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PROSPECTUS

Initial Public Offering

April 27, 2012

SPIRIT BEAR CAPITAL CORP.

(a Capital Pool Company)

\$300,000

3,000,000 Common Shares

Price: \$0.10 per Common Share

Spirit Bear Capital Corp. (the “**Company**”) hereby offers for distribution through its agent, Macquarie Private Wealth Management Inc. (the “**Agent**”) 3,000,000 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 \$300,000 (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 hereinafter defined). Any proposed Qualifying Transaction must be approved by the TSX Venture Exchange Inc. (the “**Exchange**”) and, in the case of a Non Arm’s Length Qualifying Transaction (as hereinafter defined), must also receive Majority of the Minority Approval (as hereinafter defined), in accordance with Exchange Policy 2.4 - Capital Pool Companies (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, 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**”.

The Offering is made on a commercially reasonable efforts basis by the Agent and is subject to a minimum subscription of 3,000,000 Common Shares for total gross proceeds of \$300,000.

	Common Shares	Price to the Public	Agent’s Commission⁽¹⁾	Proceeds to the Company⁽²⁾
Per Common Share	1	\$0.10	\$.01	\$0.09
Total Offering	3,000,000	\$300,000	\$30,000	\$270,000

Notes:

⁽¹⁾ 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 \$15,000. In addition, the Agent will be reimbursed by the Company for its reasonable expenses, including legal fees and disbursements, towards which a \$7,000 retainer has been paid. The Agent will also be granted the Agent’s Option (as hereinafter defined) which is qualified for distribution by this prospectus and will be exercisable for a period of 24 months from the Listing Date (as hereinafter defined). See “**Plan of Distribution**”.

⁽²⁾ Before deducting the costs of this Offering estimated at \$80,000 (exclusive of the Agent’s Commission) which includes the Agent’s corporate finance fee, legal fees and disbursements and other reasonable expenses and the Company’s audit and legal fees estimated at \$35,000 (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, 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 as is 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 500,000 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 five 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 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 \$0.021 or 21% 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 40% 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", "Directors, Officers 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 Anfield Sujir Kennedy Durno 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 60,000 Common Shares (\$6,000). 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 120,000 Common Shares (\$12,000).

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.

One or more global certificates that represent the aggregate number of Common Shares subscribed for under this prospectus will be issued in registered form as directed by the Agent. Purchasers of Common Shares will receive only a customer confirmation from the Agent as to the number of Common Shares subscribed for. Certificates representing the Common Shares in registered and definitive form will be issued in certain limited circumstances.

Macquarie Private Wealth Management Inc.
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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 dated April 27, 2012 entered into between the Company and the Agent.
- “Agent”** means Macquarie Private Wealth 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 as is 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 Listing Date.
- “Aggregate Pro Group”** means all Persons who are members of any Pro Group (as hereinafter defined) whether or not the Member (as hereinafter defined) 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, the Alberta Securities Commission and the Ontario Securities Commission , collectively.

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

“company”	unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
“Company”	means Spirit Bear Capital Corp., a corporation incorporated under the laws of the Province of British Columbia.
“Completion of the Qualifying Transaction”	means the date the Final Exchange Bulletin is issued by the Exchange.
“Control Person”	means any Person that holds or is one of a combination of Persons or companies that holds a sufficient number of any of the securities of an Issuer so as to affect materially the control of that Issuer, or that holds more than 20% of the outstanding voting securities of an Issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the Issuer.
“CPC”	means a corporation: <ul style="list-style-type: none"> (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 (b) in regard to which the Final Exchange Bulletin has not yet been issued.
“CPC Policy”	means Policy 2.4 of the Corporate Finance Manual of the Exchange.
“Escrow Agent”	means Computershare Investor Services Inc.
“Escrow Agreement”	means the escrow agreement dated March 31, 2012 among the Company, the Escrow Agent and the holders of Seed Shares.
“Exchange”	means the TSX Venture Exchange Inc.
“Final Exchange Bulletin”	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.
“Initial Listing Requirements”	means the initial financial, distribution and other standards that must be met by applicants seeking a listing on a particular tier of the Exchange.
“Initial Public Offering” or “IPO”	means a transaction that involves an Issuer issuing securities from its treasury pursuant to its first prospectus.
“Insider”	if used in relation to an Issuer, means: <ul style="list-style-type: none"> (a) a director or senior officer of the Issuer; (b) a director or senior officer of a company that is an Insider or subsidiary of the Issuer; (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Issuer; or (d) the Issuer itself if it holds any of its own securities.
“IPO Shares”	means securities issued by an Issuer from its treasury pursuant to its first prospectus.

“Issuer”	means a company and its subsidiaries which have any of its securities listed for trading on the Exchange and, as the context requires, any applicant company seeking a listing of its securities on the Exchange.
“Listing Date”	means the date of listing of the Common Shares on the Exchange.
“Majority of the Minority Approval”	<p>means the approval of a Non Arm’s Length Qualifying Transaction by the majority of the votes cast by shareholders, other than:</p> <ul style="list-style-type: none"> (a) Non Arm’s Length Parties to the CPC; (b) Non Arm’s Length Parties to the Qualifying Transaction; and (c) in the case of a related party transaction: <ul style="list-style-type: none"> (i) if the CPC holds its own shares, the CPC, and (ii) a Person acting jointly or in concert with a Person referred to in paragraph (a) or (b) in respect of the transaction <p>at a properly constituted meeting of the common shareholders of the CPC.</p>
“Member”	has the meaning in Rule A 1.00 of the Exchange Rule Book.
“NEX”	means the market on which former Exchange and TSX Issuers that do not meet Exchange tier maintenance requirements for tier 2 may continue to trade.
“Non Arm’s Length Party”	means in relation to a company, a promoter, officer, director, other Insider or Control Person of that company (including an Issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means any Associate of the individual or any company of which the individual is a promoter, officer, director, Insider or Control Person.
“Non Arm’s Length Party(ies) to the Qualifying Transaction”	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.
“Non Arm’s Length Qualifying Transaction”	means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are the subject of the proposed Qualifying Transaction.
“Offering”	means the offering of Common Shares in accordance with the terms of this prospectus.
“Options”	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 500,000 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.
“Person”	means a company or individual.

“Plan”

means the incentive stock option plan dated for reference March 29, 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 Exchange may deem a Person who would otherwise be included in the Pro Group pursuant to subparagraph (a) to be excluded from the Pro Group where the Exchange determines that:
 - (i) the Person is an Affiliate or Associate of the Member 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).

“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.

“Target Company”	means a company to be acquired by the CPC as its Significant Asset pursuant to a Qualifying Transaction.
“TSX”	means the Toronto Stock Exchange.
“Value Securities”	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).
“Value Security Escrow Agreement”	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.
“Vendors”	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: Spirit Bear Capital Corp., a corporation incorporated under the laws of British Columbia, with a head office located at Suite 300 – 576 Seymour Street, Vancouver, BC, V6B 3K1. See “Business of the Company”.

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 3,000,000 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 as is equal to 10% of the Common Shares sold pursuant to this Offering (300,000 Common Shares), at a price of \$0.10 per share which will be exercisable for a period of 24 months from the Listing Date. The Company also intends to grant Options to purchase up to 500,000 Common Shares at a price of \$0.10 per share to directors and officers under the Plan. All of which options are qualified for distribution pursuant to this prospectus. See “Plan of Distribution”.

Use of Proceeds: The net proceeds to the Company will be \$270,000 under the Offering, before deducting the balance of the costs of this Offering estimated to be \$80,000 (excluding the Agent’s Commission). The Company received gross proceeds of \$100,001 from the sale of Seed Shares and has incurred administrative and professional expenses of \$5,989 to January 31, 2012. The Company estimates incurring additional general and administrative costs until the completion of the Qualifying Transaction of approximately \$36,000, which, together with the estimated balance of Offering costs in the amount of \$110,000 (including expenses to January 31, 2012 of \$5,989) will reduce the total funds available for pursuing a Qualifying Transaction to approximately \$254,000. 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: James Anderson, Director
Richard Silas, Director
Michael Waldkirch, Director, Chief Executive Officer, Chief Financial Officer and Corporate Secretary

See “Directors, Officers, and Promoters”.

Escrowed Securities: All of the currently issued and outstanding Common Shares of the Company, being 2,000,012 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 21% or \$0.021 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” and “Conflicts of Interest”.

Dividend Record and Policy: The Company has not paid any dividends since incorporation and it has no plans to pay dividends. See “Dividend Policy”.

THE COMPANY

Spirit Bear Capital Corp. was incorporated on November 8, 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

Since the date of incorporation, the Company has incurred \$989 in incorporation costs and bank fees (excluding audit fees, legal fees and the Agent's expenses that were accounted for as direct costs of the offering). A portion of the proceeds of this Offering will be utilized to satisfy certain expenses or costs that relate to this Offering, including the expenses of its auditors, legal counsel, the Agent's legal counsel, the Agent's corporate finance fee and fees payable to the securities regulatory authorities. To date the preliminary expenses which the Company has incurred have been for the following categories in the amounts indicated (including direct costs of the Offering):

Incorporation costs (plus taxes)	943
Bank fees	46
Auditor's fee	5,000
Legal fee (plus taxes)	0
Partial Listing Fee (plus HST)	0
Agent's corporate finance fee (plus HST)	16,800
Advance to Agent against its legal fees	7,000
Filing Fees	0
TOTAL	\$29,789

See "Use of Proceeds".

The Company has not incurred any expenditures since the date of the most recent balance sheet included in the Prospectus, other than the Agent's corporate finance fee plus HST of \$16,800 and the advance of \$7,000 against the Agent's legal and other costs.

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

All 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. The Board will examine proposed acquisitions having regard to, among other things, the (a) sound business fundamentals; (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:

- (i) in the case of a Non Arm's Length Qualifying Transaction, confirmation of Majority of Minority Approval of the Qualifying Transaction;
- (ii) confirmation of closing of the Qualifying Transaction; and

(iii) all post-meeting or final documentation, as applicable, otherwise required to be filed with the Exchange pursuant to the CPC Policy.

Upon issuance of the Final Exchange Bulletin, the CPC Policy will generally cease to apply, with the exception of the escrow provisions of the CPC Policy and the restrictions in the CPC Policy precluding the 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 on 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 Non Arm's Length 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 \$100,001 (no issue 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 \$300,000. The expenses and costs of the Offering incurred to date and expected to be incurred total approximately \$110,000 (including Agent's Commission), a total of \$943 of which has been incurred to date for preliminary expenses. The Agent's commission will be \$30,000. 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 \$400,001.

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 ⁽¹⁾	\$100,001
Expenses and costs relating to prior issuance of Common Shares ⁽²⁾	nil
Gross cash proceeds to be raised ⁽³⁾	\$300,000
Estimated expenses and costs relating to this Offering ⁽⁴⁾	\$110,000
Estimated funds available on completion of the Offering	\$290,001
Funds available for identifying and evaluating assets or business prospects ⁽⁵⁾⁽⁶⁾	\$254,001
Estimated general and administrative expenses until Completion of a Qualifying Transaction ⁽⁶⁾	\$36,000
Total Net Proceeds	\$290,001

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 "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 \$80,000 which will be added to the working capital of the Company. There is no assurance that any of the foregoing options will be exercised. See "Options to Purchase Securities".
- (4) This figure includes the Agent's Commission of 10% of the gross proceeds, the Agent's corporate finance fee of \$15,000 (plus HST) and other reasonable expenses including legal fees and disbursements estimated at \$15,000 (plus taxes) and the Company's audit and legal fees estimated at \$35,000 (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 \$254,001 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 "Use of Proceeds - 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 dated as of April 27, 2012 between the Company and the Agent, the Company has appointed the Agent as its agent to offer for sale on a commercially reasonable efforts basis to the public 3,000,000 Common Shares as provided in this prospectus, at a price of \$0.10 per Common Share, for gross proceeds of \$300,000, 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 a corporate finance fee in the aggregate amount of \$15,000 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 300,000 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.

The Company has also granted to the Agent a right of first refusal for a period of 24 months from the closing of the Offering to participate in and act as lead agent or underwriter for any issue of Common Shares (or securities which are exercisable or exchangeable for Common Shares) of the Company, and to act as Sponsor for the Company's Qualifying Transaction.

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 3,000,000 Common Shares for total gross proceeds of \$300,000. 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, \$6,000 or 60,000 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, \$12,000 or 120,000 Common Shares. The funds received from the Offering will be deposited with the Agent, and will not be released until \$300,000 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 the Options to purchase 500,000 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 or 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 2,000,012 Common Shares were issued and outstanding as fully paid and non-assessable as at the date of this prospectus. A total of 3,000,000 Common Shares to be issued pursuant to this Offering are reserved for issuance under this prospectus. The Company has reserved up to 500,000 Common Shares for issuance under the Plan, subject to regulatory approval, and up to 300,000 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. 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.

CAPITALIZATION

The following table sets forth information respecting the capitalization of the Company as at the date of the balance sheet contained herein and as at the date hereof both before and after giving effect to the Offering:

Designation of Security	Amount authorized	Amount outstanding as of the date of the most recent balance sheet contained in the prospectus ⁽¹⁾	Amount outstanding as at the date hereof, before giving effect to the Offering	Amount to be outstanding as at the date hereof, after giving effect to the Offering ⁽²⁾⁽³⁾
Common Shares	Unlimited	\$100,001 (2,000,012 Common Shares) ⁽⁴⁾	\$100,001 (2,000,012 Common Shares) ⁽⁴⁾	\$400,001 (5,000,012 Common Shares)

Notes:

- (1) As of the date of the Company's most recent balance sheet, the Company had not commenced commercial operations and no options have been granted.
- (2) This figure excludes the issuance of 300,000 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 Listing Date. The figure also excludes the issuance of 500,000 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 \$300,000 prior to deducting the expenses of the Offering estimated at \$110,000, 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 \$35,000 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".

If the Company issues treasury shares to finance an acquisition or participation, control of the Company may change and subscribers may suffer additional dilution of their investment.

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 if 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 completion 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
James Anderson	166,666	\$0.10	5 years from the date of Listing
Richard Silas	166,666	\$0.10	5 years from the date of Listing
Michael Waldkirch	166,668	\$0.10	5 years from the date of Listing
Total	500,000		

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 300,000 Common Shares at a price of \$0.10 per Common Share exercisable for a period of 24 months from the Listing Date. 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, February 23, 2011, 2,000,012 Common Shares have been issued as follows:

Date	Number of Common Shares ⁽¹⁾	Issue Price Per Common Share	Aggregate Issue Price	Consideration Received
November 8, 2011	1	\$0.05	\$0.05	Cash
November 9, 2011	2,000,011	\$0.05	\$100,000.55	Cash
Total	2,000,012		\$100,000.60	Cash

Note:

- (1) All of the 2,000,012 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 2,000,012 Common Shares issued prior to this Offering at a price below of \$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 are 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⁽¹⁾
James Anderson Vancouver, BC	666,680	666,680	33.34%	13.33%
Universal Solutions Inc. ⁽²⁾ Vancouver, BC	666,666	666,666	33.33%	13.33%
Michael Waldkirch Vancouver, B.C.	666,666	666,666	33.33%	13.33%
Total	2,000,012	2,000,012	100%	40%

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 above Options.
- (2) This Company is wholly-owned and controlled by Richard Silas.

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 every 6 months thereafter, on each of the 6, 12, 18, 24, 30 and 36 month anniversaries of the Final Exchange Bulletin. In the case of a Resulting Issuer that will be a Tier 2 Issuer, 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 in six month intervals on each of the 12 and 18 month anniversaries after the Final Exchange Bulletin;
- (c) 15% of the escrowed securities being releasable in six month intervals 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) the private placement is announced concurrently with the Agreement in Principle, and:
 - (i) at least 75% of the proceeds from the private placement are not from Principals of the 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 ⁽¹⁾	Percentage of Common Shares owned before the Offering ⁽¹⁾	Percentage of Common Shares owned after the Offering ⁽²⁾	Percentage of Common Shares owned after the Offering on a fully diluted basis ⁽³⁾
James Anderson Vancouver, BC	Direct	666,680	33.34%	13.33%	14.37%
Universal Solutions Inc. ⁽⁴⁾ Vancouver, BC	Indirect	666,666	33.33%	13.33%	14.37%
Michael Waldkirch Vancouver, B.C.	Direct	666,666	33.33%	13.33%	14.37%

Notes:

- (1) These Common Shares will be held in escrow. See "Escrowed Shares".

- (2) Before giving effect to the exercise of the Agent’s Option or the exercise of the Options and assuming that none of the above shareholders acquire any additional Common Shares under the Offering.
- (3) The figure given in this column assumes that the Agent’s Option to purchase up to 300,000 common shares and Options to purchase up to 500,000 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 5,800,012 Common Shares. For purposes of this calculation, each director and officer is assumed to have exercised all options held by such director and officer.
- (4) This Company is wholly-owned and controlled by Richard Silas.

DIRECTORS, OFFICERS, 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 ⁽¹⁾⁽²⁾	Percentage of Common Shares owned before the Offering	Percentage of Common Shares owned after the Offering ⁽³⁾
James Anderson ⁽⁴⁾ Vancouver, BC	Director	President of Copper Creek Gold Corp. (2010 to present) Investment Advisor with First Canada Capital Partners Inc. (2006 – 2011)	666,680	33.34%	13.33%
Richard Silas ⁽⁴⁾ Vancouver, BC	Director	President of Universal Solutions Inc. (1996 to Present)	666,666	33.33%	13.33%
Michael Waldkirch ⁽⁴⁾ Vancouver, BC	CEO, CFO Corporate Secretary and Director	Partner of J.B.H. Professional Services Inc. (1993 – 2011) Partner of Michael Waldkirch & Company Inc. (1998 to Present)	666,666	33.33%	13.33%

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 Securities”.
- (3) Excluding the issuance of a maximum of 300,000 Common Shares pursuant to the exercise of the Agent’s Option and the issuance of a maximum of 500,000 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 is 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.

Other Corporate Information

Pursuant to the provisions of the BCBCA, the Company is required to have an audit committee. The general function of the audit committee is to review the overall audit plan and the Company's system of internal controls, to review the results of the external audit and to coordinate with the Company's auditor. The Audit Committee of the Company currently consists of James Anderson, Richard Silas and Michael Waldkirch.

Aggregate Ownership of Securities

Upon the completion of the Offering, the directors and officers of the Company, as a group, will beneficially own, directly or indirectly, or have control or direction over, an aggregate of 2,000,012 Common Shares of the Company representing 40% of the Common Shares then issued and outstanding (assuming no exercise of the Agent's Options or the Stock Options granted to the Company's directors and officers).

Management and Key Personnel

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

Mr. Michael Waldkirch, CEO, CFO, Corporate Secretary and Director, Age 42

Mr. Waldkirch holds a Bachelor of Arts in Economics from the University of British Columbia and has been a Certified General Accountant since 1998. From 1993 until July 2011, he held the position of principal with J.B.H. Professional Services Inc., a business consulting firm located in Richmond, B.C. Canada. Since 1998, Mr. Waldkirch has also held the position of Senior Partner with the Public Accounting firm Michael Waldkirch and Company Inc., Certified General Accountants in Richmond, BC. From October 28, 2008 to January 24, 2011, Mr. Waldkirch served as Chief Financial Officer of a tier one mineral exploration company listed on the TSX Venture Exchange. He was a director of this company from April 13, 2010 until January 24, 2011. Mr. Waldkirch has been the Chief Financial Officer of Gold Standard Ventures, a mineral exploration company listed on the TSX Venture Exchange since July 10, 2010. Mr. Waldkirch 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. James Anderson, Director, Age 47

Mr. Anderson is President and Director of Copper Creek Gold Corp. Prior to joining Copper Creek, Mr. Anderson spent 19 years as an investment advisor for various small Canadian brokerage firms including First Canada Capital Partners Inc., Research Capital Corp., and Majendie Securities Ltd. Mr. Anderson 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 Silas, Director, Age 40

Mr. Silas has 14 years of experience administrating junior resources companies. He has served as either corporate secretary or director for several public companies in Canada. Mr. Silas was president of Gold Standard Ventures Corp. as it successfully completed an RTO with JKR Gold. He currently is director and corporate secretary of Gold Standard Ventures. Since December of 1996, Mr. Silas has been president of Universal Solutions Inc, a management company providing management and administration services for TSX Venture Exchange companies. Mr. Silas has completed the Securities Program (Going Public, Director/Officers and Continuous Disclosure) from Simon Fraser University in 1997. Mr. Silas 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:

Name	Name of Reporting Issuer	Name of Exchange or Market	Position	Term
James Anderson	Copper Creek Gold Corp.	TSXV	President Director	Aug 2010 - Present Aug 2010 - Present
Richard Silas	Gold Standard Ventures Corp.	TSXV/OTCQX	President Director Secretary	Apr 2009 - Aug 2009 Apr 2009 - Present Aug 2009 - Present
	Blue River Resources Ltd.	TSXV	Director	Aug 2011 - Present
	Tribune Minerals Corp.	TSXV	Director Secretary	Jun 2006 - May 2011 Jun 2006 - May 2011
	Northern Star Mining Corp.	TSXV	Director Secretary	Jun 1999 – Jan 2011 Jun 1999 – Jan 2011
	Britannica Resources Corporation (Formerly Adamas Resources Corp.	TSXV	Director Secretary	Feb 2003 - June 2005 Feb 2004 - June 2005
Michael Waldkirch	Northern Star Mining Corp.	TSXV	CFO Director	Oct 2008 - Jan 2011 Apr. 2010 - Jan 2011
	Gold Standard Ventures Corp.	TSXV/OTCQX	CFO	Jul 2010 - Present

Corporate Cease Trade Orders or Bankruptcies

Other than as disclosed below, 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.

Messrs. Silas and Waldkirch are former directors and officers of Northern Star Mining Corp., which on August 18, 2010 filed a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act* (Canada) (the "Filing"), which included its subsidiary, Jake Resources Inc. The company retained Deloitte & Touche Inc. as its trustee and Gowling Lafleur Henderson LLP as its legal counsel. On January 24, 2011, the deadline for filing its Proposal under the Bankruptcy Act expired and Northern Star Mining Corp. was deemed to have filed an assignment in bankruptcy as of such date. Messrs. Silas and Waldkirch resigned as directors and officers of the company effective such date. The company has not yet been discharged.

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. The directors and officers will use their best business judgment to help avoid situations where conflicts or corporate opportunity issues might arise and they must at all times fulfill their duties to act honestly and in the best interests of the Company.

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 21% or \$0.021 per Common Share on the basis of there being 5,000,012 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:

Item	Total Offering
Gross proceeds from prior issuance of Common Shares	\$100,000
Gross proceeds of this Offering	\$300,000
Total gross proceeds after this Offering	\$400,000
Offering price per Common Share	\$0.100
Gross proceeds per share after this Offering	\$0.079
Dilution per Common Share to subscriber	\$0.021
Percentage of dilution in relation to offering price	21%

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 21% or \$0.021 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;
- (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; and
- (r) if the Common Shares are not listed on a designated stock exchange and the Company does not qualify to be a public corporation in the manner contemplated, the purchasers may be penalized under the Income Tax

Act (Canada) with respect to any common shares held in Deferred Plans (as defined hereafter under the heading “Eligibility for Investment”).

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. 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

Certain legal matters relating to this Offering will be passed upon by Thomas, Rondeau LLP on behalf of the Company, and by Anfield Sujir Kennedy Durno LLP on behalf of the Agent. Otherwise, no Person whose profession or business gives authority to a statement made by such Person and who is named in this prospectus has received or shall receive a direct or indirect interest in the property of the Company or any Associate or Affiliate of the Company. In addition, none of the aforementioned Persons nor any director, officer or employee of any of the aforementioned Persons, is or 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. Any remuneration for legal services provided to the Company by Thomas, Rondeau LLP will be subject to the restrictions set forth in the CPC Policy.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The directors and officers have acquired a total of 2,000,012 Common Shares of the Company and a total of 500,000 Common Shares have been reserved for Options to be granted to directors and officers of the Company. See “Escrowed Securities” and “Options to Purchase Securities”.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of the Company is Davidson & Company LLP located at 1200- 609 Granville Street, Vancouver, BC.

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

MATERIAL CONTRACTS

Since incorporation, the Company has not entered into any contracts material to investors in the Common Shares hereunder, other than the following:

1. Agency Agreement dated April 27, 2012 between the Company and the Agent. See “*Plan of Distribution*”.

2. Escrow Agreement dated April 12, 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 March 29, 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 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.

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.

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 may consider in the circumstances. It is not contemplated that any dividends will be paid in the immediate or foreseeable future.

ELIGIBILITY FOR INVESTMENT

In the opinion of Thomas, Rondeau LLP, counsel to the Company, based on the current provisions of the *Income Tax Act* (Canada) (the “Tax Act”) and the regulations thereunder (the “Regulations”), and any specific proposals to amend the Tax Act and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, and based on counsel’s understanding of the current published administrative and assessing policies and practices of the Canada Revenue Agency, provided that either the Common Shares are on the date of Closing listed on a “designated stock exchange”, as defined in the Tax Act (which currently includes Tiers 1 and 2 of the Exchange), or on the date of Closing the Company is a “public corporation”, as defined in the Tax Act, the Common Shares will on the date of Closing be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan (“RRSP”), a registered retirement income fund (“RRIF”), a registered education savings plan, a deferred profit sharing plan or a tax-free savings account (“TFSA”) each as defined in the Tax Act (collectively, “Deferred Plans”).

Notwithstanding that the Common Shares may be a “qualified investment” for a trust governed by a TFSA, RRSP or RRIF (a “Specified Plan”), the holder of a TFSA or an annuitant of a RRSP or RRIF will be subject to a penalty tax with respect to Common Shares held in a Specified Plan if the Common Shares are a “prohibited investment” for the Specified Plan within the meaning of the Tax Act. The Common Shares will generally not be a “prohibited investment” for a Specified Plan provided that the holder or annuitant of the Specified Plan deals at arm’s length with the Company for the purposes of the Tax Act, and does not have a “significant interest”, as defined in the Tax Act, in either the Company or a corporation, partnership or trust that does not deal at arm’s length with the Company for purposes of the Tax Act. Prospective purchasers who intend to hold the Common Shares in their TFSA, RRSP or RRIF should consult their own tax advisors as to whether the Common Shares will be a “prohibited investment” in their particular circumstances.

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.

AUDITOR'S CONSENT

We have read the prospectus of Spirit Bear Capital Corp. (the "Company") dated April 27, 2012 relating to the sale and issue of 3,000,000 common shares of the Company at \$0.10 per common share. 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 report to the directors of the Company on the statement of financial position of the Company as at January 31, 2012 and the statements of comprehensive loss, cash flows and changes in shareholders' equity for the period from incorporation on November 8, 2011 to January 31, 2012. Our report is dated April 27, 2012.

Vancouver, Canada

April 27, 2012

Davidson + Company LLP
Chartered Accountants

FINANCIAL STATEMENTS

SPIRIT BEAR CAPITAL CORP.
(A Capital Pool Company)

FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

JANUARY 31, 2012

SPIRIT BEAR CAPITAL CORP.
(A Capital Pool Company)
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JANUARY 31, 2012
Expressed in Canadian Dollars

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INDEPENDENT AUDITORS' REPORT

To the Directors of
Spirit Bear Capital Corp.

We have audited the accompanying financial statements of Spirit Bear Capital Corp., which comprise the statement of financial position as at January 31, 2012, and the statements of comprehensive loss, cash flows and changes in shareholders' equity for the period from incorporation on November 8, 2011 to January 31, 2012, 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 in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Spirit Bear Capital Corp. as at January 31, 2012 and its financial performance and its cash flows for the period from incorporation on November 8, 2011 to January 31, 2012 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 describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Spirit Bear Capital Corp.'s ability to continue as a going concern.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Accountants

April 27, 2012

SPIRIT BEAR CAPITAL CORP.
(A Capital Pool Company)
STATEMENT OF FINANCIAL POSITION
Expressed in Canadian Dollars

January 31, 2012

\$

ASSETS

Current

Cash

99,955

Total Current Assets

99,955

TOTAL ASSETS

99,955

LIABILITIES

Current

Accounts payable and accrued liabilities

5,943

Total Current Liabilities

5,943

Shareholders' equity

Share capital (Note 3)

100,001

Deficit

(5,989)

TOTAL SHAREHOLDERS' EQUITY

94,012

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY

99,955

Nature and continuance of operations (Note 1)

Subsequent events (Note 7)

Approved and authorized by the Board of Directors on April 27, 2012:

"Michael Waldkirch"

Director

"Richard Silas"

Director

SPIRIT BEAR CAPITAL CORP.
(A Capital Pool Company)
STATEMENT OF COMPREHENSIVE LOSS
Expressed in Canadian Dollars

For the period from
incorporation on
November 8, 2011
to January 31, 2012

\$

EXPENSES

Bank charges	46
Professional fees	5,943
	<hr/>
	(5,989)

LOSS AND COMPREHENSIVE LOSS (5,989)

BASIC AND DILUTED LOSS PER SHARE -

**WEIGHTED AVERAGE COMMON SHARES OUTSTANDING –
BASIC AND DILUTED** -

SPIRIT BEAR CAPITAL CORP.
(A Capital Pool Company)
STATEMENT OF CASH FLOWS
Expressed in Canadian Dollars

Period From
Incorporation on
November 8, 2011
to January 31, 2012

	\$
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss for the period	(5,989)
Changes in non-cash working capital:	
Accounts payable and accrued liabilities	5,943
	<u>(46)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issuance of shares	100,001
	<u>100,001</u>
Increase in cash	99,955
Cash, beginning of period	<u>-</u>
Cash, end of period	<u>99,955</u>
Supplemental cash flow information	\$
Cash paid during the period for interest	-
Cash paid during the period for income taxes	-

SPIRIT BEAR CAPITAL CORP.
(A Capital Pool Company)
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
Expressed in Canadian Dollars

	Number of Shares Issued	Share Capital	Accumulated Deficit	Total
		\$	\$	\$
Balance, November 8, 2011	-	-	-	-
Issuance of incorporation share	1	1	-	1
Repurchase and cancellation of incorporation share	(1)	(1)	-	(1)
Shares issued for cash	2,000,012	100,001	-	100,001
Loss for the period	-	-	(5,989)	(5,989)
Balance, January 31, 2012	2,000,012	100,001	(5,989)	94,012

1. NATURE AND CONTINUANCE OF OPERATIONS

Spirit Bear Capital Corp. (the “Company”) was incorporated under the Business Corporations Act (British Columbia) on November 8, 2011. The Company is in the process of completing an Initial Public Offering (“IPO”) to be classified as a Capital Pool Company (“CPC”) as defined in the TSX Venture Exchange (“TSX-V”) Policy 2.4 (Note 7). The principal business of the Company is the identification and evaluation of assets or a business and, once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

The Company’s head office, principal address and registered and records office is located at 300-576 Seymour Street, Vancouver, British Columbia, Canada, V6B 3K1.

These financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company’s continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses within 24 months of listing on the TSX-V. These uncertainties cast significant doubt upon the entity’s ability to continue as a going concern. Such a transaction will be subject to regulatory approval and may be subject to shareholder approval.

There is no assurance that the Company will complete a transaction within twenty-four months from the date the Company’s shares are listed on the TSX-V, at which time the TSX-V may suspend or de-list the Company’s shares from trading.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance to International Financial Reporting Standards

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

Basis of preparation

These financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

Use of estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount 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.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based compensation and other equity-based payments, and the recoverability and measurement of deferred tax assets and liabilities. Actual results may differ from those estimates and judgments.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial assets acquired principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss. The Company classifies cash as fair value through profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost using the effective interest method less any provision for impairment.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method less any provision for impairment.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized in other comprehensive income (loss). Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from accumulated other comprehensive income (loss) and recognized as a profit or loss.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities

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

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

Other financial liabilities: This category consists of liabilities carried at amortized cost using the effective interest method, and includes accounts payable and accrued liabilities.

As at January 31, 2012, the Company does not have any derivative financial assets and liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the country where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Foreign currency translation

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Share-based payments

The Company operates an employee stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock option reserve. The fair value of options is determined using the Black-Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Loss per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Basic and diluted loss per share has not been presented as all of the Company's common shares have been excluded from the weighted average shares calculation because they are contingently returnable.

Accounting pronouncements not yet adopted

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the period ended January 31, 2012 and have not been applied in preparing these financial statements. The Company is currently considering the possible effects of the new and revised standards which will be effective to the Company's financial statements for the year ending January 31, 2013 or later:

Title of the new IFRS standard	Required application date of the IFRS
Amendments to IAS 12 – <i>Income Taxes - Deferred Tax: Recovery of Underlying Assets</i>	For periods beginning on or after January 1, 2012.
IFRS 9, <i>Financial Instruments</i>	For periods beginning on or after January 1, 2013.
IFRS 13, <i>Fair Value Measurements</i>	For periods beginning on or after January 1, 2013

3. SHARE CAPITAL

During the period ended January 31, 2012, the Company issued 2,000,012 shares at a price of \$0.05 per share for gross proceeds of \$100,001.

All of these issued shares will be subject to escrow restrictions upon completion of the IPO which will be released from escrow in tranches over 36 months from its listing on the TSX-V.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

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

The fair value of the Company's accounts payable and accrued liabilities approximate their carrying value. The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

- (a) **Credit risk:**
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with its bank and lawyer's trust account from which management believes the risk of loss is remote.
- (b) **Liquidity risk:**
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accounts payable and accrued liabilities are due within the current operating period. The Company has a sufficient cash balance to settle current liabilities.
- (c) **Market risk:**
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.
- (d) **Currency risk:**
The Company's operations and financing activities are conducted in Canadian dollars and as a result, the Company is not subject to significant exposure to market risks from changes in foreign currency rates.
- (e) **Interest rate risk:**
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions and management actively negotiates favorable market related interest rates.

5. CAPITAL DISCLOSURE AND MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the completion of a Qualifying Transaction. Therefore, the Company monitors the level of risk incurred in its expenditures relative to its capital structure.

The Company considers its capital structure to include shareholders' equity. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the potential underlying assets. To maintain or adjust the capital structure, the Company may issue new equity if available on favourable terms and approved by the TSX-V.

As a CPC, the Company is subject to externally imposed capital requirements as outlined in TSX-V Exchange Policy 2.4 and summarized below:

- 1) No salary, consulting, management fees or similar remuneration of any kind may be paid directly or indirectly to a related party of the Company or a related party of a Qualifying Transaction;
- 2) Gross proceeds realized from the sale of all securities issued by a CPC may only be used to identify and evaluate assets or businesses and obtain shareholder approval for a Qualifying Transaction;
- 3) No more than the lesser of \$210,000 and 30% of the gross proceeds from the sale of securities issued by a CPC may be used for purposes other than to identify and evaluate Qualifying Transactions;
- 4) After the completion of its IPO and until the completion of a Qualifying Transaction, a CPC may not issue any securities unless written acceptance of the Exchange is obtained before the issuance of the securities.

6. INCOME TAXES

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

	Period From Incorporation on November 8, 2011 to January 31, 2012
	<u>\$</u>
Loss before income taxes	(5,989)
Expected income tax (recovery) at statutory rates	(1,587)
Unrecognized benefits of non-capital losses	<u>1,587</u>
Deferred income tax recovery	<u>-</u>

6. INCOME TAXES (cont'd...)

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

	2011
	\$
Deferred income tax assets	
Non-capital loss carry forwards	1,497

The Company has available for deduction against future taxable income non-capital losses of approximately \$5,900. These losses, if not utilized, will expire in 2031. Tax benefits which may arise as a result of these non-capital losses have not been recognized in these financial statements due to the uncertainty of their realization.

7. SUBSEQUENT EVENTS

The Company is in the process of filing its IPO whereby the Company plans to raise \$300,000 through the issuance of the Company's common shares at \$0.10 per share. Pursuant to an Agency Agreement, the IPO is subject to the following Agent's fees and commissions: a \$15,000 non-refundable corporate finance fee (plus HST), commission of 10% of the total funds raised by the Agent on closing of the IPO, and the issuance of Agent options allowing the Agent to purchase up to 300,000 common shares of the Company at a price of \$0.10 per share within 24 months from the date the Company's shares are listed on the TSX-V. The Company will also reimburse the Agent for reasonable legal and other costs incurred. Subsequent to January 31, 2012, the Company paid the Agent the \$15,000 corporate finance fee plus a \$7,000 retainer towards legal and other costs.

The Company established a Stock Option Plan for its directors, officers, employees and consultants under which the Board of Directors of the Company may grant non-transferable stock options totalling in aggregate up to 10% of the Company's issued and outstanding common shares, exercisable for a period of five years from the date of grant, and at an exercise price which is not less than that permitted by the TSX-V.

The Company plans to grant 500,000 options to its directors and officers on completion of the IPO. Each option will entitle the holder to acquire one additional common share of the Company at \$0.10 per share for a period of five years.

CERTIFICATES

Certificate of the Company

Dated: April 27, 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.

“Michael Waldkirch”

MICHAEL WALDKIRCH

CEO, CFO, Corporate Secretary and Director

ON BEHALF OF THE BOARD OF DIRECTORS

“Richard Silas”

RICHARD SILAS

Director

“James Anderson”

JAMES ANDERSON

Director

Certificate of the Agent

Dated: April 27, 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.

MACQUARIE PRIVATE WEALTH INC.

Per: “Brent Larkan”
BRENT LARKAN
Head of Syndication and PVC

Per: “Nargis Sunderji”
NARGIS SUNDERJI
Vice President PVC Corporate Finance