

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

## PROSPECTUS

Initial Public Offering

March 16, 2012

**MC PARTNERS INC.**  
(a Capital Pool Company)

**\$500,000**  
**Price: \$0.10 per Common Share**

MC Partners Inc. (the “**Company**”) hereby offers for distribution through its agent, Haywood Securities Inc. (the “**Agent**”) 5,000,000 common shares in the share capital of the Company (each a “**Common Share**” and collectively, “**Common Shares**”) at a price of \$0.10 per Common Share for aggregate gross proceeds of \$500,000 (the “**Offering**”). The purpose of this Offering is to provide the Company with a minimum of funds with which to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction (as hereafter defined). Any proposed Qualifying Transaction must be approved by the TSX Venture Exchange Inc. (the “**Exchange**”) and, in the case of a Non Arm’s Length Qualifying Transaction (as hereinafter defined), must also receive Majority of the Minority Approval (as hereafter defined), in accordance with Exchange Policy 2.4 (the “**CPC Policy**”). The Company is a Capital Pool Company (“**CPC**”). It has not commenced commercial operations and has no assets other than a minimum amount of cash. Except as specifically contemplated in the CPC Policy, until the Completion of the Qualifying Transaction (as hereinafter defined), the Company will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a proposed Qualifying Transaction. See “Business of the Company” and “Use of Proceeds”.

	<b>Common Shares</b>	<b>Price to the Public</b>	<b>Agent’s Commission<sup>(1)</sup></b>	<b>Proceeds to the Company<sup>(2)</sup></b>
<b>Per Common Share</b>	1	\$0.10	\$.01	\$0.09
<b>Total Offering</b>	5,000,000	\$500,000	\$50,000	\$450,000

Notes:

- <sup>(1)</sup> The Agent will be paid a cash commission of 10% of the total gross proceeds of the Offering (the “**Agent’s Commission**”). The Agent will also be paid a corporate finance fee of \$10,000, of which \$5,000 (plus HST) has already been paid. In addition, the Agent will be reimbursed by the Company for its reasonable expenses, including legal fees and disbursements. The Agent will also be granted the Agent’s Option (as hereinafter defined) which is qualified for distribution by this prospectus. See “Plan of Distribution”.
- <sup>(2)</sup> Before deducting the costs of this Offering estimated at \$65,000 (plus HST), exclusive of the Agent’s Commission but including Agent’s corporate finance fee, legal fees and disbursements and other reasonable expenses and the Company’s audit and legal fees estimated at \$25,000 (plus HST) and listing fees estimated at \$15,000 (plus HST). See “Use of Proceeds”.

The offering price of the Common Shares was determined by negotiation between the Company and the Agent. All funds received from subscriptions for Common Shares will be held by the Agent pursuant to the terms of the Agency Agreement (as hereinafter defined). If the minimum subscription is not raised within 90 days of the issuance of a receipt for the final prospectus or such other time as may be consented to by Persons (as hereinafter defined) who subscribed within that period and the applicable regulatory authorities, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent.

Pursuant to the Agency Agreement, the Agent will be granted the Agent’s Option to purchase that number of Common Shares equal to 10% of the number of Common Shares sold under the Offering at an exercise price of \$0.10 per Common Share. The Agent’s Option will be exercisable for a period of 24 months from the date the

Company's Common Shares are listed on the Exchange. The Agent's Option is qualified for distribution under this prospectus. In addition, subject to Exchange approval, the Company intends to grant incentive stock options (the "Options") to its directors and officers to purchase an aggregate of 700,000 Common Shares under the Company's incentive stock option plan (the "Plan") at a price of \$0.10 per Common Share, which Options may be exercised for a period of 5 years from the date of grant. The Options to be granted to the directors and officers of the Company are qualified for distribution under this prospectus. See "Plan of Distribution" and "Options to Purchase Securities".

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

The Exchange has conditionally accepted the listing of the Company's Common Shares. Listing will be subject to the Company fulfilling all the listing requirements of the Exchange.

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, 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.

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

**There is currently no market through which the Common Shares offered by this prospectus may be sold and purchasers may not be able to resell securities purchased under this prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "Risk Factors".**

**There can be no assurance that an active and liquid market for the Company's Common Shares will develop. As such, purchasers of the Common Shares may find it difficult to resell the Common Shares. Assuming completion of the Offering, purchasers of the Common Shares will suffer an immediate dilution on investment of \$0.0143 or 14.3% per Common Share, calculated on the basis of total gross proceeds raised by the Company from this Offering and prior sales, without deduction of the Agent's Commission and other expenses related to this Offering.**

**The Company was only recently incorporated and has no active business or assets other than cash. The business objective of the Company is to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the Exchange and, in the case of a Non Arm's Length Qualifying Transaction, is also subject to Majority of the Minority Approval in accordance with the CPC Policy; however, there can be no assurance that the Company will successfully complete a Qualifying Transaction. The Company has commenced the process of identifying potential acquisitions, but to date, the Company has not yet identified any potential acquisitions. The Company may determine that current markets, terms of acquisition, or pricing conditions make such potential acquisitions uneconomic. The Company has not entered into an Agreement in Principle (as hereinafter defined). The Company may find that even if the terms of a potential acquisition are economic, the Company may not be able to finance such acquisition and the Company may not be able to obtain additional financing. Since the Company has not placed any geographical restrictions on the location of a Qualifying Transaction, such Qualifying Transaction may involve the acquisition of a business located outside of Canada and, as such, investors should be aware that it may be difficult or may not be possible to effect service or notice to commence legal proceedings upon any directors, officers and experts outside of Canada and that it may not**

be possible to enforce against such Persons or the Company, judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable securities laws in Canada. Where the investment or acquisition is financed by the issuance of shares from the Company's treasury, control of the Company may change and its shareholders may suffer further dilution of their investment. The Company will be in competition with other entities with greater resources. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to generate earnings or pay dividends in the immediate or foreseeable future.

The Exchange may suspend from trading or delist the Common Shares where the Exchange has not issued a Final Exchange Bulletin (as hereinafter defined) to the Company within 24 months after the date the Company's Common Shares are listed on the Exchange. Investors must rely solely on the expertise of the Company's promoters, directors and officers for any possible return on their investment. The Company's promoters, directors, officers and Control Persons (as hereinafter defined), and their Associates (as hereinafter defined) and Affiliates (as hereinafter defined), as a group, currently own 100% of the issued and outstanding Common Shares before giving effect to this Offering and will own 28.56% of the issued and outstanding Common Shares after giving effect to this Offering, assuming that no Common Shares are bought by the foregoing Persons under this prospectus and before the exercise of any Options. The directors and officers of the Company will only devote part of their time to the affairs of the Company and there are potential conflicts of interest to which some of the directors and officers of the Company will be subject in connection with the operations of the Company. See "Business of the Company", "Use of Proceeds", "Capitalization", "Officers, Directors and Promoters – Conflicts of Interest", "Dilution" and "Risk Factors".

The Agent of the Company, offers these Common Shares on a commercially reasonable efforts basis, if, as and when subscriptions are accepted by the Company, subject to prior sale, in accordance with the terms and conditions of the Agency Agreement referred to under the heading "Plan of Distribution" and subject to the approval of certain legal matters by Thomas, Rondeau LLP, Vancouver, B.C. on behalf of the Company and by McCullough O'Connor Irwin LLP, Vancouver, B.C. on behalf of the Agent. Pursuant to the CPC Policy, no purchaser of the Common Shares is permitted to directly or indirectly purchase more than 2% of the total Common Shares offered under this prospectus being 100,000 Common Shares (\$10,000). In addition, the maximum number of Common Shares that may directly or indirectly be purchased by that purchaser, together with any Associates (as hereinafter defined) or Affiliates (as hereinafter defined) of that purchaser, is 4% of the total number of Common Shares offered under this prospectus being 200,000 Common Shares (\$20,000).

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

**Haywood Securities Inc.**  
**Suite 700 – 200 Burrard Street,**  
**Vancouver, British Columbia, V6C 3L6**  
**Telephone: (604) 697-7100**  
**Facsimile: (604) 697-7495**

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## GLOSSARY

Except as otherwise defined, the following terms, when used herein, shall have the following meanings:

- “Affiliate”** means a company (as hereinafter defined) that is affiliated with another company as described below.
- A company is an “Affiliate” of another company if:
- (a) one of them is the subsidiary of the other, or
  - (b) each of them is controlled by the same Person.
- A company is “controlled” by a Person if:
- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and
  - (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.
- A Person beneficially owns securities that are beneficially owned by:
- (a) a company controlled by that Person, or
  - (b) an Affiliate of that Person or an Affiliate of any company controlled by that Person.
- “Agency Agreement”** means an agency agreement to be entered into between the Company and the Agent.
- “Agent”** means Haywood Securities Inc.
- “Agent’s Commission”** means a cash commission of 10% of the total gross proceeds of the Offering.
- “Agent’s Option”** means an option to purchase Common Shares granted to the Agent pursuant to this Offering, entitling the Agent to acquire that number of Common Shares equal to 10% of the number of Common Shares sold pursuant to the Offering exercisable at a price of \$0.10 per Common Share for a period of 24 months from the date of listing of the Common Shares on the Exchange.
- “Aggregate Pro Group”** means all Persons who are members of any Pro Group (as hereinafter defined) whether or not the member is involved in a contractual relationship with the Issuer (as hereinafter defined) to provide financing, sponsorship or other advisory services.

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

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

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

**“Associate”** when used to indicate a relationship with a Person, means:

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

but

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

**“Board”** means the board of directors of the Company.

**“BCBCA”** means *Business Corporations Act* (British Columbia).

**“Closing Date”** means the date the Offering is completed.

**“Commissions”** means the British Columbia Securities Commission, Alberta Securities Commission and Ontario Securities Commission, collectively.

**“Common Shares” or “Shares”** means single voting common shares in the capital of the Company.

<b>“company”</b>	unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
<b>“Company”</b>	means MC Partners Inc., a corporation incorporated under the laws of the Province of British Columbia.
<b>“Completion of the Qualifying Transaction”</b>	means the date the Final Exchange Bulletin is issued by the Exchange.
<b>“Control Person”</b>	means any Person 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 the Issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the Issuer.
<b>“CPC”</b>	means a corporation: <ul style="list-style-type: none"> <li>(a) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with the CPC Policy; and</li> <li>(b) in regard to which the Final Exchange Bulletin has not yet been issued.</li> </ul>
<b>“CPC Policy”</b>	means Policy 2.4 of the Corporate Finance Manual of the Exchange.
<b>“Escrow Agent”</b>	means Computershare Investor Services Inc.
<b>“Escrow Agreement”</b>	means the escrow agreement dated March 15, 2012 among the Company, the Escrow Agent and the holders of Seed Shares.
<b>“Exchange”</b>	means the TSX Venture Exchange Inc.
<b>“Final Exchange Bulletin”</b>	means the exchange bulletin which is issued following closing of the Qualifying Transaction and the submission of all required documentation and that evidences the final Exchange acceptance of the Qualifying Transaction.
<b>“Initial Listing Requirements”</b>	means the initial financial, distribution and other standards that must be met by applicants seeking a listing on a particular tier of the Exchange.
<b>“Initial Public Offering” or “IPO”</b>	means a transaction that involves an Issuer issuing securities from its treasury pursuant to its first prospectus.
<b>“Insider”</b>	if used in relation to an Issuer, means: <ul style="list-style-type: none"> <li>(a) a director or senior officer of the Issuer;</li> <li>(b) a director or senior officer of the company that is an Insider or subsidiary of the Issuer;</li> <li>(c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Issuer; or</li> <li>(d) the Issuer itself if it holds any of its own securities.</li> </ul>
<b>“IPO Shares”</b>	means securities issued by an Issuer from its treasury pursuant to its first prospectus.



<b>“Issuer”</b>	means a company and its subsidiaries which have any of its securities listed for trading on the Exchange and, as the context requires, any applicant company seeking a listing of its securities on the Exchange.
<b>“Listing Date”</b>	means the date of listing of the Common Shares on the Exchange.
<b>“Majority of the Minority Approval”</b>	<p>means the approval of a Non Arm’s Length Qualifying Transaction by the majority of the votes cast by shareholders, other than:</p> <p>(a) Non Arm’s Length Parties to the CPC;</p> <p>(b) Non Arm’s Length Parties to the Qualifying Transaction; and</p> <p>(c) in the case of a related party transaction:</p> <p style="padding-left: 40px;">(i) if the CPC holds its own shares, the CPC, and</p> <p style="padding-left: 40px;">(ii) a Person acting jointly or in concert with a Person referred to in paragraph (a) or (b) in respect of the transaction</p> <p>at a properly constituted meeting of the common shareholders of the CPC.</p>
<b>“Member”</b>	has the meaning in Rule A 1.00 of the Exchange Rule Book.
<b>“NEX”</b>	means the market on which the former Exchange and TSX Issuers that do not meet Exchange tier maintenance requirements for tier 2 may continue to trade.
<b>“Non Arm’s Length Party”</b>	means in relation to a company, a promoter, officer, director, other Insider or Control Person of that company (including an Issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means any Associate of the individual or any company of which the individual is a promoter, officer, director, Insider or Control Person.
<b>“Non Arm’s Length Party(ies) to the Qualifying Transaction”</b>	means the Vendor(s) (as hereinafter defined), any Target Company(ies) (as hereinafter defined) and includes, in relation to Significant Assets or Target Company(ies), the Non Arm’s Length Parties of the Vendor(s), the Non Arm’s Length Parties of any Target Company(ies) and all other parties to or associated with the Qualifying Transaction and Associates or Affiliates of all such other parties.
<b>“Non Arm’s Length Qualifying Transaction”</b>	means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are the subject of the proposed Qualifying Transaction.
<b>“Offering”</b>	means the offering of Common Shares in accordance with the terms of this prospectus.
<b>“Options”</b>	means the non-transferable incentive stock options to be granted by the Company to the directors and officers of the Company to purchase an aggregate of up to 700,000 Common Shares under the Plan at a price of \$0.10 per Common Share, which Options may be exercised for a period of 5 years from the date of grant.
<b>“Person”</b>	means a company or individual.

**“Plan”**

means the incentive stock option plan dated for reference March 15, 2012 and approved by the Board of the Company providing for the grant of incentive stock options to directors, officers, employees and consultants to the Company in accordance with the policies of the Exchange.

**“Principal”**

means:

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

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

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

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

**“Pro Group”**

means:

- (a) subject to subparagraph (b), (c) and (d) Pro Group shall include, either individually or as a group:
  - (i) the Member;
  - (ii) the employees of the Member;
  - (iii) partners, officers and directors of the Member;
  - (iv) Affiliates of the Member; and
  - (v) Associates of any parties referred to in subparagraph (i) through (iv) above;
- (b) the Exchange may, in its discretion, include a Person or party in the Pro Group for the purposes of a particular calculation where the Exchange determined that the Person is not acting at arm’s length to the Member;
- (c) the Exchange may, in its discretion, exclude a Person from the Pro Group for the purposes of a particular calculation where the Exchange determines that the Person is acting at arm’s length of the Member; and
- (d) the Member may deem a Person who would otherwise be included in the Pro Group pursuant to subparagraph (a) to be excluded from the Pro Group where the Member determines that:
  - (i) the Person is an Affiliate or Associate of the Member acting at arm’s length of the Member;
  - (ii) the Associate or Affiliate has a separate corporate and reporting structure;
  - (iii) there are sufficient controls on information flowing between the Member and the Associate or Affiliate; and
  - (iv) the Member maintains a list of such excluded Persons.

**“Qualifying Transaction”**

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

**“Resulting Issuer”**

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

**“SEDAR”**

means the “System for Electronic Document Analysis and Retrieval” the Canadian Securities Administrators web site to make securities filings accessible to the public ([www.sedar.com](http://www.sedar.com)).

**“Seed Shares”**

means securities issued before an Issuer’s IPO, regardless of whether the securities are subject to resale restrictions or are free trading.

**“Significant Assets”**

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

**“Sponsor”**

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

**“Sponsorship Acknowledgment Form”**

means the form prepared in accordance with Form 2G of the Exchange.

<b>“Target Company”</b>	means a company to be acquired by the CPC as its Significant Asset pursuant to a Qualifying Transaction.
<b>“TSX”</b>	means the Toronto Stock Exchange.
<b>“Value Securities”</b>	means securities issued pursuant to a transaction, for which the deemed value of the securities at least equals the value ascribed to the asset, using a valuation method acceptable to the Exchange, or securities which are otherwise determined by the Exchange to be Value Securities and required to be placed in escrow under a Value Security Escrow Agreement (as hereinafter defined).
<b>“Value Security Escrow Agreement”</b>	means an escrow agreement in Form 5D to which Value Securities will be subject and which will include Schedule B(1) of Form 5D if an Issuer is a Tier 1 Issuer or Schedule B(2) of Form 5D if an Issuer is a Tier 2 Issuer.
<b>“Vendors”</b>	means one or all of the beneficial owners, of the Significant Assets (other than a Target Company).

## PROSPECTUS SUMMARY

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

**The Company:** MC Partners Inc., a corporation incorporated under the laws of the Province of British Columbia, with an office located at Suite 300 – 576 Seymour Street, Vancouver, BC V6B 3K1.

**Business of the Company:** The principal business of the Company will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Company has not commenced commercial operations and has no assets other than a minimum amount of cash. The Company has commenced the process of identifying potential acquisitions, but to date, the Company has not yet identified any assets or businesses for a potential Qualifying Transaction and has not entered into an Agreement in Principle. See “Business of the Company”.

**Offering:** A total of 5,000,000 Common Shares are being offered under this prospectus at a price of \$0.10 per Common Share. In addition, the Company will grant the Agent’s Option to the Agent to purchase that number of Common Shares equal to 10% of the Common Shares sold pursuant to this Offering at a price of \$0.10 per share which will be exercisable for a period of 24 months from the date of listing of the Common Shares on the Exchange. The Company also intends to grant Options to purchase up to 700,000 Common Shares at a price of \$0.10 per share to directors and officers under an incentive stock option plan, which will be exercisable for a period of 5 years from the date of grant and all of which are qualified for distribution pursuant to this prospectus. See “Plan of Distribution”.

**Use of Proceeds:** The net proceeds to the Company will be \$450,000 under the Offering, before deducting the balance of the costs of this Offering estimated to be \$65,000 (plus HST and excluding the Agent’s Commission). The Company received gross proceeds of \$100,000 from the sale of Seed Shares and has incurred administrative expenses of \$2,189 and professional fees of \$12,258 to November 30, 2011. The Company estimates incurring general and administrative costs until the completion of the Qualifying Transaction of approximately \$28,800 (including losses to November 30, 2011 of \$14,447), which, together with the estimated balance of Offering costs in the amount of \$115,000 (plus HST) will reduce the total funds available for pursuing a Qualifying Transaction to approximately \$448,400. The net proceeds of this Offering and the funds raised prior to this Offering will be used to provide the Company with a minimum of funds with which to identify and evaluate assets or businesses, for acquisition with a view to completing a Qualifying Transaction. The Company may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. Until Completion of the Qualifying Transaction and except as otherwise provided in the CPC Policy, a maximum of the lesser of 30% of the gross proceeds realized or \$210,000 may be used for purposes other than evaluating business or assets. See “Use of Proceeds”, “Business of the Company - Method of Financing” and “Risk Factors”.

**Directors and Officers:** John Morgan, Director, CEO and Corporate Secretary  
Robin Hutchison, Director  
Richard Jordens, Director  
Kenneth Churchill, Director and CFO

See “Officers, Directors and Promoters”.

Escrowed Securities:

All of the currently issued and outstanding Common Shares of the Company, being 2,000,000 Common Shares, will be deposited in escrow pursuant to the terms of the Escrow Agreement and will be released from escrow in stages over a period of up to three years after the date of the Final Exchange Bulletin. See “Escrowed Securities”.

Risk Factors:

Investment in the Common Shares must be regarded as highly speculative due to the proposed nature of the Company’s business and its present stage of development. The Company was only recently incorporated and has no active business or assets other than a minimum amount of cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the Completion of the Qualifying Transaction. The Offering is only suitable to investors who are prepared to rely entirely on the directors and management of the Company and can afford to risk the loss of their entire investment. The directors and officers of the Company will only devote part of their time and attention to the affairs of the Company and there are potential conflicts of interests to which some of the directors and officers of the Company will be subject in connection with the operations of the Company. Assuming completion of the Offering, an investor will suffer an immediate dilution of investment of 14.3% or \$0.0143 per Common Share. There can be no assurance that an active and liquid market for the Company’s Common Shares will develop and an investor may find it difficult to resell the Common Shares. Until Completion of the Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Company has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Company will be able to identify or complete a suitable Qualifying Transaction.

If the Company identifies a suitable business or asset, the Exchange may not approve the transaction as a Qualifying Transaction or management may determine that market conditions make the terms of the acquisition uneconomic. Furthermore, the Company may require additional financing to both secure and exploit the business opportunity and there is no guarantee that such financing will be available.

If the Company fails to complete a Qualifying Transaction acceptable to the Company’s shareholders and the Exchange within 24 months of the date of listing, or if the Company fails to comply with the Exchange’s listing maintenance requirements, the Common Shares may be suspended from trading or delisted.

An acquisition financed by the issuance of treasury shares could result in a change in the control of the Company and may cause the interests of the shareholders in the Company to be further diluted.

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

## THE COMPANY

MC Partners Inc. was incorporated on January 28, 2011 under the BCBCA.

The head office and registered office of the Company are located at Suite 300 – 576 Seymour Street, Vancouver, BC, V6B 3K1. The Company does not have any subsidiaries.

## BUSINESS OF THE COMPANY

### Preliminary Expenses

As of November 30, 2011, the date of the Company's statement of financial position included in this prospectus, the Company has incurred expenses of \$14,447 for the following categories in the amounts indicated:

Professional Fees (legal fees and disbursements (including taxes) and audit fees)	12,258
Administrative Costs	2,189
<b>TOTAL</b>	<b>\$14,447</b>

The Company also has advanced to the Agent \$5,000 (plus HST) in partial payment of the corporate finance fee and \$10,000 as Agent's retainer for expenses, including expenses relating to the Agent's legal counsel. From November 30, 2011 to the date of the prospectus, the Company has incurred additional expenses of approximately \$16,584 which includes administrative and general expenses of \$400 and filing fees of 16,148. A portion of the proceeds of the Offering will be used to satisfy the obligations of the Company related to the Offering, including the expenses of its legal counsel and auditor and fees of the Agent and the Agent's legal counsel. See "Use of Proceeds".

### Proposed Operations until Completion of a Qualifying Transaction

The Company is a capital pool company pursuant to the CPC Policy. The principal business of the Company is to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a Non Arm's Length Qualifying Transaction is also subject to Majority of the Minority Approval in accordance with the CPC Policy. The Company has not conducted commercial operations other than to enter into discussions for the purpose of identifying potential acquisitions or interests.

Until Completion of a Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as described under "Use of Proceeds – Private Placement for Cash" and "Use of Proceeds – Restrictions on Use of Proceeds", the funds raised pursuant to this Offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions and not for any deposit, loan or direct investment in a potential acquisition. The Company currently intends to pursue a Qualifying Transaction in the technology sector, but there is no assurance that this will, in fact, be the business sector of a proposed Qualifying Transaction or of the Company following Completion of the Qualifying Transaction.

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

## **Method of Financing**

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

## **Criteria for a Qualifying Transaction**

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

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

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

Upon the Company reaching an Agreement in Principle, the Company must issue a comprehensive news release, at which time the Exchange generally will halt trading in the Company's Common Shares until the filing requirements of the Exchange have been satisfied as set forth under the subheading "Trading Halts, Suspensions and Delisting". Within 75 days after issuance of such news release, the Company shall be required to submit for review to the Exchange either an information circular that complies with applicable corporate and securities laws or a filing statement that complies with Exchange requirements. An information circular must be submitted where there is a Non Arm's Length Qualifying Transaction. A filing statement must be submitted where the Qualifying Transaction is not a Non Arm's Length Qualifying Transaction. The information circular or filing statement, as applicable, must contain prospectus level disclosure of the Target Company and the Company, assuming Completion of the Qualifying Transaction, and be prepared in accordance with the CPC Policy and Form 3B1 or Form 3B2, as applicable, of the Exchange. Upon acceptance by the Exchange, the Company must then either:

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

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

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



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

### **Initial Listing Requirements**

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

### **Trading Halts, Suspensions and Delisting**

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

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

- (a) the unacceptable nature of the business of the Resulting Issuer; or
- (b) the number of conditions precedent to, or the nature and number of deficiencies required to be resolved prior to, completion of the Qualifying Transaction, are so significant or numerous as to make it appear to the Exchange that the halt should be reinstated or continued.

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

The Exchange may suspend from trading or delist the Common Shares of the Company where the Exchange has not issued a Final Exchange Bulletin to the Company within 24 months of the date of listing of the Company's Common Shares of the Exchange. In the event that the Common Shares of the Company are delisted by the Exchange, within 90 days from the date of such delisting, the Company shall wind up pursuant to the BCBCA and shall make a pro rata distribution of its remaining assets to its shareholders, unless shareholders, pursuant to a majority vote exclusive of the votes of Non Arm's Length Parties to the Company, determine to deal with the Company or its remaining assets in some other manner. See "Business of the Company - Criteria for a Qualifying Transaction, Shareholder Approval of a Qualifying Transaction, Initial Listing Requirements and Refusal of Qualifying Transaction".

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

- (a) either:
  - (i) cancel all escrowed Common Shares purchased by Non Arm's Length Parties to the Company at a discount to the Offering price, in accordance with section 11.2(a) of the CPC Policy, as if the Company had delisted from the Exchange or
  - (ii) subject to majority shareholder approval, cancel the escrowed Common Shares purchased by Non Arm's Length Parties to the Company so that the average costs of the remaining seed shares is at least equal to the Offering price; and

- (b) obtain majority shareholder approval for the transfer to NEX, exclusive of the votes of Non Arms Length Parties of the Company.

If the Company lists the Common Shares on NEX it must continue to comply with all requirements and restrictions of the CPC Policy.

### **Refusal of Qualifying Transaction**

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

- (a) the Resulting Issuer fails to satisfy the applicable Minimum Listing Requirements of the Exchange;
- (b) the aggregate number of securities of the Resulting Issuer owned, directly or indirectly, by:
  - (i) a Member firm of the Exchange;
  - (ii) registrants, unregistered corporate finance professionals, employee shareholders and partners of such Member firm; and
  - (iii) Associates of any such Person;collectively, would exceed 20% of the issued and outstanding securities of the Resulting Issuer;
- (c) the Resulting Issuer will be a financial institution, finance company, finance issuer or mutual fund, as defined in the securities legislation;
- (d) the majority of the directors and senior officers of the Resulting Issuer are not residents of Canada or the United States or are individuals who have not demonstrated positive association as directors or officers with public companies that are subject to a regulatory regime comparable to the companies listed on a Canadian exchange; or
- (e) notwithstanding the definition of a Qualifying Transaction, there is any other reason for denying acceptance of the Qualifying Transaction.

### **USE OF PROCEEDS**

#### **Proceeds and Principal Purposes**

The gross proceeds received by the Company from the sale of Seed Shares amount to \$100,000 (no costs have been allocated towards the issuance of these shares). The gross proceeds to be received by the Company from the sale of the Common Shares offered under the prospectus will be \$500,000. The expenses and costs of the Offering incurred to date and expected to be incurred total approximately \$65,000 plus HST (excluding the Agent's Commission but including the Agent's corporate finance fee), a total of \$31,031 of which has been incurred to date for preliminary expenses. The Agent's commission will be \$50,000. The Company expects the funds available to it on completion of the Offering from (i) the sale of Common Shares distributed under this prospectus and (ii) the prior sale of Seed Shares, will be \$477,200.

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

Item	Total Offering
Gross cash proceeds raised prior to this Offering <sup>(1)</sup>	\$100,000
Expenses and costs relating to prior issuance of Common Shares <sup>(2)</sup>	nil
Gross cash proceeds to be raised <sup>(3)</sup>	\$500,000
Estimated expenses and costs relating to this Offering (including HST) <sup>(4)</sup>	(\$122,800)
<b>Estimated funds available on completion of the Offering</b>	<b>\$477,200</b>
Funds available for identifying and evaluating assets or business prospects <sup>(5)(6)</sup>	\$448,400
Estimated general and administrative expenses until Completion of a Qualifying Transaction <sup>(6)</sup>	\$28,800

Notes:

- (1) See "Prior Sales".
- (2) See "Business of the Company - Preliminary Expenses". No expenses and costs have been allocated towards the prior issuance of the Common Shares. No issue costs have been allocated towards the issuance of these shares. See the "Financial Statements".
- (3) In the event the Agent exercises the Agent's Option and the directors or officers of the Company exercise their Options to be granted, there will be available to the Company an additional \$120,000 which will be added to the working capital of the Company. There is no assurance that any of the foregoing options will be exercised.
- (4) This figure includes the Agent's Commission of 10% of the gross proceeds, the Agent's corporate finance fee of \$10,000 and other reasonable expenses including legal fees and disbursements estimated at \$15,000 (plus taxes and disbursements) and the Company's audit and legal fees estimated at \$25,000 (plus HST) and listing fees estimated at \$15,000 (plus HST).
- (5) In the event that the Company enters into an Agreement in Principle prior to spending the entire \$448,400 on identifying and evaluating assets or businesses, the remaining funds may be used to finance or partially finance the acquisition of Significant Assets or for working capital after Completion of the Qualifying Transaction.
- (6) The maximum amount that may be used for purposes other than those described under the subheading "Permitted Use of Funds" below is the lesser of 30% of the gross proceeds from the sale of all securities issued by the Company or \$210,000. See "Restrictions on Use of Proceeds".

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

The proceeds from this Offering and any prior sale of Common Shares, after deducting the expenses associated with this Offering, will only be sufficient to identify and evaluate a finite number of assets and businesses, and additional funds may be required to finance any acquisition to which the Company may commit.

### **Permitted Use of Funds**

Until the Completion of the Qualifying Transaction and except as otherwise specifically provided by the CPC Policy and described under the subheadings "Restrictions on Use of Proceeds", "Private Placements for Cash", and "Prohibited Payments to Non Arm's Length Parties", the gross proceeds realized from the sale of all securities issued by the Company will be used by the Company only to identify and evaluate businesses or assets and obtain shareholder approval for a proposed Qualifying Transaction.

The proceeds may be used for expenses incurred for the preparation of:

- (i) valuations or appraisals;

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

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

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

#### **Restrictions on Use of Proceeds**

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

- (a) listing and filing fees (including SEDAR fees);
- (b) other costs for the issuance of securities, (including legal, accounting and audit expenses) relating to the preparation and filing of this prospectus; and
- (c) administrative and general expenses of the Company, including:
  - (i) office supplies, office rent and related utilities;
  - (ii) printing costs (including the printing of this prospectus and share certificates);
  - (iii) equipment leases; and
  - (iv) fees for legal advice and audit expenses, other than those described above under the subheading "Permitted Use of Funds".

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

#### **Private Placements for Cash**

After the closing of the Offering and until the Completion of the Qualifying Transaction, the Company will not issue any securities unless written acceptance of the Exchange is obtained before issuance. Prior to the Completion of a Qualifying Transaction, the Exchange generally will not accept a private placement by the Company where the gross proceeds raised from the issuance of securities both prior to and pursuant to the Offering, together with any proceeds

anticipated to be raised upon closing of the private placement, will exceed \$5,000,000. The only securities issuable pursuant to such a private placement will be Common Shares. Subject to certain limited exceptions, any Common Shares issued pursuant to the private placement to Non Arm's Length Parties to the Company and to Principals of the Resulting Issuer will be subject to escrow.

### **Prohibited Payments to Non Arm's Length Parties**

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

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

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

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

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

## **PLAN OF DISTRIBUTION**

### **Agency Agreement and Agent's Compensation**

Pursuant to the Agency Agreement, the Company has appointed the Agent as its agent to offer for sale on a commercially reasonable efforts basis to the public of 5,000,000 Common Shares as provided in this prospectus, at a price of \$0.10 per Common Share, for gross proceeds of \$500,000, subject to the terms and conditions in the Agency Agreement. The Agent will receive a commission of 10% of the aggregate gross proceeds from the sale of the Common Shares. In addition, the Company will pay to the Agent corporate finance fee in the aggregate amount of \$10,000 (plus HST) of which \$5,000 (plus HST) has already been paid, and will reimburse the Agent for its legal fees and expenses estimated at \$15,000 plus HST.

The Company has also agreed to grant to the Agent the non-transferable Agent's Option to purchase that number of Common Shares, equal to 10% of the Common Shares sold pursuant to this Offering, at a price of \$0.10 per Common Share, which may be exercised for a period of 24 months from the Listing Date. The grant of the Agent's Option is qualified under this prospectus. Not more than 50% of the Common Shares which can be acquired by the Agent on exercise of the entire Agent's Option may be sold by the Agent prior to the Completion of the Qualifying Transaction. The remaining 50% may be sold after the Completion of the Qualifying Transaction. The Agent has agreed to use its commercially reasonable efforts to secure subscriptions for the Common Shares offered hereunder on behalf of the Company and may make co-brokerage arrangements with other investment dealers at no extra cost to the Company. The obligations of the Agent under the Agency Agreement may be terminated at its discretion on the basis of its assessment of the state of financial markets and may also be terminated on the occurrence of certain events as stated in the Agency Agreement.

Other than as described in this prospectus, there are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or corporation in connection with the Offering.

The Offering will be made in accordance with the rules and Policies of the Exchange and with the consent of the Exchange. The closing of the Offering will take place at such time as the Company and the Agent may agree, provided that the total subscription has been received.

### **Commercially Reasonable Efforts Offering and Minimum Distribution**

The Agent has agreed to use its commercially reasonable efforts to secure subscriptions for the Common Shares offered hereunder on behalf of the Company and may make co-brokerage arrangements with other investment dealers at no additional cost to the Company. The obligations of the Agent under the Agency Agreement may be terminated at its discretion on the basis of its assessment of the state of financial markets and may also be terminated on the occurrence of certain events as stated in the Agency Agreement. The Agent shall be under no liability for any failure to sell any or all of the offered Common Shares or to engage such other subagents, investment dealers or registrants, provided the Agent uses its commercially reasonable efforts to obtain subscriptions to purchase all of the offered Common Shares.

The total Offering is 5,000,000 Common Shares for total gross proceeds of \$500,000. Under the CPC Policy, no purchaser of the Common Shares is permitted to purchase more than 2% of the total Common Shares in the Offering, namely, \$10,000 or 100,000 Common Shares. In addition, the maximum number of Common Shares permitted to be purchased by that purchaser together with any Associates or Affiliates of that purchaser is 4% of the total number of Common Shares under the Offering, namely, \$20,000 or 200,000 Common Shares. The funds received from the Offering will be deposited with the Agent, and will not be released until \$500,000 has been deposited. The total subscription must be raised within 90 days of the date a receipt for the prospectus is issued, or such other time as may be consented to by persons or companies who subscribed within that period and agreed to by the Agent, failing which the Agent will remit the funds collected to the original subscribers without interest or deduction, unless subscribers have otherwise instructed the Agent.

### **Other Securities to be Distributed**

The Company also proposes to grant Options to purchase 700,000 Common Shares to directors and officers of the Company in accordance with the Policies of the Exchange, which options are qualified for distribution under this prospectus. The Options will be granted on the Closing Date and will be exercisable at \$0.10 per Share and such options may be exercised for a period of 5 years from the date of grant.

### **Determination of Price**

The price of the Common Shares offered pursuant to the Offering was determined by negotiation between the Company and the Agent.

### **Listing Application**

The Exchange has conditionally accepted the listing of the Company's Common Shares. Listing will be subject to the Company fulfilling all the listing requirements of the Exchange.

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, 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.

## **Subscriptions by and Restrictions on the Agent**

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

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

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

## **Restrictions on Trading**

Other than the initial distribution of the Common Shares pursuant to this prospectus, the grant of the Agent's Option and the grant of the Options to the directors and officers of the Company, no securities of the Company will be permitted to be issued during the period between the date a receipt for the preliminary prospectus is issued by the Commissions and the time the Common Shares of the Company are listed for trading on the Exchange, except subject to prior acceptance of the Exchange, where appropriate registration and prospectus exemptions are available under securities legislation or where the applicable securities regulatory authorities grant a discretionary order.

## **DESCRIPTION OF THE SECURITIES DISTRIBUTED**

### **Common Shares**

The Company is authorized to issue an unlimited number of Common Shares without nominal or par value of which 2,000,000 Common Shares were issued and outstanding as fully paid and non-assessable as at the date of this prospectus. A total of 5,000,000 Common Shares to be issued are reserved for issuance under this prospectus. The Company has reserved up to 700,000 Common Shares for issuance under an incentive stock option plan, subject to regulatory approval, and up to 500,000 Common Shares for issuance pursuant to the Agent's Option. All of the Common Shares to be outstanding on completion of this Offering will be fully paid and non-assessable. See "Options to Purchase Securities" and "Plan of Distribution".

The holders of the Common Shares are entitled to receive notice of and attend any meeting of the Company's shareholders and are entitled to one vote for each Common Share held. The holders of the Common Shares are entitled to receive dividends, if, as and when declared by the Board of Directors of the Company. In the event of liquidation, dissolution or winding-up of the Company, the holders of the Common Shares are entitled to share rateably the remaining assets of the Company. All Common Shares to be outstanding after completion of this Offering will be fully paid and non assessable.

## **DIVIDEND POLICY**

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

## CAPITALIZATION

The following table sets forth information respecting the capitalization of the Company as at the date of the statement of financial position of the Company as at November 30, 2011 contained herein and as at the date hereof both before and after giving effect to the Offering.

	<b>Amount authorized</b>	<b>Amount outstanding as of the date of the most recent balance sheet contained in the prospectus<sup>(1)</sup></b>	<b>Amount outstanding as at the date hereof, before giving effect to the Offering</b>	<b>Amount to be outstanding as at the date hereof, after giving effect to the Offering<sup>(2)(3)</sup></b>
<b>Common Shares</b>	<b>Unlimited</b>	\$100,000 (2,000,000 Common Shares) <sup>(4)</sup>	\$100,000 (2,000,000 Common Shares) <sup>(4)</sup>	\$600,000 (7,000,000 Common Shares)

Notes:

- (1) As of the date of the Company's most recent statement of financial position as at November 30, 2011, the Company had not commenced commercial operations and no options have been granted.
- (2) This figure excludes the issuance of 500,000 Common Shares pursuant to the exercise of the Agent's Option at a price of \$0.10, which Agent's Option is exercisable for a period of 24 months from the date the Common Shares of the Company are listed on the Exchange. The figure also excludes the issuance of 700,000 Common Shares pursuant to the exercise of the Options to be granted to the directors and officers of the Company after closing this Offering, exercisable at a price of \$0.10 per Common Share for a period of 5 years from the date of grant. See "Plan of Distribution" and "Options to Purchase Securities".
- (3) The total gross proceeds to be received by the Company from the sale of the Common Shares offered by this prospectus will be \$500,000 prior to deducting the expenses of the Offering estimated at \$115,000 (plus HST), which expenses include the Agent's Commission in the amount equal to 10% of the total gross proceeds, the Agent's corporate finance fee and other reasonable expenses including legal fees and disbursements, the Company's audit and legal fees estimated at \$25,000 (plus HST) and listing fees estimated at \$15,000 (plus HST). See "Use of Proceeds".
- (4) These Common Shares are subject to escrow restrictions. See "Escrowed Securities".

## OPTIONS TO PURCHASE SECURITIES

### Stock Option Plan

The Company has adopted the Plan which provides that the Board may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants of the Company ("Service Providers"), non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares exercisable for five years from the date of grant. The number of Common Shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding Common Shares. Options may be exercised the greater of 12 months after the Completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Company, provided that of the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any Common Shares acquired pursuant to the exercise of options prior to the Completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. See "Escrowed Securities".



### Options to be Granted to Directors

The Company has reserved for issuance and will grant the following Options to purchase Common Shares to the directors and officers of the Company upon closing of the Offering. These Options are qualified for distribution pursuant to this prospectus.

Name of Optionee	Number of Common Shares Under Option	Exercise Price Per Common Share	Expiry Date
John Morgan	175,000	\$0.10	5 years from the date of grant
Robin Hutchison	175,000	\$0.10	5 years from the date of grant
Richard Jordens	175,000	\$0.10	5 years from the date of grant
Kenneth Churchill	175,000	\$0.10	5 years from the date of grant
<b>Total</b>	<b>700,000</b>		

All Common Shares acquired pursuant to the exercise of stock options prior to the Completion of the Qualifying Transaction must be deposited in escrow and shall be subject to escrow until the issuance of the Final Exchange Bulletin. See “Escrowed Securities”. The Directors Options are qualified for distribution under this prospectus. See “Plan of Distribution”.

### Agent’s Option

The Agent will receive the Agent’s Option, which will entitle the Agent to purchase up to 500,000 Common Shares at a price of \$0.10 per Common Share exercisable for a period of 24 months from the date the Company’s Common Shares are listed on the Exchange. The Agent’s Option is qualified for distribution under this prospectus. See “Plan of Distribution”.

### PRIOR SALES

Since the date of incorporation of the Company, January 28, 2011, 2,000,000 Common Shares have been issued as follows:

Date	Number of Common Shares <sup>(1)</sup>	Issue Price Per Common Share	Aggregate Issue Price	Consideration Received
January 28, 2011	1	\$0.05	\$0.05	Cash
June 1, 2011	1,999,999	\$0.05	\$99,999.95	Cash
<b>Total</b>	<b>2,000,000</b>		<b>\$100,000</b>	Cash

Notes:

- (1) All of the 2,000,000 Common Shares issued at \$0.05 will be held in escrow in accordance with the CPC Policy. See “Escrowed Securities”.

### ESCROWED SECURITIES

#### Securities Escrowed Prior to the Completion of the Qualifying Transaction

All of the 2,000,000 Common Shares issued prior to this Offering at a price below \$0.10 per Common Share, all Common Shares that may be acquired by Non Arm’s Length Parties of the Company either under the Offering or otherwise prior to Completion of the Qualifying Transaction and all Common Shares acquired by members of the Aggregate Pro Group prior to this Offering will be deposited with the Escrow Agent under the Escrow Agreement.

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

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

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

Name and Municipality of Residence of Shareholder	Common Shares	Number of Common Shares held in escrow	Percentage of Common Shares prior to giving effect to the Offering	Percentage of Common Shares after giving effect to the Offering <sup>(1)</sup>
John Morgan Surrey, B.C.	500,000	500,000	25%	7.14%
Robin Hutchison Surrey, BC	500,000	500,000	25%	7.14%
Richard Jordens Surrey, BC	500,000	500,000	25%	7.14%
Ken Churchill Vancouver, BC	500,000	500,000	25%	7.14%
<b>Total</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>100%</b>	<b>28.56%</b>

Notes:

- (1) The percentages in this column assume that no Common Shares are purchased by the above shareholders under the Offering and exclude the Common Shares to be issued upon the exercise of the Options and Agent's Options.

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

The Escrow Agreement provides that holders of escrowed Common Shares shall not sell, transfer, assign, mortgage, enter into a derivative transaction concerning or otherwise deal in any way with their escrowed Common Shares. The Escrow Agreement provides that if the holder of the escrowed shares becomes bankrupt, the Common Shares will be transferred within escrow to the trustee in bankruptcy or to such other person as is legally entitled to the Common Shares. The Escrow Agreement further provides that upon the death of the holder of the escrowed shares, the Common Shares will be released from escrow and certificates for the Common Shares will be delivered to the legal representative of the deceased shareholder.

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

If the Resulting Issuer meets the Exchange's Tier 1 Minimum Listing Requirements either at the time the Final Exchange Bulletin is issued or subsequently, the release of the escrowed Common Shares will be accelerated. An accelerated escrow release will not commence until the Resulting Issuer has made application to the Exchange for

listing as a Tier 1 Issuer and the Exchange has issued a bulletin that announces the acceptance for listing of the Resulting Issuer on Tier 1 of the Exchange.

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

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

- (a) cancel all of those escrowed Common Shares upon the issuance by the Exchange of a bulletin delisting the Common Shares of the Company; or
- (b) if the Company lists on NEX, either:
  - (i) cancel all Seed Shares purchased by Non Arm's length Parties to the CPC at a discount from the IPO price, in accordance with section 11.2(a) of the CPC Policy, or
  - (ii) subject to majority shareholder approval, cancel an amount of Seed Shares purchased by Non Arm's Length Parties to the CPC so that the average cost of the remaining Seed Shares is at least equal to the IPO price.

#### **Escrowed Securities on Qualifying Transaction**

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

The principal distinction between a Value Security Escrow Agreement and a Surplus Security Escrow Agreement is the time period for release of securities from escrow.

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

- (a) 5% of the escrowed securities being releasable upon the issuance of the Final Exchange Bulletin and an additional 5% releasable on the first six month anniversary of the Final Exchange Bulletin;
- (b) 10% of the escrowed securities being releasable on each of the 12 and 18 month anniversaries after the Final Exchange Bulletin;
- (c) 15% of the escrowed securities being releasable on each of the 24 and 30 month anniversaries after the Final Exchange Bulletin; and

- (d) 40% of the escrowed securities being releasable on the 36 month anniversary after the Final Exchange Bulletin.

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

- (a) 10% of the escrowed securities being releasable upon the issuance of the Final Exchange Bulletin;
- (b) 20% of the escrowed securities being releasable on the first 6 month anniversary after the Final Exchange Bulletin;
- (c) 30% of the escrowed securities being releasable on the 12 month anniversary after the Final Exchange Bulletin; and
- (d) 40% of the escrowed securities being releasable on the 18 month anniversary after the Final Exchange Bulletin.

#### **Escrowed Securities on Private Placement**

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

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

## PRINCIPAL SHAREHOLDERS

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

Name and Municipality of Residence	Type of Ownership	Number of Common Shares <sup>(1)(2)</sup>	Percentage of Common Shares owned before the Offering <sup>(2)</sup>	Percentage of Common Shares owned after the Offering <sup>(3)</sup>	Percentage of Common Shares owned after the Offering on a fully diluted basis <sup>(4)</sup>
John Morgan Surrey, B.C.	Direct	500,000	25%	7.14%	8.23%
Robin Hutchison Surrey, BC	Direct	500,000	25%	7.14%	8.23%
Richard Jordens Surrey, BC	Direct	500,000	25%	7.14%	8.23%
Ken Churchill Vancouver, BC	Direct	500,000	25%	7.14%	8.23%

Notes:

- (1) Assuming that no Common Shares are purchased by the Principals under the Offering.
- (2) These Common Shares will be held in escrow. See "Escrowed Shares".
- (3) Before giving effect to the exercise of the Agent's Option or the exercise of the Options.
- (4) The figures given in this column assume that the Agent's Option to purchase up to 500,000 common shares and Options to purchase up to 700,000 Common Shares described in "Options" have been fully exercised – which would result in the issued and outstanding Common Shares of the Company being increased to 8,200,000 Common Shares. For purposes of this calculation, each director and officer is assumed to have exercised all options held by such director and officer.

## OFFICERS, DIRECTORS AND PROMOTERS

### Name, Address, Occupation, Security Holding and Involvement with Other Reporting Issuers

The following is a list of the current directors, officers and promoters of the Company, their municipalities of residence, their current positions with the Company, their principal occupations for the last five years and the number and percentage of shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised:

Name, Municipality of Residence	Position Held within the Company	Principal Occupation(s)	Common Shares Held <sup>(1)(2)</sup>	Percentage of Common Shares owned before the Offering	Percentage of Common Shares owned after the Offering <sup>(3)</sup>
John Morgan Surrey, BC <sup>(4)</sup>	CEO, Corporate Secretary and Director	Russell Brewing Inc., Marketing Advisor	500,000	25%	7.14%
Robin Hutchison Surrey, BC <sup>(4)</sup>	Director	Director and CEO, BiOasis Technologies Inc.  Director, Abattis	500,000	25%	7.14%

		Biologix Corp. and Golden Goliath Resources Ltd.			
Richard Jordens Surrey, BC <sup>(4)</sup>	Director	Owner and President, Totem Projects Ltd.  Director, TTM Resources Inc.	500,000	25%	7.14%
Kenneth Churchill Vancouver, BC	CFO and Director	President and CEO of Sonora Gold and Silver Corp.	500,000	25%	7.14%

Notes:

- (1) Assuming that no Common Shares are purchased by the above directors and officers of the Company under the Offering.
- (2) These Common Shares will be held in escrow. See “Escrowed Shares”.
- (3) Excluding the issuance of a maximum of 500,000 Common Shares pursuant to the exercise of the Agent’s Option and the issuance of a maximum of 700,000 Common Shares pursuant to the exercise of the Options to be granted to the director and officers of the Company. See “Plan of Distribution” and “Options to Purchase Securities”.
- (4) Denotes members of the audit committee of the Company (the “Audit Committee”).

All of the directors currently have employment outside of the Company. Each of the directors of the Company has agreed to devote as much of his time to the business and affairs of the Company as necessary to complete the Company’s Qualifying Transaction. In addition to any other requirements of the Exchange, the Exchange expects management of the Company to meet a high management standard. The directors and officers of the Company believe that, on a collective basis, management possesses the appropriate experience, qualifications and history to be capable of identifying, investigating and acquiring a Significant Asset.

The directors and officers of the Company currently own or control, directly or indirectly, 2,000,000 Common Shares or 100% of the issued and outstanding Common Shares and will own 28.56% of the issued and outstanding Common Shares upon completion of the Offering and excluding the issuance of the Common Shares pursuant to the exercise of the Agent’s Option and the Options to be granted to directors and officers of the Company. For particulars of the shareholdings of the directors and officers, see “Principal Shareholders”.

### **Management and Key Personnel**

The following is a brief description of key members of management of the Company.

#### **Mr. John Morgan, Director, CEO and Corporate Secretary, Age 68**

Mr. Morgan serves as marketing advisor for Russell Breweries Inc., a publicly-traded company located in British Columbia that currently distributes product in British Columbia and Manitoba. Before this, Mr. Morgan enjoyed a highly successful career as a senior executive with Labatt Breweries for 20 years. As Vice President and General Manager, Mr. Morgan managed each of the individual Labatt companies in Canada from Ontario west. He has also served on the board of directors of Golden Harp Resources Inc. and as past president and CEO of Cryopak Industries. He earned his undergraduate degree in 1967 from the University of Manitoba and his Masters of Business Administration (MBA) degree from Queens Business School in 1971. Mr. Morgan will devote the time necessary to perform the work required in connection with the management of the Company and completion of the Qualifying Transaction.

**Mr. Richard Jordens, Director, Age 59**

Mr. Jordens is the owner and President of Totem Projects Ltd., a company in the construction business. He served as past Corporate Secretary of, and now serves on the board of directors of TTM Resources, a publicly-traded exploration company focused on three molybdenum assets in British Columbia; and he also serves on the board of directors of WPC Resources Inc., a publicly-traded company exploring for precious metals deposits throughout the world. Mr. Jordens will devote the time necessary to perform the work required in connection with the management of the Company and completion of the Qualifying Transaction.

**Mr. Robin Hutchison, Director, Age 56**

Mr. Hutchison serves as a director and the CEO of biOasis Technologies Inc., a publicly-traded biopharmaceutical company focused on developing and commercializing pharmaceutical products and diagnostic technologies. He is also a member of the boards of directors of Golden Goliath Resources Ltd., a publicly traded company; and has served on the boards of directors of other publicly-traded companies in the past. Mr. Hutchison has more than 23 years of experience in the field of information technology. Mr. Hutchison will devote the time necessary to perform the work required in connection with the management of the Company and completion of the Qualifying Transaction.

**Mr. Kenneth Churchill, Director and CFO, Age 62**

Mr. Churchill serves as the President, CEO and a director of Sonora Gold and Silver Corp., a publicly traded company located in British Columbia. Before this Mr. Churchill enjoyed a successful career in the supermarket industry as a corporate manager and owner of several supermarkets. Mr. Churchill has been involved in negotiating large scale labour contracts with unions as a result of his management roles. Mr. Churchill has also taken classes in business administration, accounting and financial budgeting. Mr. Churchill was a member of the Chamber of Commerce for over eight years and also served as an economic development Commissioner for two years in the Cariboo region. Mr. Churchill will devote the time necessary to perform the work required in connection with the management of the Company and completion of the Qualifying Transaction.

**Other Reporting Issuer Experience**

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

<b>Name</b>	<b>Name of Reporting Issuer</b>	<b>Name of Exchange or Market</b>	<b>Position</b>	<b>Term</b>
<b>John Morgan</b>	Russell Breweries Inc.	TSXV	Director, Marketing Advisor	June 2005 to June 2011
	Golden Harp Resources Inc.	TSXV	Director	September 2006 to January 2010
	Cryopak Industries Inc.	TSXV delisted	President and CEO  Director	March 1999 to September 2004 March 1999 to July 2007
	Gunpoint Exploration Ltd. (formerly Christopher James Gold Corp.)	TSXV	Director	April 2007 to November 2010
<b>Robin Hutchison</b>	biOasis Technologies Inc.	TSXV	Director and CEO	March 2008 to Present
	Abattis Biologix Corp.	CNSX	Director	October 2010 to May 2011
	Golden Goliath Resources Ltd.	TSXV	Director	December 2000 to Present

	Kree Tech International Corporation	TSXV	Director	March 2005 to April 2008
<b>Richard Jordens</b>	WPC Resources Inc.	TSXV	Director	April 2009 to Present
	TTM Resources Inc.	TSXV	Director	May 2006 to Present
	TTM Resources Inc.	TSXV	Secretary	October 2007 to September 2009
<b>Kenneth Churchill</b>	Sonora Gold and Silver Corp.	TSXV	Director President and CEO	June 2008 to Present August 2008 to Present

### **Corporate Cease Trade Orders or Bankruptcies**

No director, officer, Insider or promoter of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company is or has within the 10 years before the date of the prospectus been a director, officer, Insider or promoter of any Issuer that, while such Person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the Issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days or became a bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold its assets except for the following.

Mr. John Morgan, subsequent to his resignation in 2004 as the CEO of Cryopak Industries Inc. ("Cryopak"), continued served as the Vice Chairman and a director of Cryopak. While Mr. Morgan was a director of Cryopak it was subject to a cease trade order of the British Columbia Securities Commission dated October 5, 2006 and a cease trade order of the Alberta Securities Commission dated March 23, 2007, both orders by reason of its failure to file financial statements.

### **Penalties or Sanctions**

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

### **Personal Bankruptcies**

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

### **Indebtedness of Directors and Officers**

None of the directors, officers and promoters of the Company or any of their respective Associates or Affiliates has been indebted to the Company since the date of the Company's incorporation.

### **Conflicts of Interest**

There are potential conflicts of interest to which the directors, officers, Insiders and promoters of the Company will be subject in connection with the operations of the Company. All of the directors, officers, Insiders and promoters are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the



search by the Company for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where all of the directors, officers, Insiders and promoters will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA.

## EXECUTIVE COMPENSATION

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

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

However, the Company may reimburse Non Arm's Length Parties for the Company's reasonable allocation of rent, secretarial services and other general administrative expenses, at fair market value (the "**Permitted Reimbursement**"). However, there have been no reimbursements since incorporation. No reimbursement may be made for any payment made to lease or buy a vehicle.

The directors and officers of the Company may also be granted Options. See "*Options to Purchase Securities*".

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

## RELATED PARTY TRANSACTIONS

There are no material transactions with the directors, officers, promoters or principal holders of the Company's securities, or Associates or Affiliates of such persons, that have occurred since the date of incorporation of the Company.

## DILUTION

Purchasers of Common Shares under this prospectus will suffer an immediate dilution of 14.3% or \$0.0143 per Common Share on the basis of there being 7,000,000 Common Shares of the Company issued and outstanding following completion of the Offering. Dilution has been computed on the basis of total gross proceeds to be raised by this prospectus and from sales of securities prior to the filing of this prospectus, without deduction of commissions or related expenses incurred by the Company, as set forth below:

<b>Item</b>	<b>Total Offering</b>
Gross proceeds from prior issuance of Common Shares	\$100,000
Gross proceeds of this Offering	\$500,000
Total gross proceeds after this Offering	<u>\$600,000</u>
Offering price per Common Share	\$0.10
Gross proceeds per share after this Offering	\$0.086
Dilution per Common Share to subscriber	\$0.0143
Percentage of dilution in relation to offering price	14.3%

### **RISK FACTORS**

A purchase of Common Shares of the Company will be highly speculative and the purchaser's investment and the Company are subject to substantial risks, including the following, which list is not exhaustive:

- (a) the Company was only recently incorporated, has not commenced commercial operations and has no assets other than cash. It has no history of earnings, and shall not generate earnings or pay dividends until at least after Completion of the Qualifying Transaction;
- (b) investment in the Common Shares offered by the prospectus is highly speculative given the proposed nature of the Company's business and present stage of development;
- (c) the directors and officers of the Company will only devote a portion of their time to the business and affairs of the Company and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time;
- (d) assuming completion of the Offering, an investor will suffer an immediate dilution to its investment of 14.3% or \$0.0143 per Common Share as set forth under "*Dilution*" above;
- (e) there can be no assurance that an active and liquid market for the Company's Common Shares will develop and an investor may find it difficult to resell its Common Shares;
- (f) until Completion of a Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;
- (g) the Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction;
- (h) even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction;
- (i) Completion of the Qualifying Transaction is subject to a number of conditions including acceptance by the Exchange and, in the case of a Non Arm's Length Qualifying Transaction, Majority of the Minority Approval;
- (j) unless the shareholder has the right to dissent and be paid fair value in accordance with applicable corporate or other law, a shareholder who votes against a proposed Non Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Company of fair value for the Common Shares;

- (k) upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares of the Company will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained and certain preliminary reviews have been conducted. The Common Shares of the Company will be reinstated to trading before the Exchange has reviewed the transaction and before the Sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Company completing the proposed Qualifying Transaction;
- (l) trading in the Common Shares of the Company may be halted at other times for other reasons, including for failure by the Company to submit documents to the Exchange in the time periods required;
- (m) the Exchange will generally suspend trading in the Company's Common Shares or delist the Company in the event that the Exchange has not issued a Final Exchange Bulletin within 24 months from the date of listing;
- (n) neither the Exchange nor any securities regulatory authority passes upon the merits of the proposed Qualifying Transaction;
- (o) in the event that management of the Company resides outside of Canada or the Company identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service of notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such Persons, judgments obtained in Canadian courts;
- (p) the Qualifying Transaction may be financed in whole or in part by the issuance of additional securities by the Company and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Company; and
- (q) subject to prior acceptance by the Exchange, the Company may be permitted to loan or advance up to an aggregate of \$250,000 of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Company will be able to recover that loan.

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

### **LEGAL PROCEEDINGS**

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

### **RELATIONSHIP BETWEEN THE COMPANY AND THE AGENT**

Neither the Company nor any of its directors or officers is a "connected issuer" or a "related issuer", as those terms are defined in National Instrument 33-105, of the Agent.

### **RELATIONSHIP BETWEEN THE COMPANY AND PROFESSIONAL PERSONS**

As of the date hereof, no "professional person" (including the Company's auditor, a responsible solicitor or any partner of a responsible solicitor's firm nor any such person) holds any beneficial interest, direct or indirect, in any securities or properties of the Company or an Associate or Affiliate of the Company. In addition, no "professional person" is or is expected to be elected, appointed or employed as a director, senior officer or employee of the

Company or of an Associate or Affiliate of the Company, or a promoter of the Company or of an Associate or Affiliate of the Company.

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

The directors and officers have acquired directly and indirectly a total of 2,000,000 Common Shares of the Company and a total of 700,000 Common Shares have been reserved for stock options to be granted to directors and officers of the Company. See “*Options to Purchase Securities*”.

### **AUDITOR, TRANSFER AGENT AND REGISTRAR**

The auditor of the Company is Smythe Ratcliffe LLP of Vancouver, BC.

Computershare Investor Services Inc. of Vancouver, BC is the transfer agent and registrar for the Company’s Common Shares.

### **MATERIAL CONTRACTS**

The Company has not entered into any contracts material to investors in the Common Shares hereunder within the two years prior to the date hereof, other than the following:

1. Agency Agreement dated March 16, 2012 between the Company and the Agent. See “*Plan of Distribution*”.
2. Escrow Agreement dated March 15, 2012 among the Company, the Escrow Agent and the holders of the Seed Shares. See “*Escrowed Securities*”.
3. Incentive Stock Option Plan referred to under “*Options to Purchase Securities*”.
4. Transfer Agent, Registrar and Dividend Disbursing Agent Agreement dated February 6, 2012 between the Company and Computershare Investor Services Inc.

Copies of these agreements will be available for inspection at the registered office of the Company located at Suite 300 – 576 Seymour Street, Vancouver, BC V6B 3K1, during ordinary business hours while the securities offered by this prospectus are in the course of distribution and for a period of 30 days thereafter. Copies of these agreements are also available on the System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

### **OTHER MATERIAL FACTS**

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

### **ELIGIBILITY FOR INVESTMENT**

In the opinion of Thomas, Rondeau LLP, counsel to the Company, on the date of the Offering, provided that the Common Shares are listed on a designated stock exchange, which includes the TSX Venture Exchange Inc., on or before the Company’s first filing due date under the *Income Tax Act* (Canada) (the “**Tax Act**”) and the Company elects in the manner and on or before its first filing due date to be a public corporation under the Tax Act from the beginning of its first taxation year, the Common Shares will on that date be qualified investments under the Tax Act and the regulations thereunder for trusts governed by registered retirement savings plans (“**RRSPs**”), registered retirement income funds (“**RRIFs**”), registered disability savings plans, deferred profit sharing plans, registered

education savings plans and tax-free savings accounts as defined in the Tax Act. The Company will provide a covenant in the Agency Agreement to file the public corporation election by its first filing due date.

A holder of a trust governed by a tax-free savings account which holds Common Shares will, however, be subject to a penalty tax if the holder does not deal at arm's length with the Company for purposes of the Tax Act or if the holder has a significant interest (within the meaning of the Tax Act) in the Company or in a corporation, partnership or trust with which the Company does not deal at arm's length for purposes of the Tax Act. Pursuant to certain proposed amendments to the Tax Act released on June 6, 2011 (the "**June 6 Proposals**"), an annuitant under an RRSP or an RRIF which holds Common Shares will be subject to a similar penalty tax if the annuitant does not deal at arm's length with the Company for purposes of the Tax Act or if the annuitant has a significant interest (within the meaning of the Tax Act) in the Company or in a corporation, partnership or trust with which the Company does not deal at arm's length for purposes of the Tax Act. No assurance can be given that the June 6 Proposals will be enacted in their proposed form, or at all.

### **PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION**

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

## AUDITORS' CONSENT

We have read the prospectus of MC Partners Inc. (the "Company") dated March 16, 2012 relating to the sale and issue of 5,000,000 common shares in the share capital of the Company at \$0.10 per common share for gross proceeds of \$500,000. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the above-mentioned prospectus of our auditors' report to the directors of the Company on the statement of financial position of the Company as at November 30, 2011 and the statements of operations and comprehensive loss, changes in shareholders' equity and cash flows for the period from January 28, 2011 (date of incorporation) to November 30, 2011. Our report thereon is dated February 9, 2012, except as to note 8 which is as of March 16, 2012.

Vancouver, British Columbia  
March 16, 2012

*Smythe Ratcliffe LLP*  
Chartered Accountants

## **FINANCIAL STATEMENTS**

## **MC PARTNERS INC.**

### **Financial Statements**

**For the Period from January 28, 2011 (date of incorporation)  
to November 30, 2011  
(Expressed in Canadian Dollars)**

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**MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements of MC Partners Inc. are the responsibility of the Company’s management. The financial statements are prepared in accordance with International Financial Reporting Standards and reflect management’s best estimates and judgment based on information currently available.

Management has developed and maintains a system of internal control to ensure that the Company’s assets are protected from loss or improper use, transactions are authorized and properly recorded, and financial records are reliable.

The Board of Directors is responsible for ensuring management fulfills its responsibilities for financial reporting and internal control. The Board of Directors reviews the results of the audit and the financial statements prior to approving them.

The financial statements have been audited by Smythe Ratcliffe LLP, Chartered Accountants and their report outlines the scope of their examination and gives their opinion on the audited financial statements.

*“John Morgan”*

.....  
John Morgan  
Chief Executive Officer

Vancouver, British Columbia  
February 9, 2012

**INDEPENDENT AUDITORS' REPORT**

**TO THE DIRECTORS OF MC PARTNERS INC.**

We have audited the accompanying financial statements of MC Partners Inc., which comprise the statement of financial position as at November 30, 2011 and the statements of operations and comprehensive loss, changes in shareholders' equity and cash flows for the period from January 28, 2011 (date of incorporation) to November 30, 2011, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Financial Statements*

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

*Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

*Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of MC Partners Inc. as at November 30, 2011, and the results of its operations and its cash flows for the period from January 28, 2011 (date of incorporation) to November 30, 2011 in accordance with International Financial Reporting Standards.

*Emphasis of Matter*

Without qualifying our opinion, we draw attention to note 1 in the financial statements, which indicates that the Company's continuing operations as intended are dependent upon its ability to identify, evaluate and acquire an interest in a business or asset. When the Company completes its Qualifying Transaction within the required period, additional funding may be required. This condition indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

*Smythe Ratcliffe LLP*

Chartered Accountants

Vancouver, British Columbia  
February 9, 2012, except as to note 8,  
which is as of March 16, 2012.

**MC PARTNERS INC.**  
**Statement of Financial Position**  
**November 30**  
**(Expressed in Canadian Dollars)**

	<b>2011</b>
<b>Assets</b>	
<b>Current Assets</b>	
Cash	\$ 61,253
Prepays	34,377
	<b>\$ 95,630</b>
<b>Liabilities and Shareholders' Equity</b>	
<b>Current Liabilities</b>	
Accounts payable and accrued liabilities	\$ 10,077
<b>Shareholders' Equity</b>	
Share capital (note 4)	100,000
Deficit	(14,447)
	85,553
	<b>\$ 95,630</b>

Approved by the Board:

...*John Morgan*..... Director

...*Robin Hutchison*..... Director

**MC PARTNERS INC.**  
**Statement of Operations and Comprehensive Loss**  
**(Expressed in Canadian Dollars)**

	<b>For the Period from January 28, 2011 (date of incorporation) to November 30, 2011</b>
<b>Expenses</b>	
Professional fees	\$ 12,258
Administrative and general office	2,189
<b>Net Loss and Comprehensive Loss for the Period</b>	<b>\$ 14,447</b>
<b>Basic and Diluted Loss per Share</b>	<b>\$ 0.00</b>
<b>Weighted Average Number of Common Shares Outstanding</b>	<b>0</b>

**MC PARTNERS INC.****Statement of Changes in Shareholders' Equity****For the Period from January 28, 2011 (date of incorporation) to November 30, 2011****(Expressed in Canadian Dollars)**

	<b>Common Shares</b>		<b>Deficit</b>	<b>Total</b>
	<b>Number</b>	<b>Amount</b>		
Issue of common shares	2,000,000	\$ 100,000	\$ -	\$ 100,000
Net loss for the period	-	-	(14,447)	(14,447)
<b>Balance, November 30, 2011</b>	2,000,000	\$ 100,000	\$ (14,447)	\$ 85,553

**MC PARTNERS INC.**  
**Statement of Cash Flows**  
**(Expressed in Canadian Dollars)**

	<b>For the Period from January 28, 2011 (date of incorporation) to November 30, 2011</b>
<b>Operating Activities</b>	
Net loss for the period	\$ (14,447)
Changes in non-cash working capital	
Increase in prepaids	(34,377)
Increase in accounts payable and accrued liabilities	10,077
<b>Cash Used in Operating Activities</b>	<b>(38,747)</b>
<b>Financing Activity</b>	
Shares issued for cash	100,000
<b>Net Change in Cash</b>	<b>61,253</b>
<b>Cash, Beginning of Period</b>	<b>-</b>
<b>Cash, End of Period</b>	<b>\$ 61,253</b>

# MC PARTNERS INC.

## Notes to Financial Statements

For the Period from January 28, 2011 (date of incorporation)

to November 30, 2011

(Expressed in Canadian Dollars)

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### 1. NATURE OF OPERATIONS AND GOING CONCERN

MC Partners Inc. (the "Company") was incorporated on January 28, 2011 pursuant to the *Business Corporations Act*, British Columbia, and is a capital pool company as defined by Policy 2.4 (the "CPC Policy") of the TSX Venture Exchange (the "Exchange"). The Company's registered office is Suite 300 – 576 Seymour Street, Vancouver, BC, Canada. The principal business of the Company is to identify and evaluate business opportunities with the objective of completing the acquisition of an interest in properties, assets or a business ("Qualifying Transaction") under Exchange rules. Under these rules, a Qualifying Transaction must be entered into within 24 months of listing. The Company has made an application to have its common shares listed and called for trading on the Exchange.

The Company has not generated any revenues and has incurred losses of \$14,447 since inception. The ability of the Company to continue as a going concern depends upon the acquisition of a successful project and also on the ability of the Company to obtain necessary financing to fund ongoing operations. The Company's ability to achieve these objectives cannot be determined at this time.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's continuing operations as intended are dependent upon the Company's ability to complete a Qualifying Transaction. Such an acquisition will be subject to shareholder and regulatory approval. In the case of a non-arm's-length transaction (as defined in the CPC Policy) a majority of the minority shareholder approval must also be obtained in accordance with the CPC Policy. Should the Company fail to complete a Qualifying Transaction, its ability to raise sufficient financing to maintain operations may be impaired and, accordingly, the Company may be unable to realize the carrying value of its net assets.

The financial statements of the Company were authorized for issue by the Board of Directors on March 16, 2012.

### 2. BASIS OF PRESENTATION

(a) Statement of compliance

These financial statements are prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair values. In addition, these financial statements have been prepared using the accrual basis of accounting.

The financial statements are presented in Canadian dollars, which is also the Company's functional currency, and all values are rounded to the nearest dollar, unless otherwise indicated.

**MC PARTNERS INC.**  
**Notes to Financial Statements**  
**For the Period from January 28, 2011 (date of incorporation)**  
**to November 30, 2011**  
**(Expressed in Canadian Dollars)**

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**2. BASIS OF PRESENTATION (Continued)**

(b) Basis of measurement (Continued)

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies are summarized below:

(a) Significant accounting judgments, estimates and assumptions

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the date of the statement of financial position, could result in a material adjustment to the carrying amounts of assets or liabilities.

(b) Financial instruments

(i) Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held-to-maturity, available-for-sale, loans and receivable or at FVTPL. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit and loss. At November 30, 2011, the Company classified cash as FVTPL.

Financial assets classified as loans and receivables and held-to-maturity are measured at amortized cost. At November 30, 2011, the Company has not classified any financial assets as loans and receivables.

Financial assets classified as available-for-sale are measured at fair value with realized gains and losses recognized in other comprehensive income ("OCI"), except for losses in value that are considered other than temporary. At November 30, 2011, the Company has not classified any financial assets as available-for-sale.



**MC PARTNERS INC.**  
**Notes to Financial Statements**  
**For the Period from January 28, 2011 (date of incorporation)**  
**to November 30, 2011**  
**(Expressed in Canadian Dollars)**

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**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(b) Financial instruments (Continued)

(ii) Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are measured at amortized cost. The Company's accounts payable and accrued liabilities are classified as other financial liabilities.

Financial liabilities classified as FVTPL are measured at fair value with unrealized gains and losses recognized through comprehensive loss. As at November 30, 2011, the Company has not classified any financial liabilities as FVTPL.

(iii) De-recognition of financial liabilities

The Company de-recognizes financial liabilities when the obligations are discharged, cancelled or expire.

(iv) Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include: significant financial difficulty of the issuer or counter party, or default or delinquency in interest or principle payments, or the likelihood that the borrower will enter bankruptcy or financial reorganization.

The carrying amount of financial assets is reduced by an impairment loss directly for all financial assets.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

**MC PARTNERS INC.**  
**Notes to Financial Statements**  
**For the Period from January 28, 2011 (date of incorporation)**  
**to November 30, 2011**  
**(Expressed in Canadian Dollars)**

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**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(b) Financial instruments (Continued)

(v) Financial instruments recorded at fair value

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs). As of November 30, 2011, cash is recorded at fair value on the statement of financial position.

(vi) Risk factors

*Credit risk*

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, which is held in a large Canadian financial institution. The Company believes this credit risk is insignificant.

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2011, the Company had a cash balance of \$61,253 to settle current liabilities of \$10,077. In general, the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

*Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has cash balances and no interest-bearing debt. The Company believes it has no significant interest rate risk.

The Company does not have any derivative financial instruments.

**MC PARTNERS INC.**  
**Notes to Financial Statements**  
**For the Period from January 28, 2011 (date of incorporation)**  
**to November 30, 2011**  
**(Expressed in Canadian Dollars)**

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**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(c) Income taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method of tax allocation, deferred income tax assets and liabilities are determined based on differences between financial statement carrying values and their respective income tax basis (temporary differences). Deferred income tax assets and liabilities are measured using the tax rates expected to be in effect when the temporary differences are likely to reverse. The effect on deferred income tax assets and liabilities of a change in tax rates is included in operations in the period in which the change is enacted or substantially enacted. The amount of deferred income tax assets recognized is limited to the amount of the benefit that is more likely than not to be realized.

(d) Earnings (loss) per share

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

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

(e) Related party transactions

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

(f) Share capital

Common shares issued by the Company are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

(g) New standards and interpretations not yet adopted

The Company will be required to adopt certain standards and amendments issued by the IASB, as described below, for which the Company is currently assessing the impact on its financial statements.

**MC PARTNERS INC.**  
**Notes to Financial Statements**  
**For the Period from January 28, 2011 (date of incorporation)**  
**to November 30, 2011**  
**(Expressed in Canadian Dollars)**

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**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- (g) New standards and interpretations not yet adopted (Continued)

*Accounting standards issued, but not yet effective:*

**IFRS 9 *Financial Instruments* (2009)**

IFRS 9 introduces new requirements for classifying and measuring financial assets, as follows:

- Debt instruments meeting both a “business model” test and a “cash flow characteristics” test are measured at amortized cost (the use of fair value is optional in some limited circumstances)
- Investments in equity instruments can be designated as “fair value through other comprehensive income” with only dividends being recognized in profit or loss
- All other instruments (including all derivatives) are measured at fair value with changes recognized in the profit or loss
- The concept of “embedded derivatives” does not apply to financial assets within the scope of the standard and the entire instrument must be classified and measured in accordance with the above guidelines.

This standard is only applicable if it is optionally adopted for annual periods beginning before January 1, 2013. For annual periods beginning on or after January 1, 2013, the Company must adopt IFRS 9 (2010).

**IFRS 9 *Financial Instruments* (2010)**

A revised version of IFRS 9 incorporating revised requirements for the classification and measurement of financial liabilities, and carrying over the existing de-recognition requirements from IAS 39 *Financial Instruments: Recognition and Measurement*.

The revised financial liability provisions maintain the existing amortized cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at FVTPL; in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in OCI rather than within profit or loss.

Applies to annual periods beginning on or after January 1, 2013. This standard supersedes IFRS 9 (2009). However, for annual reporting periods beginning before January 1, 2013, an entity may early-adopt IFRS 9 (2009) instead of applying this standard.

**MC PARTNERS INC.**  
**Notes to Financial Statements**  
**For the Period from January 28, 2011 (date of incorporation)**  
**to November 30, 2011**  
**(Expressed in Canadian Dollars)**

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**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- (g) New standards and interpretations not yet adopted (Continued)

**IFRS 13 *Fair Value Measurement***

Replaces the guidance on fair value measurement in existing IFRS accounting literature with a single standard.

This IFRS defines fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements. However, IFRS 13 does not change the requirements regarding which items should be measured or disclosed at fair value.

IFRS 13 applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements). With some exceptions, the standard requires entities to classify these measurements into a "fair value hierarchy" based on the nature of the inputs:

- **Level 1** - quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date
- **Level 2** - inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- **Level 3** - unobservable inputs for the asset or liability.

Entities are required to make various disclosures depending upon the nature of the fair value measurement (e.g., whether it is recognized in the financial statements or merely disclosed) and the level in which it is classified.

Applicable to annual reporting periods beginning on or after January 1, 2013.

**Amendments to IFRS 7 *Financial Instruments: Disclosures***

Makes amendments resulting from the IASB's comprehensive review of off balance sheet activities.

The amendments introduce additional disclosures, designed to allow users of financial statements to improve their understanding of transfer transactions of financial assets (for example, securitizations), including understanding the possible effects of any risks that may remain with the entity that transferred the assets. The amendments also require additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period.

Applies to annual periods beginning on or after July 1, 2011.

**MC PARTNERS INC.**  
**Notes to Financial Statements**  
**For the Period from January 28, 2011 (date of incorporation)**  
**to November 30, 2011**  
**(Expressed in Canadian Dollars)**

**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(g) New standards and interpretations not yet adopted (Continued)

***Presentation of Items of Other Comprehensive Income (Amendments to IAS 1)***

Amends IAS 1 *Presentation of Financial Statements* to revise the way OCI is presented.

The amendments:

- Preserve the amendments made to IAS 1 in 2007 to require profit or loss and OCI to be presented together, i.e., either as a single “statement of profit or loss and comprehensive income”, or a separate “statement of profit or loss” and a “statement of comprehensive income” – rather than requiring a single continuous statement as was proposed in the exposure draft
- Require entities to group items presented in OCI based on whether they are potentially reclassifiable to profit or loss subsequently, i.e., those that might be reclassified and those that will not be reclassified
- Require tax associated with items presented before tax to be shown separately for each of the two groups of OCI items (without changing the option to present items of OCI either before tax or net of tax).

Applicable to annual reporting periods beginning on or after July 1, 2012.

**4. SHARE CAPITAL**

Authorized – Unlimited number of common shares without par value.

During the period from January 28, 2011 (date of incorporation) to November 30, 2011, the Company issued 2,000,000 founders’ common shares to be held in escrow following the Company’s initial public offering (note 8) at \$0.05 per share to officers and directors of the Company for total proceeds of \$100,000. These shares will be released from escrow pro rata to the shareholders as to 10% upon issuance of the Final Exchange Bulletin and as to the remainder in six equal tranches of 15% every six months thereafter for a period of 36 months. These shares have been excluded from the calculation of loss per share.

**5. INCOME TAXES**

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

	<b>2011</b>
Income tax benefit computed at Canadian statutory rate (26.5%)	\$ (4,017)
Effect of change in tax rate	217
Changes in valuation allowance	3,800
<b>Total income tax recovery</b>	<b>\$ -</b>

**MC PARTNERS INC.**  
**Notes to Financial Statements**  
**For the Period from January 28, 2011 (date of incorporation)**  
**to November 30, 2011**  
**(Expressed in Canadian Dollars)**

**5. INCOME TAXES** (Continued)

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

	<b>2011</b>
Future income tax assets	
Non-capital loss carry-forwards	\$ 3,800
Valuation allowance	(3,800)
Net future income tax assets	\$ -

The Company has available for deduction against future taxable income non-capital losses of approximately \$14,000 for Canadian tax purposes. These losses, if not utilized, will expire in 2031. Future tax benefits that may arise as a result of these non-capital losses have not been recognized in these financial statements and have been offset by a valuation allowance due to the uncertainty of their realization.

**6. CAPITAL RISK MANAGEMENT**

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the development of any identified business opportunities and to maintain a flexible capital structure for the benefit of its stakeholders.

The Company includes equity, comprised of issued share capital, reserves and deficit in the definition of capital.

The Company manages the capital structure and makes adjustments to it in light of changes in the economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture arrangements, acquire or dispose of assets, or adjust the amount of cash.

The Board of Directors does not establish quantitative return on capital criteria for management, but rather promotes year over year sustainable growth. The Company is not subject to externally imposed capital requirements.

**7. RELATED PARTIES**

(a) Ultimate controlling party

As at November 30, 2011, there was no ultimate controlling party of the Company.

(b) Key management personnel compensation and director transactions

During the period January 28, 2011 (date of incorporation) to November 30, 2011, the Company did not pay any key management personnel compensation.

Two directors held, directly or indirectly, 500,000 common shares each and another director held 250,000 common shares.

**MC PARTNERS INC.**  
**Notes to Financial Statements**  
**For the Period from January 28, 2011 (date of incorporation)**  
**to November 30, 2011**  
**(Expressed in Canadian Dollars)**

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**8. SUBSEQUENT EVENTS**

- (a) The Company has filed a prospectus to offer 5,000,000 common shares at \$0.10 per common share as an initial public offering (the "Offering"). Pursuant to an agency agreement between the Company and Haywood Securities Inc. (the "Agent"), the Agent will receive a commission of 10% of the gross proceeds payable in cash and 500,000 Agent warrants, exercisable for 24 months from the date the Company's common shares are listed on the Exchange. In addition, cash costs of the Offering are estimated to be \$69,800.
- (b) On March 15, 2012, the Company adopted a stock option plan (" Plan"), which provides that the Board may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants of the Company (the "Service Providers"), non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares exercisable for five years from the date of grant. Any common shares acquired pursuant to the exercise of options prior to the completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.
- (c) On the closing of the Offering, the Company will grant 700,000 stock options (the "Options") to its directors and officers at a price of \$0.10 per common share, exercisable for a period of five years from the date of grant.

The above transactions are subject to approval of the regulatory authorities.



## CERTIFICATES

### Certificate of the Company

Dated: March 16, 2012

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

*"John Morgan"*

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**JOHN MORGAN**

Director, CEO and Corporate Secretary

*"Kenneth Churchill"*

\_\_\_\_\_  
**KENNETH CHURCHILL**

Director and CFO

### ON BEHALF OF THE BOARD OF DIRECTORS

*"Robin Hutchison"*

\_\_\_\_\_  
**ROBIN HUTCHISON**

Director

*"Richard Jordens"*

\_\_\_\_\_  
**RICHARD JORDENS**

Director

**Certificate of the Agent**

Dated: March 16, 2012

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

**HAYWOOD SECURITIES INC.**

Per: “Martin Burian”  
**MARTIN BURIAN**  
**Managing Director, Investment Banking**