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- (c) experience preparing, auditing, analysing 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 Issuer's financial statements or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

**Inge Leutscher** holds a Degree in Business with finance and accounting major. Inge Leutscher has been director of numerous corporations since 2003 including acting as Chairperson of audit committees.

**Robert L. Rhodes** had been director of Canadian and UK listed Companies since 2005. Robert L. Rhodes has extensive corporate expertise working a regional manager for Australian listed company Boral and Komatsu Australia. He is a Fellow of the Australian Institute of Management.

**Terrence A. Larkan** is Certified Practicing Accountant (CPA) and have extensive experience working as officer or director of Canadian and UK public companies. Terrence A. Larkan was for head of Corporate Governance TSX main board listed company Barrick Gold.

Please refer "Directors and Officers" above for further details.

#### **Authority of Audit Committee**

- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
- (b) to set and pay the compensation for any advisors employed by the audit committee, and
- (c) to communicate directly with the internal and external auditors.

#### **Reliance on Certain Exemptions**

The Issuer is a *Venture Issuer* and subject to a number of exemptions under Canadian National Instrument NI52-110 Audit Committees. At no time since the commencement of the Issuer's most recently completed financial year has the Issuer relied on the exemptions in Sections 2.4, 3.2, 3.4, 3.5, 3.6 or Part 8 of NI 52-110, or an exemption from subsections 3.3(2) of NI 52-110.

#### **Audit Fees**

	YE 31 Dec 2018	YE 31 Dec 2019
Audit Fees	-	6,000
Audit Related Fees	-	4,788
Tax Fees	-	-
All Other Fees	-	-

#### **US Issuer Obligations**

The Issuer is not a US issuer nor any of its securities will be admitted on a US stock Exchange.

#### **Compensation Committee**

The Compensation Committee is responsible for determining all elements of the compensation of the executive directors, Officers and the chairman of the board.

In determining the executive compensation policy, the committee takes into account the Company's need to attract, retain and incentivise executive talent, a variety of legal and regulatory requirements, the relevant provisions of the Companies Corporate Governance Policies. The committee also determines the policy on the duration, notice period and termination, with a view to recognising service to the company whilst ensuring that failure is not rewarded and that the need to mitigate loss is recognised. The Compensation Committee makes recommendation of compensation of all directors and officers to the board for final decision.

### ***Composition of the Compensation Committee***

The members of the Issuer's Compensation Committee are set out below:

Terence Larkan	independent Director	Director of the Company
Robert Rhodes	independent Director	Director of the Company

### **Disclosure Committee**

The disclosure committee is tasked with reviewing all proposed disclosures prior to their release.

The Company is subject to highly specific reporting requirements by the regulators and any stock exchange it is listed on, and must pay particular attention to any information issued to the public, whether it is done through press releases, reports filed with the SEDAR, speeches, web site pages, or other forms of communication.

Committee members share information about disclosure issues, and inform the Company of what types of situations may require formal disclosure including the disclosures being included in the financial statements. If there is no disclosure committee in place, there is an increased likelihood that incorrect information will be released, or that information will be disclosed that does not follow reporting compliance. The Disclosure Committee will appoint immediately a disclosure officer for share-holders contact, any other outside contact and to issue public notices and materials in accordance with National Instrument NI 51-201.

### ***Composition of the Disclosure Committee***

The members of the Issuer's Disclosure Committee are set out below:

Terence Larkan	independent Director	Director of the Company
Robert Rhodes	independent Director	Director of the Company

### **Nomination Committee**

The Company's nomination committee makes formal director and officer recommendations of appointment to the board for consideration

The Company's nomination committee acts as part of an organization's corporate governance. The nomination committee evaluates the board of directors of its respective firm and examine the skills and characteristics needed in board candidates. The nomination committee will identify suitable candidates for various director positions. The nomination committee also reviews corporate governance policies and suggest to the board and changes.

The nomination committee is a crucial part of a company's corporate governance. Corporate governance is essential for balancing the interests of a company's many stakeholders. Corporate governance provides the framework for attaining a company's objectives. The Company's nomination committee also support the search for the CEO. The CEO is an organization's highest ranking executive, making all major corporate decisions, ranging from day-to-day operations to managing company resources, and liaising between the audit committee and the board of directors and other executives.

### ***Composition of the Nomination Committee***

The members of the Issuer's Remuneration, Disclosure and Nomination Committee are set out below:

Terence Larkan	independent Director	Chairman of the Company
Robert Rhodes	independent Director	Director of the Company

## CORPORATE GOVERNANCE DISCLOSURE

The Company ensures certain practices and procedures are followed by the Board of Directors to ensure that effective corporate governance practices are affected. This also to ensures that the Board of Directors functions independently of management. The Company's disclosure of corporate governance practices pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") is set out below in the form required by Form 58-101F2 – *Corporate Governance Disclosure* (Venture Issuers).

### **Assessments**

The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives.

The contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

### **Board of Directors**

NI 58-101 provides that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who is independent of management and is free from any interest and any business or other relationship which could or could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the Company, other than interests and relationships arising from holding shares or securities in the Company. In addition, where a company has a significant shareholder, NI 58-101 provides that the board of directors should include a number of directors who do not have interests in either the Company or the significant shareholder. The independent directors would exercise their responsibilities for independent oversight of management and meet independently of management whenever deemed necessary. The Company is not relying on an exemption as a venture issue on the composition or independence of the audit committee members.

The Board is currently comprised of six (6) directors, five (5) of whom are Independent (as defined in Section 1.2 of NI 58-101), namely Robert L. Rhodes, Terrence A. Larkan, David Toyoda, Inge Leutscher and Li Hongguang.

### **Orientation and Continuing Education**

The Board has not adopted formal steps to orient new board members. The Board's continuing education is typically derived from correspondence with the legal counsels of the Issuer and the Company to remain up to date with developments in relevant corporate and securities law matters.

### **Directors Current Directorships**

<b>Director/Residence</b>	<b>Current Directorships</b>	<b>Jurisdiction</b>
<b>Robert L. Rhodes</b>	CIC Capital Ltd.	Canada
<b>Terrence A. Larkan</b>	CIC Capital Ltd. Nakral Investments Pty Ltd.	Canada Australia
<b>David R. Toyoda</b>	Boughton Law Corp CIC Capital Ltd. Aurora Solar Technologies Inc. Paloma Resources Inc.	Canada Canada Canada Canada Canada

	Lite Access Technologies Inc.	Canada
<b>Li Hongguang (Kevin)</b>	CIC Gold Group Limited	Canada
	CIC Capital Ltd.	Canada
	Headmen Consultants China	China
<b>Inge Leutscher</b>	CIC Capital Ltd.	BC Canada
	Excellence International SA	Geneva
	Club Airways International SA	Geneva
<b>Stuart J. Bromley</b>	CIC Capital Ltd.	Canada
	CIC Angel Fund Ltd.	Luxembourg
	CIC Veritas Ltd	Luxembourg
	International Museum Inc.	USA
	Arts Foundation Inc.	USA

### **Ethical Business Conduct**

The Board has adopted formal guidelines to encourage and promote a culture of ethical business conduct and does promote ethical business conduct by nominating board members it considers ethical, by avoiding or minimizing conflicts of interest and by having a sufficient number of its board members independent of corporate matters.

### **Nomination of Directors**

The Nomination committee determines new nominees to the Board. The nominees are generally the result of recruitment efforts by the nomination members, including both formal and informal discussions among nomination members.

### **Compensation**

The Compensation Committee decides on the compensation for officers and directors, based on industry standards.

## **PLAN OF DISTRIBUTION**

This is a non-offering prospectus and no securities are offered pursuant to this prospectus. The Company has applied to list the securities of the Company on the TSXV. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV.

As at the date of this Prospectus, the Company 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) other than the TSX Venture Exchange.



## RISK FACTORS

### General

A purchase of any of the securities of the Company involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities of the Company should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should evaluate carefully the following risk factors associated with an investment in the Company's securities prior to purchasing any of the securities.

### **Risks relating to the Company's business and structure**

#### ***Risks associated with the Company's business***

The equity stakes taken by the Company in Client Companies as consideration for the provision of advisory and consulting services by the Company, are, by their nature, subject to numerous and substantial risks, particularly in volatile or illiquid markets and in markets influenced by sustained periods of low or negative economic growth, including the risk of losses resulting from the ownership of securities, trading, counterparty failure to meet commitments, employee errors, misconduct and fraud, and the risk of litigation. The success of the Company will be dependent upon, the identification, making, management and realisation of suitable value in Client Companies. There can be no guarantee that such Client Companies can or will be identified or that they will be successful. Poor performance by any Client Company could severely affect the Company's performance.

In particular, investors should note that:

- Shareholders will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the engagements undertaken by the Company and accordingly will be dependent upon the judgment and ability of the Directors in making such selections. No assurance can be given that the Company will be successful;
- in some cases the Company will have minority shareholdings in the Client Companies it advises and may therefore be unable to exercise control over the operations of such companies or the timing of an exit. There is also a risk that other Client Company shareholders may become insolvent or unwilling to fund additional investments with the Client Company.

Other Client Company shareholders may also have interests that are inconsistent or conflict with the Company's interests. In addition, disputes between the Company and other Client Company shareholders may result in litigation or arbitration;

- the Company may be unable to affect a transaction or enter into an engagement with an identified potential client and the Company's resources may be expended investigating potential projects and Client Company engagements which are subsequently rejected as being unsuitable;
- it may not be possible to admit Client Companies to, or list them on, appropriate stock exchanges;
- the Company may dispose of holdings in Client Companies in certain circumstances and may be required to give representations, warranties and/or indemnities about those Client Companies and to pay damages to the extent that such representations, warranties and/or indemnities turn out to be inaccurate; and
- the competitors of Client Companies may develop or market technologies or products that are more effective, of a better quality or less expensive than those developed or marketed by the Client Company, or that would render the Client Company's technology, products or business model obsolete or uncompetitive.

***Risks associated with identifying suitable Client Companies***

The Company is dependent on suitable opportunities for advisory and consulting engagements being identified and on terms which are attractive to it. There is no assurance that the Company will identify suitable opportunities or that the Company will be successful in completing transactions involving advisory and/or consulting engagements with Client Companies or their securities on terms which are attractive to it. If the Company does not identify suitable Client Companies, the Company may not be able to maximise potential returns.

***Advisory and consulting risks associated with potential clients***

The Company, with the assistance of third party advisers where necessary, intends to conduct such due diligence on potential clients as it deems reasonably practicable and appropriate based on the facts and circumstances in each case. The objective of this process will be to identify material issues which might affect the decision to proceed with an advisory engagement. The Company also intends to use information revealed during the due diligence process to formulate its strategy in respect of the Client Company. While conducting due-diligence and assessing a potential client, the Company will rely on available information provided by the relevant Client Company where such company is willing or able to provide such information and its own investigations. There can be no assurance that the due diligence will reveal all relevant facts that may be necessary to evaluate such clients. Furthermore, there can be no assurance that the information provided during due diligence will be adequate or accurate. As part of the due diligence process, the Company will also make subjective judgements regarding the results of operations, financial condition and prospects of a potential opportunity.

There can be no assurance that any due diligence will result in the transaction or the Client Company's future performance being successful. If the due diligence investigation fails to correctly identify material information regarding an opportunity, or if the Company considers such material risks to be commercially acceptable relative to the opportunity, and the Company proceeds with the transaction, the Company may subsequently incur substantial impairment charges or other losses associated with holding equity in the relevant Client Company. As Client Company's may operate in the mining industry, one area where the due diligence may not reflect the outcome is in respect of estimation of resources and reserves.

The Company may estimate a potential client's resources and reserves, which are subject to a number of assumptions, including the price of commodities, production costs and recovery rates. Fluctuations in the variables underlying the Company estimates may result in material changes to its reserve estimates, and such changes may have a material adverse impact on the financial condition and prospects of the Company.

***Risks associated with the proposed listing structure***

The Company has taken tax and securities law advice on the structure of the proposed listing of Client Companies. However, there is no certainty that the rules governing the proposed listing of a Client Company, or the application of these rules, will remain the same in the future. Accordingly, there is no certainty that the proposed structure for listing Client Companies will be able to be used on all or any Client Companies in the future.

***Disposals of equity stakes delayed***

An important factor in the success of the Company will be the timely disposal of equity stakes in Client Companies. It may be difficult to realise such stakes at all or on terms considered advantageous by the Directors. In addition, any delay in such disposal may affect the cash position and potentially the value of the Company.

***Exposure to the risk of various types of liability***

The Company may receive an equity stake in businesses which have experienced or are expected to experience operating issues and may have associated financial distress. The due diligence undertaken in respect of these companies may be insufficient to reveal all of their past, current and future liabilities. Furthermore, in some unusual circumstances the limited liability status of Client Companies and/or their subsidiaries may not be upheld, and the Company could lose some or all of its holdings in such companies, which could have a material adverse effect on the performance of the Company. The Company will however, typically seek to avoid exposure to such liabilities.

#### ***Dependence on key personnel***

The Company will be dependent on the ability of the Directors and key employees to source and negotiate attractive advisory and consulting engagements. In so doing, the Company will be reliant not only on the experience and ability of those Directors and employees, but also on relationships and business networks that certain key individuals have developed over a number of years. Failure to source, engage and maintain such clients could have a negative impact on the Company's ability to achieve its objectives.

#### ***Concentration risk***

Initially, the Company will have a limited number of equity stakes in Client Companies. As a result, the impact on the Company's performance and the potential returns to investors will be more adversely affected if such clients were to perform badly than would be the case if the range of Client Companies was more diversified.

#### ***Conflicts of interest***

Certain Directors have other interests in the Company's wider business or in the sectors in which the Company is looking to provide advice. The Company may, from time to time, advise companies where such Directors are already interested, subject to any regulatory compliance.

The Company will seek to conduct such transactions on arm's length commercial terms, under conditions consistent with fair market value and industry practice and the transactions will be subject to approval by the non-executive Directors and those Directors without a conflict of interest. Notwithstanding such procedures, there remains a risk that such transactions may benefit such Directors or may be to the detriment of the Company to an extent which is greater than would be the case if the transactions were with independent parties.

#### ***Economic Uncertainty***

Future economic uncertainty or significant increases in the Company's operating costs could result in a reduction in profits generated by the Company.

#### ***Competition***

Certain private equity and direct investment funds have become active in seeking investment opportunities with a focus on China and other jurisdictions in which the Company is interested in providing services. The Company may face significant competition from foreign investment funds and strategic investors when providing its services. Many competitors have greater financial resources than the Company.

#### ***Taxation***

The tax rules and their interpretation relating to an investment in the Company may change during the life of the Company as may the tax residence of the Company. The levels of, and reliefs from, taxation may change. The tax reliefs referred to in this document are those currently available and their value depends on the individual circumstances of investors. Any change in the tax status of any member of the Company or the tax applicable to holding Common Shares or in taxation legislation or its interpretation, could affect the value of the equity interests held by the Company, affect the Company's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders given that statements made in this document concerning the taxation of the Company and its investors are based upon current tax law and practice which is subject to change.

***Tax legislation***

Any change in the Company's tax status, or in taxation legislation could affect the value of its holdings in Client Companies and the Company's ability to achieve its objectives, or alter the post-tax returns to Shareholders. Prospective investors are urged to consult their tax advisers with respect to their particular tax situations and the tax effects of an investment in the Company.

***Risk of changes in foreign currency exchange rates***

The Company's results are reported in Cdn\$. Any fluctuations in the value of the U.S. dollar and/or other currencies relative to Canadian Cdn\$ may result in variations in the revenue and net income of the Company expressed in Canadian Cdn\$.

***Legal proceedings and litigation***

By the very nature of the Company's business, it is expected that from time to time the Company will be subject to complaints or claims by Client Companies in the normal course of business. There is no certainty that such claims or complaints will not be material and that any settlements, awards or legal expenses associated with defending or appealing against any decisions in respect of any such complaints or claims will not have a material adverse effect on the Company's operating results or financial condition. The Company's business may be materially and adversely affected if the Company and or its employees or agents are found not to have met the appropriate standard of care or exercised their discretion or authority in a prudent or appropriate manner in accordance with accepted standards.

***Credit risk and exposure to losses***

The Company is exposed to the risk that third parties that may owe the Company money, securities or other assets will not perform their obligations. These parties include clients, clearing agents, exchanges, clearing houses and other financial intermediaries as well as issuers whose securities are held by the Company. These parties may default on their obligations due to bankruptcy, lack of liquidity, operational failure or other reasons.

***Significant fluctuations in quarterly results***

The Company's operating results may fluctuate from quarter to quarter and from year to year due to a combination of factors, including the number of advisory or consulting engagements completed, the number of disposals of equity interest received in Client Companies that are completed, variations in expenditures for personnel, litigation expenses and expenses of establishing new business units.

The timing of recognition of revenue from a significant engagement can materially affect quarterly operating results. The Company's cost structure currently is orientated to meeting the current level of costs relating to providing services to clients. As a result, the Company could experience losses if the value of shares received by the Company (in a Client Company in consideration for the provision of advisory and consulting services by the Company) decline more quickly than the Company's ability to change the cost structure or market those shares. Due to the foregoing and other factors, there can be no assurance that the Company will be profitable on a quarterly or annual basis, or at all.

***Equity interests in Client Companies***

The Company will typically receive an equity stake in Client Companies in consideration for the provision of services by it. Equity securities generally represent the most subordinated claims in an issuer's capital structure and, as such, generally entitle holders to an interest in the assets of the issuer, if any, remaining after all more senior claims to such assets have been satisfied. Holders of equity securities are generally entitled to dividends only if and to the extent declared by the governing body of the issuer out of income or other assets available, after making interest and any other required payments in respect of more senior securities of the issuer.

Moreover, in the event of an insolvency or winding-up of a Client Company in which the Company holds an equity interest, the claims of shareholders will rank behind all other claims in that company. After repaying holders of more senior securities, such companies may not have any remaining assets to use for repaying amounts owed in respect of the Company's holdings. To the extent that any assets remain, holders of claims that rank equally with the Company's holdings would be entitled to share on an equal and rateable basis in distributions that are made out of those assets.

### ***Insurance***

The Company does not hold any insurance. Accordingly, the Company is exposed to the full extent of any financial losses in the event of any incident that causes loss or damage to the Company.

### ***Risk management policies and procedures***

Uncertainty and risk are inherent with any business activity that includes holding/receiving an equity stake in other companies. The Company is therefore exposed to risks which could result in financial losses. The Company's principal risks relate to market risk, operational risk and regulatory and legal risk. Accordingly, risk management and control of the balance between risk and return are critical elements influencing the Company's financial stability and profitability.

Operational risk refers to the risk of financial loss resulting from the Company's own operations including, but not limited to deficiencies in the Company's operating policy and inadequacies or breaches in the Company's control procedures.

There is no certainty that the Company's policies and procedures to mitigate its exposure to market and operational risk will be completely effective. Unforeseen events and changes in the economy may lead to market disruptions and unexpected large or rapid changes in market conditions which may have a significant adverse effect on the Company's business and financial prospects and stability.

### ***Staff misconduct***

There have been a number of highly publicised cases involving fraud or other misconduct by staff in the financial, professional and services industries in recent years and the Company runs the risk that staff misconduct could occur. Misconduct by staff could include binding the Company to transactions that present unacceptable risks, destroying computer data, or hiding from the Company unauthorised or unsuccessful activities, which, in either case, may result in unknown and unmanaged risks or losses. Staff misconduct could also involve the improper use of confidential information, which could result in regulatory sanctions and serious reputational harm. It is not always possible to deter employee misconduct and the precautions the Company takes to prevent and detect this activity may not be effective in all cases.

### ***Control of company risks***

As at the date of this Prospectus, Stuart J. Bromley will own approximately 32.98% per cent of the Common Shares. Any significant change in Stuart J. Bromley shareholdings through a sale or other disposition, or significant acquisitions by others, of Common Shares in the public market or by way of private transactions could result in a change of control that may result in changes in business focus or practices that may affect the profitability of the Company's business.

### ***Fluctuations in market price of the securities of Client Companies***

Certain factors, such as sales of tradeable securities of Client Companies, fluctuations in a Client Companies' operating results, market conditions for similar securities and market conditions generally in the industries that the Company focuses on could cause the market price of the shares in Client Companies, and therefore the Common Shares, to fluctuate substantially. In addition, stock markets have experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance of such companies. Accordingly, the market

price of Client Companies' shares may decline even if its operating results or prospects have not changed and this could impact on the Company.

***The Company may require additional capital in the future and no assurance can be given that such capital will be available at all or available on terms acceptable to the Company***

The Company may have further capital requirements to the extent it decides to proceed to expand its activities, or to take advantage of opportunities for acquisitions, joint ventures or other business opportunities that may be presented to it. Whilst no such further capital requirements are currently expected, in the event that they were necessary or desirable, the Company may not be able to complete such financings in a timely manner on acceptable terms, if at all. Where the Company issues Common Shares in the future, such issuance may result in the then existing shareholders of the Company sustaining dilution to their relative proportion of the equity in the Company.

***Restrictions on using securities as consideration***

The Company will usually be offered shares, warrants or other securities as part of the consideration received for the provision of its services to Client Companies. However, certain jurisdictions may restrict the use of shares for this purpose, which could result in the transaction not proceeding or the Company receiving alternative sources of consideration. Such restrictions may limit the opportunities available to the Company.

***Illiquid holdings***

Some of the equity interests received by the Company are expected to comprise interests in unquoted companies which are not publicly traded or freely marketable and for which a sale may require the consent of other parties. Such holdings may therefore be difficult to value and/or realise, and their management and realisation may involve significant time and cost. The illiquidity of these holdings may make it difficult to sell these equity interests. In addition, if the Company was required to liquidate all or a portion of such holdings quickly, it may realise significantly less than the value at which it was previously recorded, which may adversely impact the result of the Company's operations.

***Turnover***

The Company may sell some or all of its holdings in Client Companies and securities without regard to the time they have been held when, in the opinion of the Directors, investment considerations warrant such action. A high turnover of holdings in securities may involve correspondingly greater expenses than a lower rate of turnover. In light of the Company's strategy, it is unlikely that this turnover rate will be substantial. However there is no guarantee that a high rate of turnover will not be present in the future due to various risk factors discussed in this Part 2 that will potentially affect the value of the Company's holdings.

***Risks relating to the metals, mining and resources industry***

***Governmental regulation of the mining industry***

In consideration for the provision of its services the Company expects to take equity interests in mining and exploration companies. Mining and exploration companies are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances and other matters. Mining and exploration activities are also subject to various laws and regulations relating to the protection of the environment. No assurance can be given that existing laws, rules and regulations have been fully complied with by the Client Companies nor that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development of a specific project being undertaken by a Client Company. This could have a material adverse effect on a Client Company and thereby the Company's business, financial condition and results of operations.

Failure to comply with such regulations may result in harm to Client Companies' employees, the communities in and around Client Companies' operations and the environment. Government authorities may also force closure of facilities on a temporary or permanent basis or refuse future mining right applications. Client

Companies could face fines and penalties, liability to employees and third parties for injury, statutory liability for environmental remediation, and other financial consequences, which may be significant. Client Companies could also suffer impairment of their reputation, industrial action or difficulty in recruiting and retaining skilled employees. This may have a material adverse effect on the Client Companies' operations or financial condition and therefore the financial position of the Company.

#### ***Operational issues faced by Client Companies***

The Company will not, ordinarily, directly control the activities of its Client Companies and therefore will not be able to control their operation or manage the Client Companies' response to certain changes that are outside of their control. Such changes and operational matters include the issues discussed above in respect of mining licences, reserves, regulation and commodity prices. Other matters that may affect Client Companies' operations include inflation and cost increases, access to infrastructure services (such as water, electricity and transport) where disruptions may halt production or disrupt distribution, shortages of and lead times to deliver key inputs (for example, raw materials or mining equipment), the impact of climate change and the Kyoto Protocol (including subsequent international agreements) and any emissions trading systems, delays in completing projects (for example due to independent contractors), labour disruptions and problems with the relationships with local communities or governments. Any impact on Client Companies may affect its financial performance, and therefore have an impact on the Company.

#### **Risks relating to the Common Shares**

##### ***Share price volatility and trading basis***

Notwithstanding the fact that an application will be made for the Common Shares to be admitted to the TSXV, this should not be taken as implying that there will be a liquid market in the Common Shares and, accordingly, it may be more difficult for investors to sell their Common Shares. A return on investment in the Common Shares may, therefore, in certain circumstances be difficult to realise. The share price of publicly traded companies can be highly volatile and subject to wide fluctuations in response to a variety of factors, which could lead to losses for Shareholders. The price at which the Common Shares may trade and the price which investors may realise for their Common Shares will be influenced by a large number of factors, some specific to the Company and some which may affect quoted companies generally. These factors could include the performance of the Company's operations, large purchases or sales of shares, liquidity (or absence of liquidity) in its shares, currency fluctuations, legislative or regulatory changes (including changes in the tax regime in the jurisdiction in which the Company or its investments operate), additions or departures of key personnel at the Company, adverse press, newspaper and other media reports and general economic conditions.

In addition, stock markets from time to time suffer significant price and volume fluctuations that affect the market price for securities and which may be unrelated to the Company's performance. The value of the Common Shares will therefore fluctuate and may not reflect their underlying asset value.

##### ***Future issues of Common Shares could be dilutive***

It may be necessary, at some future time, for the Company to issue additional Common Shares to fund the growth plans of the Company. Any such issue would dilute the interests of Shareholders and could impact upon the price of the Common Shares.

##### ***Dividends***

There can be no assurance as to the level or frequency of future dividends, if any. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the directors of the Company, and will depend on, among other things, the Company's earnings, financial position, cash requirements and availability of profits.

**Investors should therefore consider carefully whether investment in the Company is suitable for them, in view of the risk factors outlined above and the information contained in this document, their personal circumstances and the financial resources available to them.**

## **PROMOTERS**

Stuart J. Bromley is considered the promoter of the Issuer in that he takes the initiative in organizing the business of the Issuer.

Other than as disclosed in this section and under "Executive Compensation" no person who was a promoter of the Company within the last two years:

- received anything of value directly or indirectly from the Company or a subsidiary;
- sold or otherwise transferred any asset to the Company or a subsidiary within the last 2 years;
- has been a director, officer or promoter of any company that during the past 10 years was the subject of a cease trade order or similar order or an order that denied the company access to any exemptions under securities legislation for a period of more than 30 consecutive days or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets;
- has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities' regulatory authority;
- has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision; or
- has within the past 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets.

As at the date of this Prospectus, Stuart J. Bromley will own approximately 32.98% per cent of the Common Shares. Stuart J. Bromley was subject to cease trade order in 2013 (past 10 years) whilst a director of CIC Mining Resources Ltd for failure to file financial statements.

***See "Directors, Officers and Promoters" above and "Executive Compensation" above for further information.***

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

From time to time the Company may be subject to legal claims, including default judgments (the "Claims") arising in the ordinary course of business. When the Company is made aware of any Claim, it endeavours to resolve any issues, and when necessary defend any litigation. The Issuer is not a party to any legal proceedings or regulatory actions and is not aware of any such proceedings known to be contemplated.

No penalties or sanctions have been imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory body within the three years immediately preceding the date of this Prospectus. Management of the Company is not aware of any such penalties or sanctions imposed against the Issuer.

The Company has not entered into any settlement agreements before a court relating to provincial, state and territorial securities legislation or with a securities regulatory authority within the three years immediately



preceding the date of this Prospectus. Management of Company is not aware of any such settlement agreements entered into by Company.

## **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

CIC Capital Fund Ltd provided convertible loans to the Company to which Stuart J. Bromley was a director. Post the issuance of the Convertible Loans Terrence Larkan, Robert Rhodes and Li Honnguang became directors. The Company at the date of this Prospectus has no convertible loans outstanding and will not be seeking further convertible loans.

Other than disclosed above in this Prospectus no director, executive officer or principal shareholder of the Company, or an associate or affiliate of a director, executive officer or principal shareholder of the Company, has any material interest, direct or indirect, in any transaction which has occurred within the three years before the date of this Prospectus, or in any proposed transaction that has materially affected or will materially affect the Company.

## **AUDITORS, TRANSFER AGENT AND REGISTRAR**

### **Auditors**

The auditors of the Company are Saturna Company Chartered Professional Accountants LLP, independent registered public accountants, located at Suite 1250, 1066 West Hastings Street, Vancouver, BC, Canada V6E 3X1 Telephone 604-630-5100.

Saturna Company Chartered Professional Accountants LLP, is independent in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

### **Transfer Agent and Registrar**

The transfer agent of the Company's Common Shares is AST Trust Company (Canada), located at 600 The Dome Tower 333 - 7th Ave SW, Calgary, Alberta T2P 2Z1.

## **MATERIAL CONTRACTS**

During the past two years, the Company has entered into the following contracts which are considered material except for contracts made in the ordinary course of business including advisor agreements, the following are the only material contracts entered into by the Issuer since the beginning of the last financial year ended December 31, 2018 or entered into before September 30, 2019 that are still in effect as of the date hereof:

1. An agreement dated July 28, 2019, the Company and Detroit Electronic Group Company Holding Ltd. ("DEG") pursuant to which the Company agrees to provide advisory services to DEG to enable a direct listing on the NASDAQ in consideration of an advisory fees to be satisfied by the issue of seventy-five thousand Common Shares in DEG to the Company and Cdn\$239,485 (US\$180,000) in cash.
2. An agreement dated July 17, 2019, the Company and Detroit Electronic Group Company Holding Ltd. ("DEG") pursuant to which the Company agrees to provide advisory services to DEG to enable the establishment of a Luxembourg Securitisation entity for DEG to raise up to €200,000,000 with the first note raising €30,000,000. In consideration, advisory fees to be satisfied by the issue of 22,000 Common

Shares in DEG to the Company, Cdn\$51,196 (€38,000) in cash and Securitisation entity administration fee of 4.2% of value of note issued for the life of the securitisation entity.

3. An agreement dated September 18, 2019 and subsequent amendments (increased services), the Company and Intosol Holdings Ltd. (“Intosol”) pursuant to which the Company agrees to provide advisory services to Intosol to enable increased share distribution on London Stock Exchange and re-organization in consideration of an advisory fees to be satisfied by the payment of \$51,200 in cash and CDN\$925,665 (£569,500) in Common Shares with a full warrant exercisable at 32 UK pence on or before 31 December 2022 in Intosol to the Company (“Advisory Shares”).
4. An agreement dated September 21, 2019 the Company and Pearl Adventure Holdings Ltd. (“Pearl”) pursuant to which the Company agrees to provide advisory services to Pearl to enable a direct listing on the TSX-V in consideration for of an advisory fee of cash Cdn\$172,961 (US\$130,000) and the issue of US\$400,000 in shares less than 20% of average trading price post admission in Pearl to the Company.
5. An agreement dated October 26, 2019, the Company and InnoMed Two LLC. (“Innovative”) pursuant to which the Company agrees to provide advisory services to Innovative to enable a direct listing on the TSX-V in consideration for of an advisory fee of cash Cdn\$172,961 (US\$130,000) and the issue of Cdn\$1,197,423 (US\$900,000) in common shares in Innovative to the Company.
6. An agreement dated October 26, 2019, the Company and InnoMed Two LLC. (“Innovative”) pursuant to which the Company agrees to provide advisory services to Innovative to enable the establishment of a Luxembourg Securitisation entity for Innovative to raise up to €90,000,000 with the first note raising €30,000,000. In consideration, advisory fees to be satisfied by Cdn\$12,726 (€8.700) in cash and Securitisation entity administration fee of 4.2% of value of note issued for the life of the securitisation entity.
7. An agreement dated October 22, 2019 the Company and Securlinx Corporation. (“Securlinx”) pursuant to which the Company agrees to provide advisory services to Securlinx to enable a direct listing on the TSX-V in consideration for of an advisory fee of cash Cdn\$172,961 (US\$130,000) and the issue of Cdn\$1,197,423 (US\$900,000) in common shares in Innovative to the Company.
8. An agreement dated October 22, 2019, the Company and Securlinx Corporation. (“Securlinx”) pursuant to which the Company agrees to provide advisory services to Securlinx to enable the establishment of a Luxembourg Securitisation entity for Securlinx to raise up to €90,000,000 with the first note raising €30,000,000. In consideration for the services, the Company will be paid an advisory fee of Cdn\$12,726 (€8.700.) in cash and Securitisation entity administration fee of 4.2% of value of note issued for the life of the securitisation entity.
9. Escrow Agreement among the Issuer, AST Trust Company (Canada) and Stuart J. Bromley, Robert Rhodes, and Li Hongguang made as of January ●, 2020 referred to under “Escrowed Common Shares”.

A copy of any material contract may be inspected following publication of this documents and thereafter for a period of 30 days during normal business hours at the Issuer's offices at Suite 700, 595 Burrard Street Vancouver, BC Canada V7X 1S8.

## INTEREST OF EXPERTS

To the knowledge of management, as of the date hereof, no expert, nor any Associate or Affiliate of such person has any beneficial interest, direct or indirect, in the securities or property of the Issuer or of an

Associate or Affiliate of any of them, and no such person is or is expected to be elected, appointed or employed as director, officer or employee of Issuer or of an Associate or Affiliate thereof.

The independent auditors of the Company are Saturna Company Chartered Professional Accountants LLP. Saturna Company Chartered Professional Accountants LLP has informed the Company that it is independent with respect to the Company within the meaning of the CPA Code of Professional Conduct of British Columbia.

Certain legal matters in connection with this Prospectus have been passed upon on behalf of the Company by Boughton Law Corporation. David Toyoda Director of the Company is Associate Counsel of Boughton Law Corporation who owns less than 1% of the common shares of the Company.

#### **OTHER MATERIAL FACTS**

There are no other material facts other than as disclosed herein.

## APPENDIX "B"

### Audit Committee Charter

#### I. Audit Committee Purpose

The Audit Committee (the "**Committee**") is a committee selected from the board of directors (the "**Board**") of CIC Capital Ltd. (the "**Corporation**") whose primary function is to manage and maintain the effectiveness of the financial aspects of the governance structure of the Corporation.

The Objectives of the Committee include:

- 1.1 To increase shareholder confidence and to ensure the credibility and objectivity of published financial information.
- 1.2 To assist the Board in meeting its financial reporting responsibilities.
- 1.3 To assist the Board in ensuring the effectiveness of the Company's internal accounting and financial controls.
- 1.4 To strengthen the independent position of the Company's external auditors by providing channels of communication between them and the non-executive directors.
- 1.5 To review the performance of the Company's internal and external auditing functions.

#### II. Committee Composition, Appointment and Procedures

##### 1. Structure and Composition of Committee

The Committee is a sub-committee of the Board and as such exercises such powers of the Board as have been delegated to it, is answerable to the Board.

The Committee shall be comprised of not less than three directors, at least two of whom must be independent non-executive directors in accordance with applicable regulatory and stock exchange requirements. In the event securities of the Company are traded on the Toronto Stock Exchange, a majority of the members of the audit committee must be independent within the meaning of "National Instrument 52-110 – Audit Committees".

The membership of this Committee is to be set out in the annual report and accounts of the Company.

##### 2. Financial Literacy

All members of the Committee shall have 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 financial statements of the Corporation.

##### 3. Appointment of Committee Members

Members of the Committee shall be appointed from time to time and shall hold office at the pleasure of the Board, upon the recommendation of the Corporate Governance and Nominating Committee.

##### 4. Vacancies

- (a) Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.
- (b) The Board shall fill any vacancy if the membership of the Committee is less than three Directors.

##### 5. Committee Chairman

The Board shall appoint a Chairman for the Committee. The Chairman of the Committee shall be available at the Annual General Meeting to answer questions.

##### 6. Absence of Committee Chairman

If the Chairman of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting.

#### 7. Secretary of Committee

The Secretary of the Corporation shall serve as the secretary of the Committee.

#### 8. Meetings

(a) The Chairman of the Committee or the Chairman of the Board, or any two members of the Committee may call a meeting of the Committee.

(b) The Audit Committee shall meet not less than four times a year and at such other times as circumstances require. The external auditors may request a meeting if they consider it necessary.

(c) The Committee will ordinarily meet in camera at the end of each of its formal meetings and may meet in camera at any other time as required.

(d) There shall be three senior management personnel available for meetings of the Committee at the invitation of the Chairman of the Committee. These three persons will be those holding the positions of Chief Executive Officer, Chief Financial Officer and Corporate Secretary.

(e) Representatives of the external auditors shall be available for Committee meetings at the invitation of the Chairman of the Committee.

#### 9. Quorum

A Majority of the members of the Committee shall constitute a quorum.

#### 10. Notice of Meetings

(a) Notice of the time and place of every meeting shall be given in writing (including by way of written facsimile communication) to each member of the Committee at least 72 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting.

(b) Attendance of a member at a meeting constitutes a waiver of notice of the meeting except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

#### 11. Review

The Committee shall review its performance and this Charter annually or otherwise as it deems appropriate and propose recommended changes to the Board.

### **III. Responsibilities of the Committee**

#### 12. The Committee shall:

(a) Review all quarterly un-audited and annual audited financial statements and accompanying reports to the shareholders, MD&A, related annual and interim earnings press releases, earnings guidance disclosure or any other disclosure based on the Corporation's financial statements prior to the release of those statements.

(b) Make recommendations to the Board for approval with respect to the annual audited financial statements and, in each case, review:

- (i) The appropriateness of the Corporation's significant accounting principles and practices, including acceptable alternatives, and the appropriateness of any significant changes in accounting principles and practices.
- (ii) The existence and substance of significant accruals, estimates, or accounting judgments, and the level of conservatism.
- (iii) Unusual or extraordinary items, transaction with related parties and adequacy of disclosures.
- (iv) Asset and liability carrying values.

- (v) Income tax status and related reserves.
- (vi) Qualifications contained in letters of representation.
- (vii) Assurances of compliance with covenants in trust deeds or loan agreements.
- (viii) Business risks, uncertainties, commitment, and contingent liabilities.
- (ix) The adequacy of explanations for significant financial variances between years.

(c) Review the Corporation's Annual Information Form and management proxy circular and make a recommendation for approval thereof to the Board.

(d) to assist in the preparation of Form 52-110F2 (or, if the Company ceases to be a "Venture Issuer" for Canadian securities law purposes, Form 52-110F1) which requires the Company to disclose certain matters in respect of the audit committee.

(e) Oversee the external audit process, including:

- (i) The selection and appointment of an auditing firm to conduct the annual audit of the Corporation's annual financial statements and review of the Corporation's quarterly financial statements (and related notes and management's discussion and analysis in each case).
- (ii) Assessing the independence of appointed auditing firm.
- (iii) Reviewing of the external audit plan comprising a fee estimate, objectives scope, materiality, timing, locations to be visited, areas of audit risk, and co-ordination with Internal Audit.
- (iv) Reviewing of audit reports and reviews and findings, including corresponding management responses.
- (v) Approving the audit fee.
- (vi) Establishing, from time to time, pre-approval arrangements for specific categories of permitted audit related services.
- (vii) Private discussions regarding the quality of financial personnel, the level of co-operation received unresolved material differences of opinion or disputes, and the effectiveness of the work of Internal Audit.
- (viii) Co-ordinate the audit where more than one firm is involved.
- (ix) Monitoring and review any problems or reservations arising from the audit and to discuss any matters which the external auditor wishes to discuss, without executive Board members present.
- (x) Considering communications from the external auditors on audit planning and findings and on material weaknesses in accounting and internal control systems that have come to the auditors' attention.
- (xi) To review and discuss with management and auditors the preliminary results, interim information and annual financial statements before submission to the Board, focusing particularly on:
  - (a) the quality and acceptability of the accounting policies and practices and financial reporting disclosures and changes thereto;
  - (b) areas involving significant judgement, estimation or uncertainty;
  - (c) material misstatements detected by the auditors that individually or in aggregate have not been corrected and management's explanations as to why they have not been adjusted;
  - (d) the basis for the going concern assumption;
  - (e) compliance with financial reporting standards and relevant financial and governance reporting requirements;

(f) Oversee the external non-audit process, including:

- (i) Approving the nature of any non-audit services provided and any material mandates by the auditing firm to the Corporation or its subsidiary entities, the fees charged by the firm for such services and

the impact on the independence of the auditor provided that the auditing firm is prohibited from providing appraisal or valuation services, fairness opinions, actuarial services, internal audit outsourcing services, management functions or human resources, bookkeeping or other services relating to the accounting records or financial statements of the Corporation or financial information systems designed in implementation.

- (ii) Information as to the non-audit services provided by the auditing firm, the fees charged by the firm for such services and the impact on the independence of the auditor.

(g) Oversee the internal audit function including:

- (i) Reviewing the annual audit plan including risk assessment, the location and activities selected to ensure appropriate involvement in the control systems and financial reporting, time and cost budgets, resources (both personnel and technological), and organizational reporting structure.
- (ii) Reviewing audit progress, findings, recommendations, responses and follow up actions.
- (iii) Private discussions as to internal audit independence, cooperation received from management, interaction with external audit, and any unresolved material disagreements with management.
- (iv) Annual approval of audit mandate.
- (v) Monitoring of compliance with the Corporation's financial code of conduct.
- (vi) Considering the appointment, resignation or dismissal of the head of internal audit.
- (vii) Reviewing and discuss with the head of internal audit the scope of work of the internal audit function, its plans, the issues identified as a result of its work and how management is addressing these issues;
- (viii) Ensuring that the function is adequately resourced, and has appropriate authority and standing within the Company; and
- (ix) Reviewing co-ordination between the internal and external auditors.

(h) Review the effectiveness of control and control systems utilized by the Corporation in connection with financial reporting and other identified business risks.

(i) Review with senior management and the external auditors the audits of subsidiaries performed by different external auditors, including significant issues and recommendations.

(j) Review incidents of fraud, illegal acts and conflicts of interest. Ensure that arrangements are in place for investigation of possible impropriety in financial reporting or other matters.

(k) Review documents filed with securities commissions, including the Corporation's annual information form and annual report.

(l) Review material valuation issues.

(m) Review the quality and accuracy of computerized accounting systems, the adequacy of the protection against damage and disruption, and security of confidential information through information systems reporting.

(n) Review with senior management, the external auditors and legal counsel any litigation claim or other contingency that could have a material effect upon the financial position or operating results of the company with a view to appropriate disclosure.

(o) Review the expenses and perquisites, including the use of company assets, by senior officers

(p) Review material matters that come before audit committees of subsidiaries.

(q) Review cases where management has sought accounting advice on a specific issue from an accounting firm other than the one appointed as Auditor.

(r) Review policies and practices concerning officers' expenses and perquisites and, where appropriate, refer any issue to the Compensation Committee or to the Board of Directors.

(s) Establish financial procedures for:

- (i) The receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters.
  - (ii) The confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- (t) 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.

13. The Committee may, at the request of the Board, investigate such other matters as the Board considers appropriate in the circumstances.

#### **IV. Resources Meetings and Reports**

14. The Committee shall have adequate resources to discharge its responsibilities. The Committee may, for and on behalf of the Corporation and at the Corporation's sole expense, engage such consultants as it considers in its sole discretion necessary to assist it in fulfilling its duties and responsibilities.

16. The meetings of the Committee shall ordinarily include the auditors and the Chairman of the Board shall be an ex officio member of the Committee if not otherwise appointed as a member of the Committee. The Committee may request the attendance of other officers at its meetings from time to time.

17. The Board shall be kept informed of the Committee's activities by a report presented at the Board meeting following each Committee meeting.

18. The Committee shall keep minutes of its meetings in which shall be recorded all actions taken by the Committee which minutes shall be made available to the Board.

19. The members of the Committee shall have the right, for the purposes of discharging the powers and responsibilities of the Committee, to inspect any relevant records of the Corporation and its subsidiaries.



**CERTIFICATE OF PROMOTER THE COMPANY**

**Dated: March 18, 2020**

This amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of British Columbia.

***“Stuart J. Bromley”***

**CERTIFICATE OF THE COMPANY**

**Dated: March 18, 2020**

This amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by the securities legislation of British Columbia.

***“Stuart J. Bromley”***  
CEO / Executive Director

***“Jin Liang Li (David)”***  
CFO

**ON BEHALF OF THE BOARD OF DIRECTORS**

***“Terrence Larkan”***  
Director

***“Robert Rhodes”***  
Director

***“Li Hongguang”***  
Director

***“Inge Leutscher”***  
Director

***“David Toyoda”***  
Director