A copy of this preliminary prospectus has been filed with the securities regulatory authorities in each of the provinces of British Columbia and Ontario but has not yet become final. Information contained in this preliminary prospectus may not be complete and may have to be amended.

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

This Prospectus does not constitute a public offering of securities.

PRELIMINARY PROSPECTUS

Non-Offering Prospectus **February 7, 2019**

AETHER CATALYST SOLUTIONS, INC.

No securities are being offered pursuant to this Prospectus

This preliminary prospectus (the "**Prospectus**") is being filed with the British Columbia Securities Commission and the Ontario Securities Commission to enable Aether Catalyst Solutions, Inc. (the "**Company**") to become a reporting issuer pursuant to applicable securities legislation in British Columbia and Ontario notwithstanding that no sale of its securities is contemplated herein.

Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses in connection with the preparation and filing of this Prospectus will be paid by the Company from its general corporate funds.

There is currently no market in Canada through which the common shares (the "Common Shares") in the capital of the Company may be sold and shareholders may not be able to resell the Common Shares of the Company owned by them. This may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Common Shares and the extent of issuer regulation. See "*Risk Factors*".

The Company has applied to list its Common Shares on the CSE. The CSE has not yet conditionally approved the listing of the Common Shares. The listing is subject to the Company fulfilling all the listing requirements of the CSE.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., or a marketplace outside Canada and the United States of America.

In reviewing this Prospectus, you should carefully consider the matters described under the heading "*Risk Factors*".

No underwriters or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of its contents.

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

Table of Contents

PROSPECTUS SUMMARY

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

The Company:	The Company was incorporated under the laws of the Province of British Columbia on July 8, 2011 under the name "Catcon Technologies Ltd." On June 21, 2017, the Company changed its name to Aether Catalyst Solutions, Inc.	
Business of the Company:	The Company is a research and development company that is currently engaged in the development of catalytic materials, initially for application in the automotive industry, to replace precious metal catalysts in catalytic converters. The Company hopes to license its proprietary technology for royalty payments. See "*Business of the Company*".	
Listing:	The Company has applied to list its Common Shares on the CSE. The CSE has not conditionally approved the listing of the Common Shares. The listing is subject to the Company fulfilling all of the requirements of the CSE.	
Directors and Management:	Paul Woodward	Chief Executive Officer, President and Director
	Derek Lew	Chief Financial Officer, Secretary and Director
	Jason Moreau	Director
	Neil Branda	Director
	Greg James	Vice President, Research
	Glenn Kerr	Vice President, Investor Relations
	See "*Directors and Executive Officers*".	
Risk Factors:	Investment in the Company involves a substantial degree of risk and must be regarded as highly speculative due to the proposed nature of the Company's business and its present stage of development. Prospective investors should carefully consider, in addition to matters set forth elsewhere in this Prospectus, the risks described under "Risk Factors", which are summarized below: • There can be no assurance that the Company will be able to obtain the necessary financing to carry out any exploration on its mineral claims. • The Company has no operating history or revenue which would permit you to judge the probability of its success. • The Company is subject to risks inherent in the establishment of a new	

business enterprise.

- The management of the Company may not be successful in managing the business and the Company may fail as a result.
- The Company may experience an inability to attract or retain qualified personnel.
- If you purchase Common Shares of the Company in an offering, you may experience dilution.
- Future sales of Common Shares by existing shareholders could cause the share price to fall.
- There can be no assurance that the Company's business and strategy will enable it to become profitable or sustain profitability in future periods.
- The Company's information technology systems are subject to disruption, damage or failure from a number of sources. This may result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.
- Legal proceedings may arise from time to time in the course of the Company's business.
- The Company may experience significant fluctuations in its quarterly and annual results of operations for a variety of reasons, many of which are outside of the Company's control.
- During the fiscal year ended December 31, 2017 and the nine month period ended September 30, 2018, the Company had negative cash flow from operating activities.
- The Company may be subject to potential conflicts of interest.
- The Company's projects may be adversely affected by risks outside the control of the Company.
- The markets that the Company participates in may not grow as expected or at all.
- There can be no assurance that variations on the CSE will not affect the price of the Company's securities in the future and that the price of the Common Shares will not decrease after listing on the CSE.
- There can be no guarantee that an active and liquid trading market will develop or be maintained, the failure of which may have a material adverse effect on the value of the Common Shares and the ability of a purchaser to dispose of the Common Shares in a timely manner, or at all.
- As a reporting issuer, the Company will be subject to reporting requirements under applicable securities law and stock exchange policies which may divert management's attention.

This information is presented as of the date of this Prospectus and is subject to change, completion, or amendment without notice. See "*Business of the Company*", "*Directors and Executive Officers – Conflicts of Interest*", "*Available Funds*" and "*Risk Factors*".

Summary of Financial Information: The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of the Company for the years ended December 31, 2016 and December 31, 2017 and the unaudited financial statements of the Company for the nine month period ended September 30, 2018 and notes thereto included in this Prospectus and should be read in conjunction with such financial statements and related notes thereto, along with the Management's Discussion and Analysis included in this Prospectus. All financial statements are prepared in accordance with IFRS.

	Nine months ended September 30, 2018	**Year ended December 31, 2017**	**Year ended December 31, 2016**
Revenue	-	-	-
Expenses	$289,033	$549,846	$351,964
Net loss	$(202,313)	$(384,264)	$(311,379)
Net loss per share	$(0.00)	$(0.01)	$(0.03)
Total assets	$353,470	$ 28,189	$ 39,351
Total liabilities	$132,451	$ 163,636	$ 546,118

See "*Business of the Company*" and "*Financial Statements*".

Use of Available Funds: The estimated funds available to the Company for the next 12 months of operations and the expected principal purposes for which such funds will be used are described below:

Funds Available:	
Estimated Working Capital as at January 31, 2019	$277,456
Funding from NRC-IRAP	$164,748
SRED funds receivable	$70,000
Tenant Improvement allowance	$20,000
Net Funds Available (unaudited)	**$532,204**

The estimated funds available are intended to be used in the next 12 months are as follows:

Principal Purposes:	
Research and development	$393,344[(1)]
Update provisional patent and submit finalized patent	$10,000
Prospectus and CSE listing costs	$20,000[(2)]
Transfer agent fees, exchange fees, SEDAR fees and audit fees	$32,800
Operating expenses for 12 months	$43,420[(3)]
Unallocated working capital	$32,640
Estimated Total Funds Used:	**$532,204**

Notes

(1) The research and development costs set out in the above table also include salaries, benefits and consulting fees, as employees and consultants are directly engaged in advancing the Company's research and development activities.

(2) Costs include exchange fees, legal fees and other costs relating to listing of the Common Shares on the CSE. The Company hopes that these costs will be incurred by March 2019.

(3) Estimated operating expenses for the next 12 months include: rent ($35,420), utilities ($6,000) and insurance ($2,000).

See "*Use of Available Funds*"

Currency: Unless otherwise specified, all dollar amounts in this Prospectus are expressed in Canadian dollars.

GLOSSARY

2. "**Associate**" When used to indicate a relationship with a person or company, means:

   (a) an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of the issuer from the time being outstanding;

   (b) any partner of the person or company;

   (c) any trust or estate in which such person or company has a substantial beneficial interest or as to which such person or company serves as trustee or in a similar capacity;

   (d) any relative of that person who resides in the same home as that person;

   (e) any person who resides in the same home as that person and to whom that person is married or with whom that person is living in a conjugal relationship outside marriage; or

   (f) any relative of a person mentioned in clause (e) who has the same home as that person.

3. "**BCBCA**" means the *Business Corporations Act (British Columbia)*.

4. "**Board**" means the board of directors of the Company.

5. "**Common Shares**" means the common shares without par value in the share capital of the Company.

6. "**Company**" means Aether Catalyst Solutions, Inc., a corporation incorporated pursuant to the laws of the province of British Columbia.

7. "**CSE**" or "**Exchange**" means the Canadian Securities Exchange.

8. "**Escrow Agent**" means National Issuer Services Ltd.

9. "**insider**" If used in relation with an issuer, means:

   (a) a director or officer of the issuer;

   (b) a director or officer of the company that is an insider or subsidiary of the issuer;

   (c) a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or

   (d) the issuer itself if it holds any of its own securities.

10. “**Listing**” means the proposed listing of the Common Shares on the CSE for trading.

11. “**MD&A**” means the management’s discussion and analysis of the Company for the year ended December 31, 2017 and the interim period ended September 30, 2018, as applicable.

12. “**NRC-IRAP**” means the National Research Council Canada as represented by its Industrial Research Assistance Program.

13. “**OEM**” means original equipment manufacturer.

14. “**SRED**” means the Scientific Research and Experimental Development Tax Incentive Program operated by the Government of Canada.

15. “**Transfer Agent**” means National Issuer Services Ltd.

FORWARD-LOOKING INFORMATION

This Prospectus contains certain information that may constitute "forward-looking information" and "forward-looking statements" (collectively "**forward-looking statements**") which are based upon the Company's current internal expectations, estimates, projections, assumptions and beliefs. Such statements can be identified by the use of forward-looking terminology such as "may", "will", "expect", "anticipate", "aim", "estimate", "intend", "plan", "seek", "believe", "potential", "continue", "is/are likely to" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen. Actual results and developments may differ materially from those contemplated by these statements. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, targets, guidance or other statements that are not statements of fact. The forward-looking statements included in this Prospectus are made only as of the date of this Prospectus. Forward-looking statements in this Prospectus include, but are not limited to, statements relating to:

- the listing of the Common Shares on the CSE;
- the Company's ability to access capital in the future;
- expectations regarding revenue, expenses and operations;
- the Company's intentions for growth of the business and operations of the Company;
- key personnel continuing their employment with the Company;
- the timing of and the costs to be incurred in relation to the Company's research and development activities;
- potential future arrangements with OEMs; and
- anticipated future research and development activities.

Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement. In particular, but without limiting the generality of the foregoing, disclosure in this Prospectus under "*Description of the Business*" and "*Use of Available Funds*" as well as statements regarding the Company's objectives, plans and goals, including future research and development, operating results and economic performance may make reference to or involve forward-looking statements. A number of factors could cause actual events, performance or results to differ materially from what is projected in the forward-looking statements. the purpose of forward-looking statements is to provide the reader with a description of management's expectations, and such forward-looking statements may not be appropriate for any other purpose. Undue reliance should not be placed on forward-looking statements contained in this Prospectus. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

CORPORATE STRUCTURE

The Company was incorporated under the laws of the Province of British Columbia on July 8, 2011 under the name "Catcon Technologies Ltd." On June 21, 2017, the Company changed its name to Aether Catalyst Solutions, Inc. The head office and registered and records office of the Company is located at 850 West Hastings Street, Suite 911, Vancouver, British Columbia, V6C 1E1.

As at the date of this Prospectus, the Company has no subsidiaries.

BUSINESS OF THE COMPANY

General Description of the Business

The Company is a research and development company that is engaged in the development and potential subsequent commercialization of catalytic materials, initially for use in gasoline engine automotive emissions abatement, but with other possible applications (including, for instance, diesel, stationary power and volatile organic compounds).

A catalytic converter is a vehicle emissions control device that converts toxic by-products of combustion to less toxic substances by way of catalyzed chemical reactions. Most of the world strictly regulates vehicle emission levels, which is achieved through using expensive precious metals and rare earth materials. These expensive materials increase the cost of catalytic converters to the extent that they have become a significant cost component of vehicles. The Company has developed a low-cost, high-performance three-way catalyst to replace the more costly precious metal based catalysts used in today's automotive catalytic converters. The Company's patent pending technology does not contain any platinum, palladium, rhodium or rare earth metals. Further, the Company has third party testing to validate internal performance tests of its catalysts.

The Company's technology has been developed to overcome the aging robustness issues that are typically seen in other low cost catalyst technology. Specifically, the Company has tested hundreds of sub-scale catalyzed plugs, and has developed a unique formulation that allows for aging temperatures of up to 900 C in a range of environments.

For over two years, the Company has been conducting research on its own and through directed projects with two Canadian universities, University of British Columbia and Simon Fraser University, which has been funded in part through NSERC grants. Prior to that, the Company functioned as a license holding company, and licensed technology from Cascade Catalysts Inc. ("**Cascade**") and was jointly owned through a joint venture arrangement by the company funding the research, Conation Capital Corp. (51%), and Cascade (49%). Shortly after the conditions of the joint venture agreement and governing pre-license operations were satisfied, the Company made a determination that it could not see a successful development path forward with the licensed technology, and decided to take a step back and develop a catalyst from scratch, building upon its work in the field and the existing literature surrounding base metal catalysis.

The Company's research activities, up until December 7, 2018, were carried out at 4D LABS, a $65 million applications and science-driven research institute at Simon Fraser University located in Vancouver, British Columbia. The Company has moved to a larger lab space, off campus, but close enough to continue to avail itself of the sophisticated characterization tools available at 4D LABS. While the Company's primary activities currently involve conducting research, the Company's objective is to enter into a joint development with an OEM or a major supplier, the terms and conditions of which would be set out in a joint development agreement. While the Company has not at this time entered into any such agreement, it is the Company's ultimate goal over the next 18 months to secure such a relationship and the Company hopes that entering into such an arrangement will help with attracting future funding in the form of grant money. Once the Company is able to enter into such an arrangement, it anticipates that commercialization of its technology would follow.

The Company does not intend to manufacture products as its business model is to license technology to entities that the Company believes may benefit from its technology, in exchange for royalty payments. In order to pursue this, the Company reaches out to and works with large OEMs and suppliers and, as noted above, hopes to enter into a joint development agreement with an OEM in the future as it continues to refine its technology. Currently, the Company has testing relationships with two of the world's top ten auto manufacturers (one in Asia and one in North America).

The Team

As of the date of this Prospectus, the Company currently has four full time employees, a co-op student, and a contractor providing consulting services in the area of solid state chemistry.

Specialized Skills and Knowledge

As a research and development company, the Company requires specialized skills and knowledge relating to physical and solid-state chemistry, specifically for the synthesizing, testing, aging, material characterization and reaction modeling of base metal catalytic oxides. These skills and knowledge have been honed by evaluation of over hundreds of material and process combinations that have led to an in-depth knowledge of the trade-offs for non-platinum group materials for exhaust abatement both at beginning of life and after accelerated aging. The Company has been able to fulfill these needs through both its internal staff and management, as well through its supporting relationships with external institutions.

The team is led by Mr. Greg James, Vice President Research, who has over 25 years of experience in bringing new technologies to market, having previously served as the Chief of Engineering at Ballard Power Systems. Mr. James has brought a systematic research and development approach to the Company that combines test results, physical measurements, and chemical models to rapidly advance the technology. Through communications with OEMs, Aether has developed a good working knowledge of the testing and aging environment requirements needed to pass their screening level evaluation tests. Dr. Neil Branda, a director of the Company, provides support and advice on technical issues to Mr. James. Dr. Branda is one of Canada's leading scientists. He is a Professor of Chemistry and a Tier I Canadian Research Chair in Materials and Science at Simon

Fraser University. He is also the founder and Chief Technology Officer of Switch Materials, a successful startup headquartered in Burnaby, British Columbia.

Through the approach brought by Mr. James, developed catalyst synthesis expertise ensures sample to sample repeatability, allowing rapid iteration of new catalyst configurations. The Company has also advanced its testing and accelerated aging capabilities to much more closely mimic the OEM evaluation. This has allowed for higher through-put of catalyst evaluations that can be better evaluated against OEM requirements. Additionally, material characterisation techniques such as X-Ray Diffraction and Scanning Electron Microscope, have been established for initial catalyst crystal structure after synthesis and throughout the aging process. Additional catalyst surface measurement tools such as X-Ray Photoelectron, are being brought into the development process via a new employee hired in the first quarter of 2019. By reviewing testing results, material characterization measurements, and available outside literature, the Company has started developing mechanistic models that are increasingly being used to drive the catalyst development.

Also core to the Company's approach, is access to an external resource network to provide guidance on the technical aspects of the catalyst development. We have on contract a PhD solid state chemist who has extensive knowledge and experience in mixed metal oxides and catalysts. Additionally, the Company has worked with local institutions including Simon Fraser University, 4D Labs, and the University of British Columbia, on projects that have allowed access to the equipment required in order to conduct its research, as well as improving the Company's modeling and characterisation capability.

Competitive Conditions

There is intense competition in the automotive space, however, it has waned over the last decade due to lack of success by participants. The Company is aware of other companies that are developing non-platinum group catalytic materials, but is not aware of any that have entered the automotive market to date.

Intellectual Property

The Company successfully submitted a provisional patent in April 2018 relating to a new catalyst formation with the US Patent Office. Based on background research for the patent, the Company is of the view that the invention is unique and beneficial, which are the main two thresholds required for a patent. With a provisional patent, the Company has 12 months from filing to further refine the description of the invention and increase the breadth the claims will cover, which the Company is currently working towards.

Company's History Over the Last Two Years

Prior to the second quarter of 2016, the Company's operations were limited to acting as a license holding company with respect to a technology that the Company is no longer utilizing, and does not relate to the research and development activities that are currently being conducted by the Company, which are described in greater detail below.

During the Company's 2016 fiscal year, the Company restarted catalyst development with the formulation of a new baseline catalyst formation based on existing literature, and re-established a testing relationship with an OEM.

In September 2016, the Company received funding in the amount of $95,000 through an NRC-IRAP grant for the specific purpose of developing improved aging robustness to the Company's catalyst technology, in support of the Company's broader objective of sufficiently increasing the resistance of the base metal catalyst in a manner that would pass the initial screening test of an automotive OEM.

The Company also entered into a supporting relationship with University of British Columbia in connection with an NSERC grant for the purpose of conducting research on catalyst reaction modeling.

2017

The Company continued to conduct research on its catalyst technology throughout the 2017 fiscal year. In particular, during the first half of the year, the Company refined the baseline catalyst formulation and improved aging robustness to handle an 800 C environment with limited losses. During this time, the Company also developed the first catalyst material structure map based on operating conditions and environment, which highlighted further areas for the Company to focus its research on.

During the second half of 2017, the Company's research and development highlights with respect to its technology included the following:

- Improved aging robustness of catalyst via a structural change
- Improved aging robustness, allowing evaluations at OEM recommended temperatures
- Bulk catalyst structure that was demonstrated to be significantly more stable than previous catalyst
- NOX conversion rates that were higher at lower temperatures, which the Company understands to be an important feature for OEMs
- Traded some hydrocarbon conversion ability for increased stability

In April, 2017, the Company entered into a supporting relationship with Simon Fraser University on an NSERC grant for the purpose of researching catalyst physical property measurement technique development.

Subsequent Events

During the 2018 fiscal year, the Company has achieved full characterization of its new catalyst. The Company has also introduced new testing and aging environments that are intended to better simulate OEM test protocols.

Other research and development highlights during the first half of the year include the following:

- Performed design of experiment to regain some of the initial hydrocarbon conversion drop

- Successfully scaled up standard test plug by 4.5 times
- Demonstrated high NOX and CO conversation after 900 C aging at average automotive exhaust temperatures

In the second half of the year, the Company developed an improved catalyst system that:

- Retained lost HC conversation ability while retaining catalyst structural stability
- Significantly improved HC while retaining NOX and CO conversion levels after ageing at 900 C for up to 100 hours
- Based upon OEM feedback, changed the evaluation conditions to be closer to OEM expectations

In February 2018, the Company developed an OEM testing relationship with a second OEM. To date, the Company is continuing research to respond to the OEM's initial feedback through further development of and enhancements to the performance of the Company's technology.

In April 2018, the Company submitted a provisional patent application on a new catalyst formation with the US Patent Office as described above under the heading *Intellectual Property*.

In April 2018, the Company entered into a supporting relationship with Simon Fraser University on a NSERC grant for the purpose of measuring structure of the catalyst at the surface during operation.

In July 2018, the Company entered into an agreement with a senior PhD solid state chemist to support understanding and solutions for catalyst degradation mechanisms.

Between April and October 2018, the Company raised an aggregate of $715,648.85 through private placement financings. In April 2018, the Company raised $115,648.95 through the issuance of an of 3,854,965 Common Shares at a price of $0.03 per Common Share. In August and October 2018, the Company raised $600,000 through the issuance of an aggregate of 12,000,000 units ("**Units**"). Each Unit is comprised of one Common Share and one half of one common share purchase warrant (each whole common share purchase warrant, a "**Warrant**"), with each Warrant being exercisable for one Common Share at an exercise price of $0.075 for a period of 18 months.

In October 2018, the Company received funding in the amount of $195,000 through an NRC-IRAP grant, to be utilized between October 1, 2018 and December 31, 2019. The primary objective for which the funds are to be used is to increase the aging capability of the base metal catalyst being developed by the Company under the effect of specific accelerated aging environments, so that the catalyst performance passes the initial screening test established by an automotive OEM. In order to pursue this objective, the Company's research activities during the period noted above will focus on systematically aging iterations of the base metal catalyst developed to establish detailed physical correlations between catalyst structure and post-aging performance. The funds provided by the NRC-IRAP grant will be used to support the costs of salaries and contractor fees that are incurred through these research activities.

In November 2018, the Company entered into a lease agreement (the "**Lease**") with Sun Life Assurance Company of Canada and Eastlake Projects Ltd. for a larger lab space, as referenced above under the heading “Business of the Company”. The Lease is for a (5) year term commencing on March 1, 2019 and ending on February 29, 2024. The permitted use of the lab space, per the Lease, is office and lab use associated with the research and development of a catalyst for automotive catalytic converters. The Company has also agreed per the Lease, to remain in compliance with all laws or government directives relating to energy conservation, waste management, safety, security or other matters that relating to the Company’s use of the premises.

In December 2018, the Company completed a 2:1 share consolidation.

USE OF AVAILABLE FUNDS

This is a non-offering Prospectus. The Company is not raising any funds in connection with this Prospectus and accordingly, there are no proceeds.

The Company’s estimated working capital as at January 31, 2019 was approximately $277,456. As noted above, the Company has also received an NRC-IRAP grant in the amount of $195,000 to be used for specific research and development activities during the period between October 1, 2018 and December 31, 2019. As at the date of this prospectus, the Company has $164,748 in funds from a current NRC-IRAP grant. Management also expects approximately $70,000 in cash SRED funding to be receivable, as well as a Tenant Improvement allowance of $20,000.

The estimated funds available to the Company for the next 12 months of operations and the expected principal purposes for which such funds will be used are described below:

Funds Available:	
Estimated Working Capital as at January 31, 2019	$277,456
Funding from NRC-IRAP:	$164,748
SRED Receivable	$70,000
Tenant Improvement allowance	$20,000
Net Funds Available (unaudited)	**$532,204**

Management believes that the Company will have sufficient funds to continue operations for the next 12 months. Should the Company require additional funds to continue operations and/or to conduct additional research and development activities beyond those that are currently contemplated, the Company may access additional capital through the capital markets.

The Company’s primary business objectives are to continue its research and development activities with the goal of development of a catalyst for automotive catalytic converters that meets the standards set by OEMs the Company has communicated with. The Company intends to use some of the funds available to it over the next 12 months to further those objectives as well as to fulfil the remaining costs relating to its application to list the Common Shares on the CSE. The following table sets out a more detailed breakdown of the Company's intended use of funds over the next 12 months.

Principal Purposes:	
Research and development	$393,344[(1)]
Update provisional patent and submit finalized patent	$10,000
Prospectus and CSE listing costs	$20,000[(2)]
Transfer agent fees, SEDAR fees and audit fees	$32,800
Operating expenses for 12 months	$43,420[(3)]
Unallocated working capital	$32,640
Estimated Total Funds Used:	**$532,204**

Notes
(1) The research and development costs set out in the above table also include salaries, benefits and consulting fees, as employees and consultants are directly engaged in advancing the Company's research and development activities.
(2) Costs include exchange fees, legal fees and other costs relating to listing of the Common Shares on the CSE. The Company hopes that these costs will be incurred by March 2019.
(3) Estimated operating expenses for the next 12 months include: rent ($35,240), utilities ($6,000) and insurance ($2,000).

The costs and timelines noted above are estimates. There may be circumstances, however, where for business reasons a reallocation of funds may be necessary. The actual amount that the Company spends in connection with each of the intended uses of proceeds may vary significantly from the amounts specified above, and will depend on a number of factors, including those listed under the heading "*Risk Factors*".

The Company has historically generated negative cash flows and there is no assurance that the Company will not experience negative cash flow from operations in the future. Please see "*Risk Factors – Negative Cash Flow from Operations*".

DIVIDENDS OR DISTRIBUTIONS

To date, the Company has not paid any dividends on its Common Shares, and the Board does not expect to declare or pay any dividends on the Common Shares in the foreseeable future. Payment of any dividends will be dependent upon the Company's future earnings, if any, its financial condition, and other factors the Board determines are relevant.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Please see the Company's MD&A for the year ended December 31, 2017 and the nine month period ended September 30, 2018, each of which are included in this Prospectus.

DESCRIPTION OF SECURITIES

Common Shares

The Company's authorized capital consists of an unlimited number of Common Shares, of which 41,071,712 Common Shares are issued and outstanding as at the date of this Prospectus. Holders of the Common Shares are entitled to one vote per share at all meetings of the holders of Common Shares of the Company and, subject to the rights of holders of any shares ranking in priority to or on a parity with the Common Shares, to participate rateably in any distribution of the Company's property or assets upon liquidation or wind-up. The Common Shares are without par value and without restrictions attached. There are no pre-emptive, redemption, retraction, purchase or conversion rights attaching to the Common Shares.

Warrants

Prior to the share consolidation, the Company had 6,000,000 Warrants outstanding. Of these, 830,000 Warrants were issued on June 21, 2018, 1,800,000 Warrants were issued on August 17, 2018, 900,000 Warrants were issued on August 24, 2018 and 2,470,000 Warrants were issued on October 19, 2018. Each Warrant entitles its holder, upon the payment of $0.15, to purchase one Common Share for a period of 18 months from the date of issuance of the Warrant. Following the share consolidation in December 2018, the Company has 3,000,000 Warrants outstanding.

CONSOLIDATED CAPITALIZATION

The following table sets forth the number of outstanding securities of the Company as of the date of this Prospectus:

Description of Security	Amount Authorized	Weighted Average Price	Outstanding as at the Date of the Prospectus
Common Shares	Unlimited	N/A	41,071,712
Warrants	N/A	N/A	3,000,000

OPTIONS TO PURCHASE SECURITIES

The Company created a stock option plan that was approved by the Board on January 31, 2019 (the "**Stock Option Plan**"). The purpose of the Stock Option Plan is to assist the Company in attracting, retaining and motivating directors, officers, employees and consultants (together "**service providers**") of the Company and of its affiliates and to closely align the personal interests of such service providers with the interests of the Company and its shareholders.

The Stock Option Plan provides that, subject to the requirements of the CSE, the aggregate number of Common Shares reserved for issuance pursuant to options granted under the Stock Option Plan will not exceed 10% of the number of Common Shares of the Company issued and outstanding from time to time.

The Stock Option Plan is administered by the Board, which has full and final authority with respect to the granting of all options thereunder subject to express provisions of the Stock Option Plan.

Options may be granted under the Stock Option Plan to such directors, employees, consultants or management company employees of the Company and its subsidiaries, if any, as the Board may from time to time designate. The exercise prices shall be determined by the Board, but shall, in no event, be less than the closing market price of the listed security on the CSE on the trading day prior to the earlier of dissemination of a news release disclosing the issuance of the convertible security or the posting of notice of the proposed issuance of the convertible security with the CSE. The Stock Option Plan complies with section 2.25 of National Instrument 45-106 *Prospectus Exemptions* and provides that the number of Common Shares which may be reserved for issuance on a yearly basis to any one related person upon exercise of all stock options held by such individual may not exceed 10% of the issued Common Shares calculated at the time of grant. Moreover, the Company cannot issue grants to related persons if in the aggregate the grants would, on a fully diluted basis, exceed 10% of the issued and outstanding Common Shares of the Company.

The Stock Option Plan is the Company's only equity compensation plan. As of the date of this Prospectus, the Company does not have any options outstanding to purchase Common Shares.

PRIOR SALES

The following table sets forth the details regarding all issuances of the Company's securities during the 12 month period before the date of this Prospectus. The number of securities noted in the table below do not reflect the share consolidation completed by the Company in December 31, 2018.

Date of Issue	Type of Security	Number of Securities	Issue or Exercise Price per Security	Reason for Issue
April 12, 2018	Common Shares	3,536,965	$0.03	Private placement
April 23, 2018	Common Shares	318,000	$0.03	Debt settlement
June 21, 2018	Units comprised of one Common Share and one half of one Warrant	1,660,000	$0.05	Private placement
August 17, 2018	Units comprised of one Common Share and one half of one Warrant	3,600,000	$0.05	Private placement
August 24, 2018	Units comprised of one Common	1,800,000	$0.05	Private placement

	Share and one half of one Warrant			
October 19, 2018	Units comprised of one Common Share and one half of one Warrant	4,940,000	$0.05	Private placement

TRADING PRICE AND VOLUME

As of the date of this Prospectus, the Company does not have any of its securities listed or quoted in Canada, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., or a marketplace outside Canada and the United States of America.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

Escrowed Securities

The policies and notices of the CSE require that securities held by certain shareholders of the Company are required to be held in escrow in accordance with the escrow requirements set out in CSE Policy 2 – *Qualification for Listing*.

Under the applicable policies and notices of the Canadian Securities Administrators securities held by Principals (as defined below) are required to be held in escrow in accordance with the national escrow regime applicable to initial public distributions. Equity securities, including Common Shares, owned or controlled by the Principals of the Company are subject to the escrow requirements.

Principals include all persons or companies that, on the completion of the listing on the CSE, fall into one of the following categories:

(i) directors and senior officers of the Company, as listed in this Prospectus;

(ii) promoters of the Company during the two years preceding the listing on the CSE;

(iii) those who own and/or control more than 10% of the Company's voting securities immediately after completion of the listing on the CSE if they also have appointed or have the right to appoint a director or senior officer of the Company or of a material operating subsidiary of the Company;

(iv) those who own and/or control more than 20% of the Company's voting securities immediately after completion of the listing on the CSE; and

(v) associates and affiliates of any of the above.

The Principals of the Company include all of the directors and senior officers of the Company.

The Company intends to enter into an agreement (the "**Escrow Agreement**") with the Escrow Agent and the Principals of the Company, pursuant to which the Principals will deposit in escrow their Common Shares (the "**Escrowed Securities**") with the Escrow Agent in accordance with the provisions contained in Form 46-201F1 *Escrow Agreement* applicable to an "emerging issuer". Specifically, the Escrow Agreement will provide that 10% of the Escrowed Securities will be released from escrow upon the date of the Company listing its Common Shares on the CSE, and that an additional 15% will be released therefrom upon each six month interval thereafter, over a period of 36 months.

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

(i) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Company or of a material operating subsidiary, with approval of the Board;

(ii) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse or children or parents;

(iii) transfers upon bankruptcy to the trustee in bankruptcy;

(iv) pledges to a financial institution as collateral for a loan, provided that upon a realization the securities remain subject to escrow; and

(v) tenders of Escrowed Securities to a take-over bid are permitted provided that, if the tenderer is a Principal of the successor Company upon completion of the take-over bid, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor Company's escrow classification.

The following table sets forth details of the Escrowed Securities:

Name and municipality of residence of security holder	Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class[1]
Paul Woodward, Port Moody, Canada	Common Shares	2,911,784	7.08%
Derek Lew, California Two Pizza Ventures Inc., Vancouver,	Common Shares	791,667	1.92%
Jason Moreau, Surrey, Canada	Common Shares	883,333	2.15%
Neil Branda, North Vancouver, Canada	Common Shares	800,000	1.9%
Greg James, Coquitlam, Canada	Common Shares	575,000	1.3%
Glenn Kerr, North Vancouver, Canada	Common Shares	995,078	2.42%
Marc Campeau, Whitby, Canada	Common Shares	717,500	1.7%
Conation Capital Corp., Burnaby, BC	Common Shares	23,764,046	57.85%
Cascade Catalysts Inc., Burnaby, Canada	Common Shares	2,400,000	5.84%
Dennis Hsiao, Burnaby, Canada	Common Shares	550,000	1.33%
Total		**34,388,408**	**83.49%**

Notes
(1) Percentage is based on 41,071,712 outstanding Common Shares as of the date of this Prospectus.

PRINCIPAL SECURITYHOLDERS AND SELLING SECURITYHOLDERS

To the knowledge of the Company's directors and officers, there are no persons who beneficially own, control, direct or will own, control or direct as of the date of this Prospectus, directly or indirectly, 10% or more of the issued and outstanding Common Shares other than Conation Capital Corp., which currently owns 23,764,046 Common Shares, representing 57.85 % of the issued and outstanding Common Shares as at the date hereof.

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets out particulars of the current directors and executive officers of the Company as at the date of the Prospectus. The term of office of each director will expire at the close of the next annual general meeting, unless such director resigns or otherwise vacates office before that time.

Name, Province or State & Country of Residence, and Position(s) with the Company	Principal Occupation, Business or Employment for Past 5 Years	Date Appointed as Director	Number and Percentage of Common Shares(1) Beneficially Owned or Controlled Directly or Indirectly as of the Date of this Prospectus
Paul Woodward British Columbia, Canada Chief Executive Officer, President & Director	Chief Executive Officer, and President of the Company since July 2014. President of Conation Capital Corp. since March 2012.	July 8, 2014	2,911,784 7.08%
Derek Lew British Columbia, Canada Chief Financial Officer, Secretary, and Director	President and Chief Executive Officer of Growth Works Capital since August 24, 2015. Self-employed lawyer since January 2001.	July 8, 2011	791,667 1.92%
Jason Moreau British Columbia, Canada Director	Chief Executive Officer of Survale Inc. since January 2015	July 8, 2014	883,333 2.15%
Neil Branda British Columbia, Canada Director	Professor, Simon Fraser University since July 2001.	July 8, 2014	800,000 1.9%
Greg James British Columbia, Canada Vice President Research	Vice President Research of the Company since April 2016. Vice President Research of Carbon Green Technologies from September 2015 to April 2016. Director of Business Development of Terrella Energy Systems from October 2011 to September 2014.	N/A	575,000 1.3%

Glenn Kerr British Columbia, Canada Vice President Investor Relations	President of K-Street Financing since August 2014. Investment advisor at Foremost Capital Inc. from June 2013 to May 2015.	N/A	995,078 2.42%
TOTAL			**6,156,862** **16.77%**

Notes:
(1) Based upon 41,071,712 issued and outstanding Common Shares as of the date of this Prospectus.

Paul Woodward currently holds Warrants exercisable for 650,000 Common Shares, Derek Lew currently holds Warrants exercisable for 250,000 Common Shares, and Jason Moreau currently holds Warrants exercisable for 75,000 Common Shares.

Except as disclosed above, none of the directors or officers of the Company has the right to acquire any additional securities pursuant to options, warrants, conversion privileges or other rights.

As of the date of this Prospectus, the directors and officers of the Company, as a group, directly or indirectly, beneficially own 7,951,940 Common Shares of the Company, representing 19.19% of the issued and outstanding Common Shares of the Company on an undiluted basis. See "*Principal Shareholders*".

Management of the Company

The following are descriptions of the background of the directors and officers of the Company, including a description of each individual's principal occupation(s) within the past five years. None of the Company's directors or officers have entered into non-competition or non-disclosure agreements with the Company other than Greg James.

Paul Woodward ***(age 58) – Chief Executive Officer, President & Director*** – Mr. Woodward is a former investment banker with over 30 years of experience in capital markets and corporate finance, and is an investor in early stage technology companies. Since March 2012 he has been the President of Conation Capital Corp. Since April 2018 he has served as a director, and since December 2018 as Chief Executive Officer and President, of Advanced Proteome Therapeutics Corp. (APC-V), a biotech company focused on simplifying and standardizing the production of antibody drug conjugates to treat cancer, using proprietary site-selective chemistries as protein modification technologies. He is also the President, Chief Financial Officer and a director of Railtown Capital Corporation, since August 2016. Mr. Woodward is also a director of numerous private companies in which Conation has invested. He holds a Bachelor of Arts (Econ) from Simon Fraser University in Burnaby, British Columbia. Mr. Woodward devotes approximately 50% of his time to the Company as an independent contractor.

Derek Lew ***(age 49) – Chief Financial Officer, Secretary, and Director*** – Mr. Lew is currently the President, Chief Executive Officer and a director of GrowthWorks Capital and the President and Chief Executive Officer and/or a director of certain managed funds and operating subsidiaries of GrowthWorks Capital. Mr. Lew is also a Partner with Initio Group, a Vancouver-based early-stage angel investment firm, and is a lawyer with experience in the areas of corporate, commercial and real estate law. He has also been a director of Mobio Technologies Inc., a TSXV-listed company, since November 2012. Active in his community, Mr. Lew is a director of the Frank and Joan Lew Charitable Trust and the FJL Housing Society, which focuses on matters related to social housing in Vancouver's Downtown Eastside. He is also an active member of the technology start-up community in Vancouver. Derek holds a Bachelor of Arts from the University of British Columbia and a Bachelor of Laws from the University of Alberta, and is a member of the Law Society of British Columbia. Mr. Lew devotes time to the Company on an as needed basis as an independent contractor.

Jason Moreau ***(age 47) – Director*** – Mr. Moreau has an extensive background with technology and public markets. He founded and built a SaaS (software as a service company) for 15 years that was listed on the TSX Venture Exchange until its sale to a NASDAQ listed company in 2011. He is currently the Chief Executive Officer (since Janaury 2015) and Co-Founder of Survale Inc., a rapidly growing SaaS recruiting and employee engagement analytics platform. From April 2018 until June 2018 he was the Chief Executive Officer and a director of Parcelpal Technology Inc., a CSE-listed company. Mr. Moreau studied Computer Science Technology at the British Columbia Institute of Technology.

Neil Branda ***(age 51) – Director*** – Dr. Branda is currently a Professor of Chemistry at Simon Fraser University and a Canada Research Chair in Materials Science. He is also the Scientific Director of 4D LABS, Simon Fraser University's $65 million research facility for new materials and nanoscale devices, and Chief Technology Officer of SWITCH Materials, Inc., a company he founded to commercialize his technology. Dr. Branda has been named as one of Canada's Top 40 Under 40 Recipients and a Steacie Fellow owing to his involvement in academic research and innovation platforms. Dr. Branda received his B.Sc. from the University of Toronto and his Ph.D. from Massachusetts Institute of Technology. He was a Natural Sciences and Engineering Research Council of Canada Postdoctoral Fellow at l'Université Louis Pasteur, then joined the faculty at the University of Alberta before moving to Simon Fraser University in 2001.

Greg James ***(age 49) – Vice President Research*** – Mr. James has over 25 years experience bringing new technologies to market. In his 20 years at Ballard Power Systems, he rose to the Chief of Engineering, where his team was responsible for translating market requirements into product requirements while directing the research goals for future products. More recently, Mr. James was the Director of Business Development of Terrella Energy Systems Ltd. until 2014, and the Vice President, Research, of Carbon Green Technologies from September 2015 until April 2016. Mr. James holds a B.A.Sc. in Mechanical Engineering from the University of Victoria. Mr. James devotes 100% of his time to the Company as an employee.

Glenn Kerr ***(age 63) – Vice President Investor Relations*** – Mr. Kerr was a licensed Investment Advisor, for over 30 years, most recently with Foremost Capital Inc. from June 2013 until May 2015. Since that time he has provided investor relations and business development services for various private and public companies. Currently, he is the President of K-Street Finance, a role that he has held since August 2014. He has also been the Vice President, Investor Relations, of

Railtown Capital Corporation since April 2018. Mr. Kerr also serves as a director of a number of private companies. He received an Associate of Arts degree from Capilano College in North Vancouver. Mr. Kerr devotes time to the Company on an as needed basis as an independent contractor.

Cease Trade Orders, Bankruptcies or Sanctions

As at the date of this Prospectus, and within the last 10 years before the date of the Prospectus, neither the CEO or CFO, nor any director (or any of their personal holding companies) of the Company was a director, CEO or CFO of any company (including the Company) that:

(a) was subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO; or

(b) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation in each case for a period of 30 consecutive days, that was issued after the person ceased to be a director, CEO or CFO in the company and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO; or

(c) is as at the date of this Prospectus or has been within 10 years before the date of this Prospectus, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(d) has within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager as trustee appointed to hold the assets of that individual.

Penalties or Sanctions

No director, officer or insider of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has: (a) 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 (b) 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.

Conflicts of Interest

There are potential conflicts of interest to which the directors, officers and other insiders of the Company will be subject in connection with the operations of the Company. Some of the directors, officers and insiders are engaged in and will continue to be engaged in corporations or businesses which may be in competition with the business of the Company. Accordingly, situations may arise where directors, officers or insiders will be in direct competition with the Company. The directors and officers of the Company are required by law to act in the best interests of the Company. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives. None of the directors or officers of the Company have entered into non-competition or non-disclosure agreements with the Company. Conflicts, if any, will be subject to the procedures and remedies as provided under the *Business Corporations Act* (British Columbia), the CSE, and applicable securities laws, regulations and policies.

EXECUTIVE COMPENSATION

Based on the requirements of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers* ("**Form 51-102V6**") all direct and indirect compensation provided to certain executive officers, and directors for, or in connection with, services they have provided to the Company or a subsidiary of the Company must be disclosed. The Company is required to disclose annual and long-term compensation for services in all capacities to the Company and its subsidiaries for the two most recently completed financial years in respect of the Chief Executive Officer ("**CEO**"), the Chief Financial Officer ("**CFO**") and the most highly compensated executive officers of the Company whose individual total compensation for the most recently completed financial year exceeds $150,000, and any individual who would have satisfied these criteria but for the fact that the individual was not serving as an officer at the end of the most recently completed financial year (the "**Named Executive Officers**" or "**NEOs**").

The compensation provided to directors and NEOs has been disclosed based on the requirements of Form 51-102F6V in the tables below as follows:

(1) Table of compensation excluding compensation securities;

(2) Stock options and other compensation securities; and

(3) Exercise of compensation securities by directors and NEOs.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table (and notes thereto) states the names of each NEO and director, his annual compensation, consisting of salary, consulting fees, bonuses and other annual compensation, excluding compensation securities, for each of the Company's two most recently completed financial years.

Table of compensation excluding compensation securities							
Name and position	**Year**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of other compen-sation ($)**	**Total compensation ($)**
Paul Woodward Chief Executive Officer, President and Director	2017	30,000	Nil	Nil	Nil	Nil	30,000
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Derek Lew Chief Financial Officer and Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Jason Moreau Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Neil Branda Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	16,000	16,000
Greg James Vice President Research	2017	100,000	Nil	Nil	Nil	11,500	111,500
	2016	100,591.35	Nil	Nil	Nil	Nil	100,591.35
Glenn Kerr Vice President Investor Relations	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil

Stock Option Plans and Other Incentive Plans

The Stock Option Plan is the Company's only equity compensation plan. As of the date of this Prospectus, the Company has no options outstanding to purchase Common Shares.

Employment, Consulting and Management Agreements

Management of the Company is performed by the directors and officers of the Company and not by any other person.

There are no plans in place with respect to compensation of the Named Executive Officers in the event of a termination of employment without cause or upon the occurrence of a change of control.

The Company has not entered into any consulting agreements other than a management consulting agreement with 0947334 B.C. Ltd. (relating to services provided by Paul Woodward) and a solid state chemistry consulting agreement with 2642837 Ontario Inc.

Oversight and Description of Director and Named Executive Officer Compensation

Given the Company's size and stage of operations, it has not appointed a compensation committee or formalized any guidelines with respect to compensation at this time. The compensation paid to the Named Executive Officers are determined by the independent Board members. The Board determines the appropriate level of compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Company's officers, while taking into account the financial and other resources of the Company.

Pension Plan Benefits for NEOs

As of the date of this Prospectus, the Company does not maintain any defined benefit plans, defined contribution plans or deferred compensation plans.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the Company's directors or officers or any of their respective associates is indebted to the Company or has been subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Pursuant to National Instrument 52-110 *Audit Committees* ("**NI 52-110**"), 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 resolve any potential dispute with the Company's auditor. In addition, the audit committee must review and report to the directors of the Company on the financial statements of the Company and the auditor's report before they are published.

The Audit Committee Charter of the Company is attached as Schedule "A" to this Prospectus.

Composition of the Audit Committee

The Company's audit committee (the "**Audit Committee**"), is currently comprised of Neil Branda, Jason Moreau and Paul Woodward, as set out in the table below.

Auditor	Title	Independent or Not	Financially Literate
Neil Branda	Director	Yes	Yes
Jason Moreau	Director	Yes	Yes

Paul Woodward	Chief Executive Officer, President & Director	No	Yes

A member of the Audit Committee is independent if he or she has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company's Board, reasonably interfere with the exercise of a member's independent judgment.

A member of the Audit Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company.

Relevant Education and Experience

Each member of the Audit Committee has adequate education and experience that would provide the member with:

(a) an understanding of the accounting principles used by the Company to prepare its financial statements;

(b) the ability to assess the general application of those principles in connection with estimates, accruals and reserves;

(c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and

(d) an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

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

Pre-Approval Policies and Procedures

The Audit Committee has not yet adopted specific policies and procedures for the engagement of non-audit services. Such matters are the subject of review and pre-approval by the Audit Committee.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Crowe MacKay LLP for the years ended December 31, 2016 and December 31, 2017, to the Company to ensure auditor independence. Fees billed for audit and non-audit services in the last fiscal years for audit fees are outlined in the following table:

Nature of Services	Fees Billed by Auditor for the Year Ended December 31, 2017	Fees Billed by Auditor for the Year Ended December 31, 2016
Audit Fees[(1)]	$18,000 (relating to audit fees for the years ended December 31, 2017 and December 31, 2016)	(Fees billed in connection with audit fees for year ended December 31, 2017)
Audit-Related Fees[(2)]	$0	$0
Tax Fees[(3)]	$1,500	$1,000
All Other Fees[(4)]	$0	$0
TOTAL:	$19,500	$1,000

Notes:

(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include all other non-audit services.

CORPORATE GOVERNANCE

General

Corporate governance refers to the policies and structure of the Board of a company whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the Board from executive management and the adoption of policies to ensure the Board recognizes the principles of good management. The Board is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Effective June 30, 2005, National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**") and National Policy 58-201 *Corporate Governance Guidelines* ("**NP 58-201**") were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices. This section sets out the Company's approach to corporate governance and describes the measures taken by the Company to comply with NI 58-101.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Company's Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

The Company's Board facilitates its exercise of independent judgement in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Company's Board requires management to provide complete and accurate information with respect to the Company's activities and to provide relevant information concerning the industry in which the Company operates in order to identify and manage risks. The Company's Board is responsible for monitoring the Company's officers, who in turn are responsible for the maintenance of internal controls and management information systems.

The following members of the Board are non-independent: Paul Woodward and Derek Lew.

The following members of the Board are independent: Jason Moreau and Neil Branda.

Other Reporting Issuer Experience

The following directors of the Company are directors of other reporting issuers as of the date of the Prospectus:

Director	Reporting Issuer:	Exchange Listed On & Symbol:
Paul Woodward	Advanced Proteome Therapeutics Corp.	TSX-V – V.APC
	Railtown Capital Corp.	N/A (not listed)
Derek Lew	Mobio Technologies Inc.	TSX-V – MBO

Orientation and Continuing Education

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company's properties, business, technology and industry and on the responsibilities of directors.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Further, the Company's auditor has full and unrestricted access to the Audit Committee at all times to discuss the audit of the Company's financial statements and any related findings as to the integrity of the financial reporting process.

Nomination of Directors

The Company's management is continually in contact with individuals involved in the mineral exploration industry and public-sector resource issuers. From these sources, the Company has made numerous contacts and continues to consider nominees for future board positions. The Company conducts due diligence and reference checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in the area of strategic interest to the Company, the ability to devote the time required and willingness to serve. The Board does not have a nominating committee.

Compensation

The Board as a whole determines salary and benefits of the executive officers and directors of the Company, and determines the Company's general compensation structure, policies and programs.

Other Board Committees

The Board has no other committees other than the Audit Committee.

Assessments

The Board works closely with management, and, accordingly, are in a position to assess the performance of individual directors on an ongoing basis.

LISTING APPLICATION AND CONDITIONAL LISTING APPROVAL

The Company has applied to list its Common Shares on the CSE. The CSE has not yet conditionally approved the listing of the Common Shares. Listing is subject the Company fulfilling all of the requirements of the CSE.

As at the date of the Prospectus, the Company does not have any of its securities listed and quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside of Canada and the United States of America.

RISK FACTORS

The Company has identified the following risks relevant to its business and operations, which could materially affect the Company's operating results, financial performance and the value of the Common Shares. The information below does not purport to be an exhaustive summary of the risks affecting the Company and additional risks and uncertainties not currently known to the officers or directors of the Company or not currently perceived as being material may have an adverse effect on the business of the Company.

The Company does not expect to pay any cash dividends

The Company may not achieve a level of profitability to permit payments of cash dividends to shareholders.

Management and directors

The Company's management may not be successful in managing the business of the Company. Further, management is under no contractual obligation to remain with the Company and the departure of members of management could cause the business to fail. The Company is dependent on the services of directors and officers who have varied business interests and are involved with other companies. No member of management has signed a written employment agreement with the Company and it may not always be possible to pay management at industry-competitive rates. In the event that any or all of the Company's directors and officers decide to resign, the Company may be unable to attract other qualified officers or directors, and their departure could cause the business to fail.

The Company's business is also dependent on retaining the services of a small number of key personnel of the appropriate caliber as the business develops. The future success of the Company will, to a significant degree, be reliant upon the retention of such key personnel.

Current global financial conditions may adversely impact the Company and the value of the Common Shares

Current global financial conditions have been subject to increased volatility and numerous financial institutions have either gone into bankruptcy or have had to be rescued by governmental authorities. Access to public financing has been negatively impacted by both the credit market crisis and the liquidity crisis affecting the asset-backed commercial paper market. These factors may impact the ability of the Company to obtain equity or debt financing in the future and, if obtained, on terms favourable to the Company. If these increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted, and the value of the Common Shares could be adversely affected.

Dilution

Common Shares, as well as rights, warrants, special warrants, subscription receipts and other securities to purchase, to convert into or to exchange into Common Shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board may determine. In addition, the Company may issue additional Common Shares from time to time pursuant to share purchase warrants and the options to purchase Common Shares issued from time to time by the Board. The issuance of Common Shares could result in dilution to existing securityholders.

Future sales by existing shareholders could cause the Company's share price to fall

Future sales of Common Shares by the Company or other shareholders could decrease the value of the Common Shares. The Company cannot predict the size of future sales by the Company or other shareholders, or the effect, if any, that such sales will have on the market price of the Common Shares. Sales of a substantial number of Common Shares, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares.

Profitability of the Company

There can be no assurance that the Company's business and strategy will enable it to become profitable or sustain profitability in future periods. The Company's future operating results will depend on various factors, many of which are beyond the Company's direct control, including the Company's ability to control its costs and general economic conditions. If the Company is unable to generate profits in the future, the market price of the Common Shares could decline.

Litigation

All industries, including the research and development industry, are subject to legal claims, with and without merit. Legal proceedings may arise from time to time in the course of the Company's business. Such litigation may be brought from time to time in the future against the Company. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Other than as disclosed elsewhere in this Prospectus, the Company is not currently subject to material litigation nor has the Company received an indication that any material claims are forthcoming. However, due to the inherent uncertainty of the litigation process, the Company could become involved in material legal claims or other proceedings with other parties in the future. The results of litigation or any other proceedings cannot be predicted with certainty. The cost of defending such claims may take away from management's time and effort and if the Company is incapable of resolving such disputes favourably, the resultant litigation could have a material adverse impact on the Company's financial condition, cash flow and results from operation.

Risks related to possible fluctuations in revenues and results

The Company may experience significant fluctuations in its quarterly and annual results of operations for a variety of reasons, many of which are outside of the Company's control. Any fluctuations may cause the Company's results of operations to fall below the expectations of securities analysts and investors. This would likely affect the ability of a purchaser to dispose of the Company's shares or the market price of the shares if trading of them is possible in a marketplace.

Negative cash flow from operations

During the fiscal year ended December 31, 2017 and for the nine month period ended September 30, 2018, the Company had negative cash flow from operating activities. Although the Company anticipates it will have positive cash flow from operating activities in future periods, to the extent that the Company has negative cash flow in any future period, it will need to raise additional funds to cover this short-fall.

Going concern risk

Our registered independent auditors have issued an opinion on our financial statements as of September 30, 2018 which includes a statement describing our going concern status. This means that there is substantial doubt that we can continue as an ongoing business for the next twelve months unless we obtain additional capital to pay our bills and meet our other financial obligations. This is because we have not generated any revenues and no revenues are anticipated until we begin to license our proprietary technology for royalty payments.

In addition to cash flow from operations, ongoing operations may be dependent on the Company's ability to obtain equity financing by the issuance of capital and to generate profitable operations in the future. Significant amounts of capital expenditures are required in order for the Company to execute its business plan and there are no assurances that the Company will have sufficient funds for this purpose.

Force majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Risks related to market demands

The markets that the Company participates in may not grow as expected or at all. While the Company's goal is to increase its revenues by expanding its customer base or revenues, there can be no assurance that it will succeed in doing so. As a result, revenues may stagnate or decline, which may increase the Company's losses.

Fluctuation and volatility in stock exchange prices

The market price of a publicly traded stock is affected by many variables, including the availability and attractiveness of alternative investments and the breadth of public market for the stock. In recent years, the securities markets have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies.

For instance, the market price for the Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond our control, including the following:

- actual or anticipated fluctuations in our quarterly results of operations;
- recommendations by securities research analysts;
- changes in the economic performance or market valuations of companies in the industry in which we operate;
- addition or departure of our executive officers and other key personnel;
- release or expiration of lock-up or other transfer restrictions on outstanding Common Shares;
- sales or perceived sales of additional Common Shares;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving us or our competitors;
- operating and share price performance of other companies that investors deem comparable to us;
- changes in global financial markets and global economies and general market conditions;
- operating and share price performance of other companies that investors deem comparable to the Company or from a lack of market comparable companies; and
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in our industry or target markets.

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if our operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which might result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, our operations could be adversely affected and the trading price of the Common Shares might be materially adversely affected.

Further, there can be no assurance that such variations will not affect the price of the Company's securities in the future and that the price of the Common Shares will not decrease after listing on the CSE.

Market for the company's securities

There has been no public trading market for the Common Shares. There can be no guarantee that an active and liquid trading market will develop or be maintained, the failure of which may have a material adverse effect on the value of the Common Shares and the ability of a purchaser to dispose of the Common Shares in a timely manner, or at all. In addition, the market price of the securities of the Company at any given point in time may not accurately reflect the long-term value of the Company.

Reporting issuer status and related requirements

As a reporting issuer, the Company will be subject to reporting requirements under applicable securities laws and stock exchange policies. Compliance with these requirements will increase legal and financial compliance costs, make some activities more difficult, time consuming or costly, and increase demand on existing systems and resources. Among other things, the Company will be required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm the Company's business and results of operations. The Company may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses.

Limited operating history

The Company is subject to all of the business risks and uncertainties associated with any early-state enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues.

Additional financing

The Company expects that it will require equity and/or debt financing to support ongoing operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to the Company when needed or on terms which are acceptable. The Company's inability to raise financing to fund on-going operations, capital expenditures or acquisitions could limit its growth and may have a material adverse effect upon the Company's business, results of operations, financial condition or prospects.

If additional funds are raised through further issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions.

Ongoing costs and obligations

The Company expects to incur significant ongoing costs and obligations related to its investment in infrastructure and growth and for regulatory compliance, which could have a material adverse impact on the Company's results of operations, financial condition and cash flows. In addition, unanticipated events could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company.

Competition

There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and experience than the Company. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition, results of operations or prospects of the Company.

Product approvals

The Company may require advance approval of its products from federal, provincial and/or local authorities. There is no guarantee that such products will be approved to the extent necessary. If the products are approved, there is a risk that any federal, provincial and/or local jurisdiction may revoke its approval for such products based on changes in laws or regulations or based on its discretion or otherwise. If any of the Company's products are not approved or any existing approvals are rescinded, there is the potential to lead to a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Research and development

Before the Company can obtain regulatory approval for the commercial sale of any of its licenses, it will be required to complete extensive trial testing to demonstrate safety and efficacy. Depending on the exact nature of trial testing, such trials can be expensive and are difficult to design and implement. The testing process is also time consuming and can often be subject to unexpected delays.

The timing and completion of trial testing may be subject to significant delays relating to various causes, including: inability to manufacture or obtain sufficient quantities of units and or test subjects for use in trial testing; delays arising from supporting relationships; delays in obtaining regulatory approvals to commence a study, or government intervention to suspend or terminate a study; delays, suspensions or termination of trial testing due to the applicable institutional review board or independent ethics board responsible for overseeing the study to protect research subjects; delays in identifying and reaching agreement on acceptable terms with prospective trial testing sites and subjects; variability in the number and types of subjects available for each study and resulting difficulties in identifying and enrolling subjects who meet trial eligibility criteria; scheduling conflicts; difficulty in maintaining contact with subjects after testing, resulting in incomplete data; unforeseen safety issues or side effects; lack of efficacy during trial testing; reliance on research organizations to conduct trial testing, which may not conduct such trials with good laboratory practices; or other regulatory delays.

Difficulty in developing products

If the Company cannot successfully develop its products, the Company may not be able to sell product licenses for royalty payments, which would adversely affect the Company's ability to effectively enter the market.

Success of new and existing products and services

The Company has committed, and expects to continue to commit, significant resources and capital to develop and market its existing product license and new product licenses. The Company's technology is relatively untested, and the Company cannot guarantee that it will achieve market acceptance for the technology, or other new technology that it may offer in the future. Moreover, the Company's technology may be subject to significant competition with offerings by new and existing competitors in the business similar to that of the Company. In addition, new products, services and enhancements may pose a variety of technical challenges and require the Company to attract additional qualified employees. The failure to successfully develop and market these new technology or new products or to hire qualified employees could seriously harm the Company's business, financial condition and results of operations.

Continued market acceptance by large OEMs and suppliers

The Company is substantially dependent on continued market acceptance of its technology by large OEMs and suppliers. The Company cannot predict the future growth rate and size of this market.

Director and officer control of Common Shares

The officers and directors of the Company currently hold (directly or indirectly) approximately 19.19% of the issued and outstanding Common Shares. In addition, 57.85% of the issued and outstanding Common Shares are held by Conation Capital Corp., which Paul Woodward is the President of. The Company's shareholders nominate and elect the Board, which generally has the ability to control the acquisition or disposition of the Company's assets, and the future issuance of its Common Shares or other securities. Accordingly, for any matters with respect to which a majority vote of the Common Shares may be required by law, the Company's directors and officers may have the ability to control such matters. Because the directors and officers control a substantial portion of such Common Shares, investors may find it difficult or impossible to replace the Company's directors if they disagree with the way the Company's business is being operated.

Difficulty to forecast

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the industry. A failure in the demand for its technology licenses to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations, financial condition or prospects of the Company.

Management of growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Internal controls

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's consolidated financial statements and materially adversely affect the trading price of the Common Shares.

Conflicts of interest

Certain of the directors and officers of the Company are, or may become directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of the Company and as officers and directors of such other companies.

Intellectual property risks

The Company has certain proprietary intellectual property, has applied for additional intellectual property and may seek protection for additional intellectual property in the future. The Company will rely on this intellectual property, know-how and other proprietary information, and may require employees, consultants and suppliers to sign confidentiality agreements. However, any confidentiality agreement may be breached, and the Company may not have adequate remedies for such breaches. Third parties may independently develop substantially equivalent proprietary information without infringing upon any proprietary technology. Third parties may otherwise gain access to the Company's proprietary information and adopt it in a competitive manner. Any loss of intellectual property protection may have a material adverse effect on the Company's business, results of operations or prospects.

Fraudulent or illegal activity by employees, contractors and consultants

The Company is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to the Company that violates: (i) government regulations; (ii) manufacturing standards; (iii) federal and provincial healthcare fraud and abuse laws and regulations; or (iv) laws that require the true, complete and accurate reporting of financial information or data. It may not always be possible for the Company to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against Company, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on the Company's business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of the Company's operations, any of which could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Information technology systems and cyber-attacks

The Company's operations depend, in part, on how well it and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

The Company has not experienced any material losses to date relating to cyber-attacks or other information security breaches, but there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Operating risks and insurance

The Company's operations are subject to hazards inherent in its industry, such as equipment defects, malfunction and failures, natural disasters which result in fires, accidents and explosions that can cause personal injury, loss of life, suspension of operations, damage to facilities, business interruption and damage to or destruction of property, equipment and the environment, labour disputes, and changes in the regulatory environment. These risks could expose the Company to substantial liability for personal injury, wrongful death, property damage, pollution, and other environmental damages. The frequency and severity of such incidents will affect operating costs, insurability and relationships with customers, employees and regulators.

The Company continuously monitors its operations for quality control and safety. However, there are no assurances that the Company's safety procedures will always prevent such damages. Although the Company maintains insurance coverage that it believes to be adequate and customary in the industry, there can be no assurance that such insurance will be adequate to cover its liabilities. In addition, there can be no assurance that the Company will be able to maintain adequate insurance in the future at rates it considers reasonable and commercially justifiable. The occurrence of a significant uninsured claim, a claim in excess of the insurance coverage limits maintained by the Company, or a claim at a time when it is not able to obtain liability insurance, could have a material adverse effect on the Company, the Company's ability to conduct normal business operations and on the Company's business, financial condition, results of operations and cash flows in the future.

Uninsured or uninsurable risk

The Company may be subject to liability for risks against which it cannot insure or against which the Company may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for the Company's normal business activities. Payment of liabilities for which the Company does not carry insurance may have a material adverse effect on the Company's financial position and operations.

Issuance of debt

From time to time, the Company may enter into transactions to acquire assets or the shares of other organizations. These transactions may be financed in whole or in part with debt, which may increase the Company's debt levels above industry standards for companies of similar size. Depending on future development plans, the Company may require additional equity and/or debt financing that may not be available or, if available, may not be available on favourable terms to the Company. Neither the Company's articles nor its by-laws limit the amount of indebtedness that the Company may incur. As a result, the level of the Company's indebtedness from time to time, could impair its ability to obtain additional financing on a timely basis to take advantage of business opportunities that may arise.

Financial projections may prove materially inaccurate or incorrect

The Company's financial estimates, projections and other forward-looking information accompanying this Prospectus were prepared by the Company without the benefit of reliable historical industry information or other information customarily used in preparing such estimates, projections and other forward-looking information. Such forward-looking information is based on assumptions of future events that may or may not occur, which assumptions may not be disclosed in such documents. Investors should research the Company and become familiar with the assumptions underlying any estimates, projections or other forward-looking information. Projections are inherently subject to varying degrees of uncertainty and their achievability depends on the timing and probability of a complex series of future events. There is no assurance that the assumptions upon which these projections are based will be realized. Actual results may differ materially from projected results for a number of reasons including increases in operation expenses, changes or shifts in regulatory rules, undiscovered and unanticipated adverse industry and economic conditions, and unanticipated competition. Accordingly, investors should not rely on any projections to indicate the actual results the Company might achieve.

Certain remedies and rights to indemnification may be limited

The Company's governing documents provide that the liability of its Board and officers is eliminated to the fullest extent allowed under the laws of British Columbia. Thus, the Company and the shareholders of the Company may be prevented from recovering damages for alleged errors or omissions made by the members of the Board and its officers. The Company's governing documents also provide that the Company will, to the fullest extent permitted by law, indemnify members of the Board and its officers for certain liabilities incurred by them by virtue of their acts on behalf of the Company.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is not a party to any legal proceedings or regulatory actions against it, nor to the best of its knowledge are any legal proceedings or regulatory actions threatened or pending.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Prospectus, no insider, director or executive officer of the Company and no associate or affiliate of any director, executive officer or insider has any material interest, direct or indirect, in any transaction within the three years before the date of the Prospectus that has materially affected or is reasonably expected to materially affect the Company.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of the Company is Crowe MacKay LLP, located at 1100-1177 West Hastings Street, Vancouver, British Columbia, V6E 4T5.

The transfer agent and registrar for the Common Shares of the Company is National Issuer Services Ltd, located at 760 - 777 Hornby St. Vancouver, British Columbia, V6C 1S4.

EXPERTS

Crowe MacKay LLP has audited the Company's financial statements for the years ended December 31, 2016 and December 31, 2017. Crowe MacKay LLP is independent in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the Escrow Agreement (as defined herein) is the only material contract entered into by the Company within two years prior to the date of this Prospectus which is currently in effect and considered to be currently material.

OTHER MATERIAL FACTS

To management's knowledge, there are no other material facts about the Company which are not otherwise disclosed in this Prospectus.

FINANCIAL STATEMENTS AND MD&A

The following financial statements are attached to this Prospectus:

1. Audited financial statements of the Company for the years ended December 31, 2016 and December 31, 2017.

2. MD&A of the Company for the year ended December 31, 2017.

3. Unaudited (reviewed) financial statements of the Company for the nine month period ended September 30, 2018.

4. MD&A of the Company for the nine month period ended September 30, 2018.

Audited financial statements of the Company
for the years ended December 31, 2016 and December 31, 2017

Aether Catalyst Solutions, Inc.

Financial Statements

(Expressed in Canadian Dollars)

Years Ended December 31, 2017 and 2016

Corporate Head Office

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Independent Auditor's Report

To the Board of Directors of
Aether Catalyst Solutions Inc

We have audited the accompanying financial statements of Aether Catalyst Solutions Inc, which comprise the statements of financial position as at December 31, 2017 and December 31, 2016, and the statements of comprehensive loss, changes in deficiency and cash flows for the years then ended, 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.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits 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 auditor's 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 audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Aether Catalyst Solutions Inc as at December 31, 2017 and December 31, 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of matter
Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes the material uncertainty that may cast significant doubt about the ability of Aether Catalyst Solutions Inc to continue as a going concern.

"Crowe MacKay LLP"

Chartered Professional Accountants
Vancouver, British Columbia
October 2, 2018

Aether Catalyst Solutions, Inc.
Statements of Financial Position
(Expressed in Canadian dollars)

		December 31, 2017		December 31, 2016
ASSETS				
Current assets				
Cash	$	3,881	$	7,358
GST receivable		11,257		14,820
		15,138		22,178
Equipment (Note 3)		13,051		17,173
	$	28,189	$	39,351
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)				
Current liabilities				
Accounts payable and accrued liabilities (Note 4)	$	152,283	$	269,077
Loans payable (Notes 5 and 7)		11,253		276,941
		163,536		546,018
Shareholders' deficiency				
Share capital (Note 6)		740,684		100
Subscriptions received in advance (Note 11)		15,000		-
Deficit		(891,031)		(506,767)
		(135,347)		(506,667)
	$	28,189	$	39,351

Nature and continuance of operations (Note 1)

APPROVED ON BEHALF OF THE DIRECTORS:

"Paul Woodward" Director *"Jason Moreau"* Director
Paul Woodward Jason Moreau

These accompanying notes form an integral part of these financial statements.

Aether Catalyst Solutions, Inc.
Statements of Comprehensive Loss
(Expressed in Canadian dollars)

	For the years ended December 31, 2017	2016
Expenses		
Amortization (Note 3)	$ 4,122	$ 3,434
Consulting fees (Note 7)	126,050	66,760
Interest	7,526	200
Office, supplies and miscellaneous	22,814	20,561
Professional fees	24,364	9,929
Rent	59,644	74,545
Wages (Note 7)	305,326	168,735
Write-off of GST receivable	-	7,800
	549,846	351,964
Other income		
Grants and government tax credits	(165,582)	(40,585)
Net loss and comprehensive loss for the year	$ (384,264)	$ (311,379)
Basic loss per share	$ (0.01)	$ (0.03)
Weighted average number of shares outstanding	58,699,887	10,000,000

These accompanying notes form an integral part of these financial statements.

Aether Catalyst Solutions, Inc.
Statement of Changes in Deficiency
(Expressed in Canadian dollars)

	Number of shares	Share Capital	Subscriptions received in advance	Deficit	Total
Balance, December 31, 2015	**10,000,000**	**$ 100**	**$ -**	**$ (195,388)**	**$ (195,288)**
Net loss for the year	-	-	-	(311,379)	(311,379)
Balance, December 31, 2016	**10,000,000**	**100**	**-**	**(506,767)**	**(506,667)**
Shares issued for cash	3,384,967	101,549	-	-	101,549
Shares issued to settle debts	47,403,483	474,035	-	-	474,035
Shares issued for services	5,500,000	165,000	-	-	165,000
Subscriptions received in advance	-	-	15,000	-	15,000
Net loss for the year	-	-	-	(384,264)	(384,264)
Balance, December 31, 2017	**66,288,450**	**$ 740,684**	**$ 15,000**	**$ (891,031)**	**$ (135,347)**

These accompanying notes form an integral part of these financial statements.

Aether Catalyst Solutions, Inc.
Statements of Cash Flows
(Expressed in Canadian dollars)

	For the years ended December 31, 2017	2016
Cash flows from operating activities		
Net loss for the year	$ (384,264)	$ (311,379)
Changes in non-cash items:		
Amortization	4,122	3,434
Write off of GST	-	7,800
Shares issued for services	165,000	-
Changes in non-cash working capital items:		
GST receivable	3,563	(4,991)
Accounts payable and accrued liabilities	80,253	93,101
Cash used in operating activities	(131,326)	(212,035)
Cash flows from investing activities		
Purchase equipment	-	(20,607)
Cash provided by financing activities	-	(20,607)
Cash flows from financing activities		
Proceeds from issuance of shares	101,549	-
Subscriptions received in advance	15,000	-
Proceeds from loans	58,591	240,000
Repayment of loans	(47,291)	-
Cash provided by financing activities	127,849	240,000
Change in cash	(3,477)	7,358
Cash, beginning of the year	7,358	-
Cash, end of the year	$ 3,881	$ 7,358
Supplementary cash flow information		
Non-cash financing activities		
Shares issued for debt settlement	$ 474,035	$ -
Cash paid for interest	$ -	$ -

These accompanying notes form an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Aether Catalyst Solutions, Inc. ("Aether" or the "Company") was incorporated under the British Columbia Business Corporations Act ("BCBCA") on July 8, 2011. The Company's principal business activity is commercializing patent pending catalyst technology, first for use in automotive emissions abatement.

These financial statements have been prepared on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and/or obtaining additional financing.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future which is at least, but not limited to, 12 months from October 2, 2018. Management is aware, in making its assessment, of material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern, as explained in the following paragraph.

The Company has sustained losses from operations and does not have sufficient cash to finance its current plans for at least 12 months from the date of this document. The Company expects that it will need to raise substantial additional capital to accomplish its business plan over the next several years. The Company expects to seek additional financing through equity financing. There can be no assurance as to the availability or terms upon which such financing might be available.

These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

<u>Statement of compliance</u>

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

These financial statements have been prepared on a historical cost basis except for certain financial instruments at fair value, if applicable. In addition these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The policies applied in the financial statements are presented below and are based on IFRS issued and outstanding as of October 2, 2018, the date the Board of Directors approved the financial statements.

Use of estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting periods. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting judgments

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

i) The ability of the Company to continue as a going concern.

Critical accounting estimates

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to, the following:

Income taxes

The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements.

Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur. Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax assets and liabilities, and tax planning initiatives.

Cash

Cash includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

Financial Instruments

All financial instruments are initially recognized at fair value net of transaction costs. The Company has classified its cash as loans-and-receivables and its financial liabilities as other-financial-liabilities.

Loans-and-receivables and other-financial-liabilities are subsequently measured at amortized cost using the effective interest method.

Government Contributions

Government funding of eligible research and development expenditures is recognized when there is reasonable assurance that the Company will comply with the conditions attached to the grant and the grant will be received. The Company presents the grant in the statement of comprehensive loss. Tax credits are recognized in the statement of comprehensive loss when received.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Equipment

Equipment is stated at cost less accumulated amortization and impairment losses. The residual value, useful life and amortization method are evaluated every reporting period and changes to the residual value, estimated useful life or amortization method resulting from such review are accounted for prospectively. Amortization for equipment is provided for at straight line over 5 years.

Income Taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company has classified its common shares as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings / Loss Per Share

Basic earnings/loss per share is computed by dividing the net income or loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based Payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

When equity instruments are granted to non-employees, they are recorded at the fair value of the goods and services received, unless the fair value of the goods and services received cannot be reasonably measured, in which case they are measured using the fair value of the equity instruments issued. Expenses are recorded in profit or loss. Amounts related to the cost of issuing shares are recorded as a reduction of share capital. Amounts related to the issuance of shares for exploration and evaluation assets are capitalized in exploration and evaluation assets on the statement of financial position.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in a reserve is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

Segmented Reporting

The Company operates in a single reportable operating segment - the commercialization of patent pending catalyst technology, first for use in automotive emissions abatement.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

New accounting standards and recent pronouncements

The Company has not applied the following new or revised standards and amendments that have been issued but are not yet effective for the Company's 2018 reporting periods:

- New standard IFRS 9, *Financial Instruments*, Classification and Measurement is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, "Financial Instruments: Recognition and Measurement." IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss. The standard is effective for annual periods beginning on or after January 1, 2018.

- New standard IFRS 15, *Revenue from Contracts with Customers* provides a single principle-based framework to be applied to all contracts with customers. IFRS 15 replaces the previous revenue standard IAS 18, Revenue, and the related Interpretations on revenue recognition. The standard scopes out contracts that are considered to be lease contracts, insurance contracts and financial instruments. The new standard is a control-based model as compared to the existing revenue standard which is primarily focused on risks and rewards. Under the new standard, revenue is recognized when a customer obtains control of a good or service. Transfer of control occurs when the customer has the ability to direct the use of and obtain the benefits of the good or service. This standard is effective for reporting periods beginning on or after January 1, 2018.

- New standard, IFRS 16, *Leases* was issued in January 2016 and specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. This standard is effective for reporting periods beginning on or after January 1, 2019.

The Company is currently evaluating the impact the new accounting standards are expected to have on its financial statements and will adopt them when they become effective.

(Expressed in Canadian dollars)

3. EQUIPMENT

		Total
Cost		
Balance, December 31, 2015	$	-
Additions		20,607
Balance, December 31, 2016 and 2017	$	20,607
Amortization		
Balance, December 31, 2015	$	-
Amortization		3,434
Balance, December 31, 2016		3,434
Amortization		4,122
Balance, December 31, 2017	$	7,556
Net Book Value, December 31, 2016	$	17,173
Net Book Value, December 31, 2017	$	13,051

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Payables and accrued liabilities for the Company are broken down as follows:

		December 31, 2017		December 31, 2016
Trade payables	$	58,327	$	41,505
Accrued liabilities		15,000		-
Due to government		32,126		5,596
Due to related parties (Note 7)		46,830		221,976
Total	$	152,283	$	269,077

5. LOANS PAYABLE

During the year ended December 31, 2017, the Company:

i) entered into a $38,791 secured promissory note bearing 12% annual simple interest and a four month repayment term. The Company repaid the loan in full during the year ended December 31, 2017, including interest of $2,915 and a loan bonus of $3,103.

ii) received non-interest bearing loans with no fixed terms of repayment totaling $15,800. The Company repaid $8,500 during the year ended December 31, 2017.

iii) received loans from a director and officer, and a company with common directors totaling $4,000. The loans are non-interest bearing, have no fixed terms of repayment and are outstanding at December 31, 2017.

During the year ended December 31, 2016, the Company received loans from a company with common directors in the amount totaling $240,000. The loans were non-interest bearing and had no fixed terms of repayment. The cumulative loan balance of $276,941 was settled with the Company's shares during the year ended December 31, 2017.

6. SHARE CAPITAL

Authorized

Unlimited common shares without par value

Issued

During the year ended December 31, 2017, the Company:

i) issued 3,384,967 common shares at a price of $0.03 per share for total proceeds of $101,549.

ii) issued 47,403,483 common shares at a price of $0.01 per share to settle debts of $474,035.

iii) issued 5,500,000 common shares valued at $0.03 per share for consulting fees and wages of $165,000.

During the year ended December 31, 2016 the Company did not issue any shares.

(Expressed in Canadian dollars)

7. RELATED PARTY TRANSACTIONS

	For the year ended December 31, 2017	2016
Transactions with Key Management Personnel		
Consulting fees paid to a director, officers, a company with common directors and a company owned by a director and officer	$ 121,050	$ 49,000

During the year ended December 31, 2017, the Company issued 4,185,000 shares to officers and a director for consulting fees and wages of $125,550.

As at December 31, 2017, accounts payable and accrued liabilities include $46,830 (December 31, 2016 - $221,976) owing to a company owned by a director, officers and companies with common directors. The amounts are unsecured, non-interest bearing and have no specific terms of repayment.

As at December 31, 2017, loans payable include $8,953 (December 31, 2016 - $276,941) owing to a director and companies with common directors. The amounts are unsecured, non-interest bearing and have no specific terms of repayment.

During the year ended December 31, 2017, the company issued 45,413,328 shares to a director and a company with common directors to settle debt of $454,133.

8. INCOME TAXES

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

		2017		2016
Net loss for the year before income taxes	$	(384,264)	$	(311,379)
Statutory income tax rate		26 %		26 %
Income tax benefit computed at statutory tax rate		(99,909)		(80,959)
Items not deductible for income tax purposes		28,659		-
Effect of tax rate change		(7,808)		-
Change in unrecognized benefit of deferred income tax assets		79,058		80,959
Deferred income tax expense	$	-	$	-

The significant components of the Company's deferred income tax assets at December 31, 2017 and 2016 are presented below:

		2017		2016
Non-capital losses carried forward	$	172,000	$	93,000
Capital assets		2,000		1,000
SR&ED pool and ITC		37,000		38,000
Unrecognized deferred income tax assets	$	211,000	$	132,000

The Company has non-capital losses of $637,000 (2016 - $356,000) available for carry-forward to reduce future years' income for income tax purposes, if not utilized, will expired between 2032 and 2037.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair Value of Financial Instruments

The fair value of cash, accounts payable and accrued liabilities and loans payable approximates their carrying value due to their immediate or short-term nature, unless otherwise noted.

Fair Value Hierarchy

Financial instruments recorded at fair value on the Statement of Financial Position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – valuation techniques based on inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at December 31, 2017, the Company is not exposed to any significant credit risk.

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rate. The Company does not believe it is exposed to significant currency risk as funds are held in Canadian currency and there are no significant foreign exchange currency transactions.

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 the risk that the value of financial instruments will change due to movement in market interest rates. The Company does not hold interest-bearing debt with long-term maturities and therefore does not believe that interest rate risk is significant. The Company does not use derivative instruments to reduce its interest rate risk as the Company's management believes that the likely financial impact of interest rate changes does not justify using derivatives.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with the Company's financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. Accounts payable and accrued liabilities are current. The Company addresses its liquidity risk through equity financing obtained through the sale of common shares and the exercise of warrants and options.

10. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, sell assets to reduce debt or return capital to shareholders. There were no changes in the Company's approach to capital management during the years ended December 31, 2017 and 2016. The Company is not subject to externally imposed capital requirements.

11. SUBSEQUENT EVENTS

Subsequent to December 31, 2017, the Company:

i) issued 7,060,000 units at a price of $0.05 per unit for gross proceeds of $353,000. Each unit consists of 1 share and 1 share purchase warrant exercisable at $0.075 to purchase 1 share for 18 month.

ii) issued 3,654,965 common shares at a price of $0.03 per share for gross proceeds of $109,649. $15,000 was received during the year ended December 31, 2017.

iii) issued 200,000 common shares at a price of $0.03 per share to settle debt of $6,000.

MD&A of the Company
for the year ended December 31, 2017

Aether Catalyst Solutions, Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year ended December 31, 2017

GENERAL

The following Management's discussion and analysis (MD&A) is dated October 2, 2018 and should be read in conjunction with the audited financial statements and notes for fiscal years ended December 31, 2017 and 2016.

All dollar amounts included therein and in the following management's discussion and analysis ("MD&A") are in Canadian dollars except where noted.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A may constitute "forward-looking statements". Such term is defined in applicable securities laws. The forward-looking information includes, without limitation, the success of research and development activities and other similar statements concerning anticipated future events, conditions or results that are not historical facts. These statements reflect management's current estimates, beliefs, intentions and expectations; they are not guarantees of future performance. The Company cautions that all forward-looking information is inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond the Company's control. Such factors include, among others, risks relating to research and development; the Company's intellectual property applications being approved, the Company's ability to protect its proprietary rights from unauthorized use or disclosure, the ability of the Company to obtain additional financing; the Company's limited operating history; the need to comply with environmental and governmental regulations; fluctuations in currency exchange rates; operating hazards and risks; competition; and other risks and uncertainties. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Accordingly, actual future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. All statements are made as of the Report Date and, except as required by law, the Company is under no obligation to update or alter any forward-looking information.

DESCRIPTION OF BUSINESS

Aether Catalyst Solutions, Inc. ("Aether" or the "Company") was incorporated under the British Columbia Business Corporations Act ("BCBCA") on July 8, 2011. The Company's principal business activity is commercializing patent pending catalyst technology, first for use in automotive emissions abatement.

OVERALL PERFORMANCE

The Company has no revenues, so its ability to ensure continued operations is its ability to obtain the necessary funding to complete development of its base metal catalytic material.

During 2017, the Company continued development, testing, and analysis of its catalyst, working towards filing a provisional patent.

Also during the year, the Company initiated contact with an Asian OEM, (the Company currently has a testing relationship with a North American OEM).

SUMMARY OF ANNUAL RESULTS

Year Ended	**December 31, 2017**	**December 31, 2016**
Net Loss for the Year	$384,264	$311,379
Basic Loss per Share	$(0.01)	$(0.03)
Total Assets	$28,189	$39,351
Total Liabilities	$163,536	$546,018

QUARTERLY INFORMATION

	2017	**2017**	**2017**	**2017**
Quarter Ended	**Dec. 31**	**Sept. 30**	**Jun. 30**	**Mar. 31**
Cash	$ 3,881	$ 9,162	$ 18,514	$ 1,590
Accounts payable	152,283	105,391	119,502	107,167
Net income (loss) for the quarter	(195,895)	12,405	(128,802)	(71,972)
Net income (loss) per share (Basic and diluted)	(0.00)	0.00	(0.00)	(0.00)

	2016	**2016**	**2016**	**2016**
Quarter Ended	**Dec. 31**	**Sept. 30**	**Jun. 30**	**Mar. 31**
Cash	$ 7,358	$ 2,900	$ 112,764	$ -
Accounts payable	269,077	190,134	191,083	185,488
Net income (loss) for the quarter	(57,383)	(104,063)	(92,587)	(57,346)
Net income (loss) per share (Basic and diluted)	(0.00)	(0.00)	(0.00)	(0.00)

RESULTS OF OPERATIONS

Year ended December 31, 2017

Net loss and comprehensive loss for the year ended December 31, 2017 increased by $72,885. The change was primarily due to the following:

- Consulting fees increased to $126,050 (2016 $66,760) as a result of:

- Management consulting was $35,000 (2016 $49,000) as a result of our VP Research changing from consultant to employee.
    - Scientific consulting was $0 (2016 $17,760) as a result of no scientific consultants engaged during the period.
    - One time share payments to directors and officers of $91,050 (2016 $0)
- Professional fees increased to $24,364 (2016 $9,929) as a result of:
    - Legal fees were $6,164 (2016 $9929) due to more paralegal work being taken in house
    - Accounting fees were $18,200 (2016 - $0) as a result of accrual of accounting fees to be associated with audits.
- Rent decreased to $59,644 (2016 $74,545); rent includes equipment usage at 4D Labs, and tool usage decreased year over year
- Wages increased to $305,326 (2016 $168,735) primarily as a result of the following two factors
    - The Company paid wages for 9 months of 2016 versus a full year in 2017
    - The Company made a one time share payment to employees of $73,950 (2016 $0)
- Grants and government tax credits increased to $165,582 (2016 $40,585) due to:
    - Government grants increasing to $66,215 (2016 $40,585) due to:
        - NRC-IRAP program grants increasing to $54,415 (2016 $40,585) due to the grant straddling two years with the majority occurring in 2017.
        - Various co-op grants increased to $11,800 (2016 $0)
    - Receipts from the SR&ED program increased to $99,367 (2016 $0)

<u>Three Months Ended December 31, 2017</u>

During the three months ended December 31, 2017, the Company recorded a net loss of $195,895 (2016 - $(57,383). Significant fluctuations include the following:

- Consulting expense increased to $69,700 (2016 $5,795) as a result of:
    - Share payment to directors and officers of $60,700 (2016 $0)
    - Management consulting increased to $9,000 (2016 $6,000)
    - Scientific consulting decreased to $0 (2016 $(205))
- Payroll expense increased to $106,895 (2016 $46,015) due primarily to the following:
    - Payment to co-op employees increased to $7,935 (2016 $0)
    - Share payment to employees increased to $49,300 (2016 $0)
- Professional fees increased to $15,000 (2016 $0) due to accruals for 2017 audit

LIQUIDITY AND CAPITAL RESOURCES AND GOING CONCERN

Working capital deficiency at December 31, 2017 decreased to $(148,398) (2016 - $(523,840)) primarily as a result of the issuance of shares to settle a debt of $474,035 and the company’s capital raising $116,549 (2016 - $0) that somewhat mitigated cash outflows.

Cash flows from operating activities for the year ended December 31, 2017 were $(131,326) (2016 $(212,035) the variance was primarily due to the following:

- Government Grants received $165,582 (2016 $40,585)
- Cash operating expenses $384,846 (2016 $351,964)

Cash flows from investing activities was $0 (2016 $20,607) due to no equipment purchases in 2017

Cash flows from financing activities was $127,849 (2016 $240,000) the variance was primarily due to the following:

- Proceeds from share issuances $116,549 (2016 $0)
- Proceeds from loans $58,591 (2016 $240,000)
- Repayment of loans $47,291 (2016 $0)

The annual financial statements were prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), 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 for the foreseeable future. The operations of the Company were primarily funded by the issue of share capital and loans. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties and lenders, complete sufficient public equity financing, or generate profitable operations in the future. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the company be unable to continue in business.

The Company is in the business of research and development of a catalytic material, first for use in automotive emissions abatement, that by its nature involves a high degree of risk. There can be no assurance that current development programs will result in a commercial product. The Company's continued existence is dependent upon the continued progression of its research and development program, the further development of commercial partnerships, and, the continued ability of the Company to obtain financing. Additionally, the Company estimates that it will need additional capital to operate some time in 2021. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements or obligations that are not disclosed in the financial statements.

RELATED PARTY TRANSACTIONS

	For the year ended December 31, 2017	2016
Transactions with Key Management Personnel		
Consulting fees paid to a director, officers, a company with common directors and a company owned by a director and officer	$ 121,050	$ 49,000

During the year ended December 31, 2017, the Company issued 4,185,000 shares to officers and a director for consulting fees and wages of $125,550.

As at December 31, 2017, accounts payable and accrued liabilities include $46,830 (December 31, 2016 - $221,976) owing to a company owned by a director, officers and companies with common directors. The amounts are unsecured, non-interest bearing and have no specific terms of repayment.

As at December 31, 2017, loans payable include $8,953 (December 31, 2016 - $276,941) owing to a director and companies with common directors. The amounts are unsecured, non-interest bearing and have no specific terms of repayment.

During the year ended December 31, 2017, the Company issued 45,413,328 shares to a director and a company with common directors to settle debt of $454,133.

CHANGES IN ACCOUNTING STANDARDS

Please refer to the December 31, 2017 annual financial statements for accounting policy pronouncements.

FINANCIAL INSTRUMENTS

Financial Risk Management
The Company is exposed to minimal financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Foreign currency risk
The Company operates primarily in Canada and is not currently exposed to foreign currency risk.

Credit Risk
The Company's cash and cash equivalents are mainly held through a large Canadian financial institution minimizing credit risk.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital resources as outlined in Note 8 of the financial statements. The Company's objective is to ensure that there are sufficient committed financial resources to meet its business requirements for a minimum of twelve months.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's cash is held mainly in deposit accounts and therefore there is currently minimal interest rate risk.

RISKS AND UNCERTAINTIES

An investment in the common shares of the Company should be considered highly speculative due to the nature of the business of the Company, consisting of research, development and commercialization of patents for industrial products, as well the Company's present stage of its development and its lack of operating history. In evaluating the business of the Company, readers should carefully consider the following risk factors. Additional risks not currently known to the Company as of the date hereof may also impair future business operations of Company. The list below is not a definitive list of all risk factors associated with the business of the Company.

Financing and Share Price Fluctuation Risks

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further research and development of its projects. Further research and development of one or more of the Company's projects may be dependent upon the Company's ability to obtain financing through equity or debt financing or other means. Failure to obtain this financing could result in delay or indefinite postponement of further research and development of its projects.

Intellectual Property Protection Risks

The Company cannot provide any assurance that any intellectual property applications will be approved. Even if they are approved, such patents, trademarks or other intellectual property registrations may be successfully challenged by others or invalidated. The success of the Company and its ability to compete are substantially dependent on its internally developed technologies and processes which the Company will need to protect through a combination of patent, copyright, trade secret and trademark law.

The trademark, copyright and trade secret positions of the Company's business are uncertain and involve complex and evolving legal and factual questions. In addition, there can be no assurance that competitors will not seek to apply for and obtain trademarks and trade names that will prevent, limit or interfere with the Company's processes. Litigation or regulatory proceedings, which could result in substantial cost and uncertainty to the Company, may also be necessary to enforce the intellectual property rights of the Company or to determine the scope and validity of other parties' proprietary rights. There can be no assurance that the Company will have the financial resources to defend its patents, trademarks and copyrights from infringement or claims of invalidity.

The patent positions of emerging companies can be highly uncertain and involve complex legal and factual questions. Thus, there can be no assurance that any patent applications made by or on behalf of the Company will result in the issuance of patents, that the Company will develop additional proprietary products that are patentable, that any patents issued to the Company will provide the Company with any competitive advantages or will not be challenged by any third parties, that the patents of others will not impede the ability of the Company to do business or that third parties will not be able to circumvent the patents assigned or licensed to the Company. Furthermore, there can be no assurance that others will not independently develop similar products, duplicate any of the Company's products or, if patents are issued and licensed to the Company, design around the patented product developed for the benefit of the Company.

Since patent applications are maintained in secrecy for a period of time after filing, and since publication of discoveries in the scientific or patent literature often lags behind actual discoveries, the Company cannot be certain that the inventors of the patents were the first creators of inventions covered by pending applications, or that it was the first to file patent applications for such inventions. There can be no assurance that the Company's patents, if issued, would be valid or enforceable by a court or that a competitor's technology or product would be found to infringe such patents.

The Company is not currently aware of any claims asserted by third parties that the Company's intellectual property infringes on their intellectual property. However, in the future, a third party may assert a claim that the Company infringes on their intellectual property. If the Company is forced to defend against these claims, which may be with or without any merit or whether they are resolved in favour or against the Company, the Company may face costly litigation and diversion of management's attention and resources. As a result of such a dispute, the Company may have to develop costly non-infringement technology or enter into license agreements which may not be available at favourable terms.

Performance and Scalability Risks

To be successful, the Company will have to successfully scale its internally developed technology while maintaining high product quality and reliability. If the Company cannot maintain high product quality on a large scale, the Company will be adversely affected. The success of the Company and its ability to compete are substantially dependent on its internally developed technologies.

Competition Risks

Despite efforts by the Company to protect its proprietary rights on which the Company's business is dependent, competitive products may be developed in the future. Competition could adversely affect the Company's ability to acquire market share.

Early Stage Risks

The Company is currently at an early stage of development and subject to start up risks, including startup losses, lack and uncertainty of revenues, risks in the commercialization process, lack of profitability and the need to raise additional funding.

OUTSTANDING SHARE DATA AT OCTOBER 2, 2018

As of October 2, 2018, there were 77,203,415 common shares issued and outstanding. Additionally, there are 7,060,000 share purchase warrants issued and outstanding with an exercise price of $0.075, which will expire in 2020.

Unaudited (reviewed) financial statements of the Company for the nine month period ended September 30, 2018

Aether Catalyst Solutions, Inc.

Condensed Interim Financial Statements

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

For the period ended September 30, 2018

<u>Corporate Head Office</u>

Suite 911 – 850 West Hastings Street
Vancouver, BC
V6C 1E1

Aether Catalyst Solutions, Inc.
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)

	September 30, 2018	December 31, 2017
	(Unaudited)	(Audited)
ASSETS		
Current assets		
Cash	$ 315,605	$ 3,881
Prepaid	10,500	-
GST receivable	11,408	11,257
	337,513	15,138
Equipment (Note 3)	15,957	13,051
	$ 353,470	$ 28,189
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current liabilities		
Accounts payable and accrued liabilities (Note 4)	$ 130,098	$ 152,283
Loans payable (Notes 5 and 7)	2,253	11,253
	132,351	163,536
Shareholders' equity (deficiency)		
Share capital (Note 6)	1,207,913	740,684
Subscriptions receivable (Note 6)	(450)	-
Subscriptions received in advance (Note 10)	107,000	15,000
Deficit	(1,093,344)	(891,031)
	221,119	(135,347)
	$ 353,470	$ 28,189

Nature and continuance of operations (Note 1)

APPROVED ON BEHALF OF THE DIRECTORS:

"Paul Woodward"	Director	*"Jason Moreau"*	Director
Paul Woodward		Jason Moreau	

These accompanying notes form an integral part of these condensed interim financial statements.

Aether Catalyst Solutions, Inc.
Condensed Interim Statements of Comprehensive Loss
(Unaudited - Prepared by Management)
(Expressed in Canadian dollars)

	For the three months ended September 30, 2018	For the three months ended September 30, 2017	For the nine months ended September 30, 2018	For the nine months ended September 30, 2017
Expenses				
Amortization (Note 3)	$ 1,564	$ 1,030	$ 4,691	$ 3,030
Consulting fees (Note 7)	13,945	14,000	32,885	117,050
Interest	-	2,916	8,195	4,423
Office, supplies and miscellaneous	7,772	10,152	22,342	28,442
Professional fees	7,839	-	16,756	9,364
Rent	19,005	14,945	51,161	41,117
Travel	-	-	1,407	-
Wages (Note 7)	44,826	59,062	151,596	237,795
	94,951	102,105	289,033	441,221
Other income				
Grants and government tax credits	(2,700)	(114,510)	(86,720)	(159,522)
Net income (loss) and comprehensive income (loss) for the period	$ (92,251)	$ 12,405	$ (202,313)	$ (281,699)
Basic income (loss) per share	$ (0.00)	$ 0.00	$ (0.01)	$ (0.01)
Weighted average number of shares outstanding	37,137,971	32,151,742	35,071,359	28,174,350

These accompanying notes form an integral part of these condensed interim financial statements.

Aether Catalyst Solutions, Inc.
Condensed Interim Statement of Changes in Equity (Deficiency)
(Unaudited - Prepared by Management)
(Expressed in Canadian dollars)

	Number of shares		Share Capital		Subscriptions receivable		Subscriptions received in advance		Deficit		Total
Balance, December 31, 2016	**5,000,000**	**$**	**100**	**$**	**-**	**$**	**-**	**$**	**(506,767)**	**$**	**(506,667)**
Shares issued for cash	700,000		42,000		-		-		-		42,000
Shares issued to settle debts	23,701,742		474,035		-		-		-		474,035
Shares issued for services	2,750,000		165,000		-		-		-		165,000
Subscriptions received in advance	-		-		-		59,549		-		59,549
Loss for the period	-		-		-		-		(281,699)		(281,699)
Balance, September 30, 2017	**32,151,742**	**$**	**681,135**	**$**	**-**	**$**	**59,549**	**$**	**(788,466)**	**$**	**(47,782)**
Balance, December 31, 2017	**33,144,225**	**$**	**740,684**	**$**	**-**	**$**	**15,000**	**$**	**(891,031)**	**$**	**(135,347)**
Shares issued for cash	5,357,487		461,229		-		(15,000)		-		446,229
Shares issued for debt settlement	100,000		6,000		-		-		-		6,000
Subscriptions receivable	-		-		(450)		-		-		(450)
Subscriptions received in advance	-		-		-		107,000		-		107,000
Loss for the period	-		-		-		-		(202,313)		(202,313)
Balance, September 30, 2018	**38,601,712**	**$**	**1,207,913**	**$**	**(450)**	**$**	**107,000**	**$**	**(1,093,344)**	**$**	**221,119**

These accompanying notes form an integral part of these condensed interim financial statements.

Aether Catalyst Solutions, Inc.
Condensed Interim Statements of Cash Flows
(Unaudited - Prepared by Management)
(Expressed in Canadian dollars)

	For the nine months ended September 30, 2018	For the nine months ended September 30, 2017
Cash flows from operating activities		
Net loss for the year	$ (202,313)	$ (281,699)
Changes in non-cash items:		
Amortization	4,691	3,030
Shares issued for services	-	165,000
Changes in non-cash working capital items:		
GST receivable	(151)	(4,831)
Deposit	(10,500)	-
Accounts payable and accrued liabilities	(16,185)	18,755
Cash used in operating activities	(224,458)	(99,745)
Cash flows from investing activities		
Purchase equipment	(7,597)	-
Cash provided by financing activities	(7,597)	-
Cash flows from financing activities		
Proceeds from issuance of shares, net of share issue costs	445,779	42,000
Subscriptions received in advance	107,000	59,549
Proceeds from loans	3,000	-
Repayment of loans	(12,000)	-
Cash provided by financing activities	543,779	101,549
Change in cash	311,724	1,804
Cash, beginning of the year	3,881	7,358
Cash, end of the year	$ 315,605	$ 9,162
Supplementary cash flow information		
Non-cash financing activities		
Shares issued for debt settlement	$ 6,000	$ 474,035
Cash paid for interest	$ -	$ -

These accompanying notes form an integral part of these condensed interim financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Aether Catalyst Solutions, Inc. ("Aether" or the "Company") was incorporated under the British Columbia Business Corporations Act ("BCBCA") on July 8, 2011. The Company's principal business activity is commercializing patent pending catalyst technology, first for use in automotive emissions abatement.

On December 21, 2018, the Company completed a share consolidation on the basis of 2 old shares for 1 new share. These share consolidations have been retroactively presented in these financial statements and all share amounts, including per share amounts, reflect the share consolidations.

These financial statements have been prepared on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and/or obtaining additional financing. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future which is at least, but not limited to, 12 months from September 30, 2018. Management is aware, in making its assessment, of material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern, as explained in the following paragraph.

The Company has sustained losses from operations and does not have sufficient cash to finance its current plans for at least 12 months from the date of this document. The Company expects that it will need to raise substantial additional capital to accomplish its business plan over the next several years. The Company expects to seek additional financing through equity financing. There can be no assurance as to the availability or terms upon which such financing might be available.

These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

Statement of compliance

These condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. These condensed interim financial statements are prepared using the accrual basis of accounting, except for cash flow information. These condensed interim financial statements are presented in Canadian dollars, which is the functional currency of the Company.

These condensed interim financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Boards ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

The significant accounting policies applied in these condensed interim financial statements are the same as those in the annual audited financial statements for the year ended December 31, 2017 except as noted below.

The preparation of condensed interim financial statements in accordance with IFRS requires the use of certain critical accounting estimates and judgments when applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

These condensed interim financial statements were approved for issuance by the Company's Board of Directors on January 9, 2019.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting periods. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

Significant accounting judgments

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

i) The ability of the Company to continue as a going concern.

Critical accounting estimates

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to, the following:

Income taxes

The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements.

Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur. Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax assets and liabilities, and tax planning initiatives.

Financial Instruments

The Company adopted, retrospectively without restatement, all of the requirements of IFRS 9: Financial Instruments (“IFRS 9”). This standard replaces the guidance in IAS 39: Financial Instruments: Recognition and Measurements (“IAS 39”). The adoption of IFRS 9 did not impact the carrying value of any of the Company’s financial assets or financial liabilities on the transition date. The impact on the classification and measurement of its financial instruments is set out below.

IFRS 9 includes finalized guidance on the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured either at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 largely retains the existing requirements in IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"), for the classification and measurement of financial liabilities.

A financial asset is classified at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss; and
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

All financial assets not classified at amortized cost or FVOCI are measured at FVTPL.

IFRS 9 introduced a single expected credit loss impairment model for financial assets measured at amortized cost and for debt instruments at FVOCI, which is based on changes in credit quality since initial recognition. The adoption of the expected credit loss impairment model did not have a significant impact on the Company's financial statements.

The requirements of IAS 39 for classification and measurements of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the statement of loss and comprehensive loss for the period. Financial assets classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method.

The following table summarizes the classification and measurement changes under IFRS 9 for each financial instrument:

Financial Assets and Liabilities	IAS 39 Classification (Measurement)	IFRS 9 Classification and Measurement
Cash	FVTPL	FVTPL
Accounts payable and accrued liabilities	Other financial liabilities (amortized cost)	Amortized cost
Loans payable	Other financial liabilities (amortized cost)	Amortized cost

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

New accounting standards and recent pronouncements

The Company adopted the following new IFRS' during the period ended September 30, 2018. The adoption did not have any significant effect on the financial statements.

- New standard IFRS 9, *Financial Instruments*, Classification and Measurement is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, "Financial Instruments: Recognition and Measurement." IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

- New standard IFRS 15, *Revenue from Contracts with Customers* provides a single principle-based framework to be applied to all contracts with customers. IFRS 15 replaces the previous revenue standard IAS 18, Revenue, and the related Interpretations on revenue recognition. The standard scopes out contracts that are considered to be lease contracts, insurance contracts and financial instruments. The new standard is a control-based model as compared to the existing revenue standard which is primarily focused on risks and rewards. Under the new standard, revenue is recognized when a customer obtains control of a good or service. Transfer of control occurs when the customer has the ability to direct the use of and obtain the benefits of the good or service.

The Company has not applied the following new or revised standards and amendments that have been issued but are not yet effective for the Company's 2018 reporting periods:

- New standard, IFRS 16, *Leases* was issued in January 2016 and specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. This standard is effective for reporting periods beginning on or after January 1, 2019.

The Company is currently evaluating the impact IFRS 16 is expected to have on its financial statements and will adopt IFRS 16 when it becomes effective.

(Expressed in Canadian dollars)

3. EQUIPMENT

		Total
Cost		
Balance, December 31, 2016 and 2017	$	20,607
Additions		7,597
Balance, September 30, 2018	$	28,204
Amortization		
Balance, December 31, 2016	$	3,434
Amortization		4,122
Balance, December 31, 2017		7,556
Amortization		4,691
Balance, September 30, 2018	$	12,247
Net Book Value, December 31, 2017	$	13,051
Net Book Value, September 30, 2018	$	15,957

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Payables and accrued liabilities for the Company are broken down as follows:

		September 30, 2018		December 31, 2017
Trade payables	$	55,107	$	58,327
Accrued liabilities		26,407		15,000
Due to government		6,537		32,126
Due to related parties (Note 7)		42,047		46,830
Total	$	130,098	$	152,283

5. LOANS PAYABLE

During the period ended September 30, 2018, the Company received a non-interest bearing loan with no fixed terms of repayment totaling $3,000. The Company repaid the loan in full during the period ended September 30, 2018.

During the year ended December 31, 2017, the Company:

i) entered into a $38,791 secured promissory note bearing 12% annual simple interest and a four month repayment term. The Company repaid the loan in full during the year ended December 31, 2017, including interest of $2,915 and a loan bonus of $3,103.

ii) received non-interest bearing loans with no fixed terms of repayment totaling $15,800. The Company repaid $8,500 during the year ended December 31, 2017 and $5,000 during the period ended September 30, 2018.

iii) received loans from a director and officer, and a company with common directors totaling $4,000. The loans are non-interest bearing, have no fixed terms of repayment and are outstanding at December 31, 2017. The Company repaid $4,000 during the period ended September 30, 2018.

6. SHARE CAPITAL

Authorized

Unlimited common shares without par value

Issued

On December 21, 2018, the Company completed a share consolidation on the basis of 2 old shares for 1 new share. These share consolidations have been retroactively presented in these financial statements and all share amounts, including per share amounts, reflect the share consolidations.

During the period ended September 30, 2018, the Company:

i) issued 1,827,487 common shares at a price of $0.06 per share for total proceeds of $109,649. $15,000 was received during the year ended December 31, 2017. The Company paid $1,420 in finders fee.

ii) issued 3,530,000 units at a price of $0.10 per share for total proceeds of $353,000. Each unit consists of 1 share and 1/2 share purchase warrant exercisable at $0.15 to purchase 1 share for 18 months.

iii) issued 100,000 common shares at a price of $0.06 per share to settle debt of $6,000.

During the year ended December 31, 2017, the Company:

i) issued 1,692,483 common shares at a price of $0.06 per share for total proceeds of $101,549.

ii) issued 23,701,742 common shares at a price of $0.02 per share to settle debts of $474,035.

iii) issued 2,750,000 common shares valued at $0.06 per share for consulting fees and wages of $165,000.

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

Warrants

The Company issued 1,765,000 share purchase warrants during the period ended September 30, 2018 to acquire one common share at a price of $0.15 per share, expiring in 18 months.

The following warrants were outstanding and exercisable:

Expiry Date	Exercise Price	Outstanding at May 31, 2018
December 21, 2019	$ 0.15	415,000
February 18, 2020	$ 0.15	900,000
April 20, 2020	$ 0.15	400,000
		1,765,000

7. RELATED PARTY TRANSACTIONS

	For the nine months ended September 30, 2018	For the nine months ended September 30, 2017
Transactions with Key Management Personnel		
Consulting fees paid to a director, officers, a company with common directors and a company owned by a director and officer	$ 27,000	$ 112,050

As at September 30, 2018, accounts payable and accrued liabilities include $42,047 (December 31, 2017 - $46,830) owing to a company owned by a director, officers and companies with common directors. The amounts are unsecured, non-interest bearing and have no specific terms of repayment.

As at September 30, 2018, loans payable include $2,253 (December 31, 2017 - $8,953) owing to a director and companies with common directors. The amounts are unsecured, non-interest bearing and have no specific terms of repayment.

During the period ended September 30, 2017, the Company:

i) issued 2,092,500 shares to officers and a director for consulting fees and wages of $125,550.

iv) issued 22,706,664 shares to a director and a company with common directors to settle debt of $454,133.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair Value Hierarchy

Financial instruments recorded at fair value on the Statement of Financial Position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – valuation techniques based on inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at September 30, 2018, the Company is not exposed to any significant credit risk.

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rate. The Company does not believe it is exposed to significant currency risk as funds are held in Canadian currency and there are no significant foreign exchange currency transactions.

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 the risk that the value of financial instruments will change due to movement in market interest rates. The Company does not hold interest-bearing debt with long-term maturities and therefore does not believe that interest rate risk is significant. The Company does not use derivative instruments to reduce its interest rate risk as the Company's management believes that the likely financial impact of interest rate changes does not justify using derivatives.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with the Company's financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. Accounts payable and accrued liabilities are current. The Company addresses its liquidity risk through equity financing obtained through the sale of common shares and the exercise of warrants and options.

9. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, sell assets to reduce debt or return capital to shareholders. There were no changes in the Company's approach to capital management during the period ended September 30, 2018. The Company is not subject to externally imposed capital requirements.

10. SUBSEQUENT EVENTS

Subsequent to September 30, 2018, the Company:

- Issued 2,470,000 shares at $0.10 per unit for gross proceeds of $247,000 in October 2018. Each unit consisted of one common share and one half of a share purchase warrant. Each warrant is exercisable to purchase one common share at a price of $0.15 per share for 18 months.

MD&A of the Company
for the nine month period ended September 30, 2018

Aether Catalyst Solutions, Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Nine months ended September 30, 2018

GENERAL

This management's discussion and analysis of financial position and the results of operations is prepared as at January 9, 2019 and should be read in conjunction with the condensed interim financial statements of Aether Catalyst Solutions, Inc. ("the Company") for the nine months ended September, 2018 and 2017 and related notes thereto. The MD&A should also be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2017 and the related MD&A.

These condensed interim financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting. All dollar amounts included therein and in the following management's discussion and analysis ("MD&A") are in Canadian dollars except where noted.

FORWARD-LOOKING STATEMENTS

Certain statements contained in the MD&A constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

Due to the risks and uncertainties identified above and elsewhere in this MD&A, actual results may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by securities law.

DESCRIPTION OF BUSINESS

The Company was incorporated under the British Columbia Business Corporations Act ("BCBCA") on July 8, 2011. On June 21, 2017, the Company changed its name to Aether Catalyst Solutions, Inc. The Company's principal business activity is commercializing patent pending catalyst technology, first for use in automotive emissions abatement.

QUARTERLY INFORMATION

Quarter Ended	2018 Sept. 30	2018 Jun. 30	2018 Mar. 31	2017 Dec. 31
Cash	$ 315,605	$ 32,652	$ 7,374	$ 3,881
Accounts payable	130,098	118,702	152,770	152,283
Net loss for the quarter	(92,251)	(86,102)	(23,960)	(195,895)
Net loss per share (Basic and diluted)	(0.00)	(0.00)	(0.00)	(0.00)

Quarter Ended	2017 Sept. 30	2017 Jun. 30	2017 Mar. 31	2016 Dec. 31
Cash	$ 9,162	$ 18,514	$ 1,590	$ 7,358
Accounts payable	105,391	119,502	107,167	269,077
Net income (loss) for the quarter	12,405	(128,802)	(71,972)	(54,383)
Net income (loss) per share (Basic and diluted)	0.00	(0.00)	(0.00)	(0.00)

RESULTS OF OPERATIONS

Three Months Ended September 30, 2018

During the three months ended September 30, 2018, the Company recorded a net loss of $92,251 (2017 - net income of $12,405). Significant fluctuations include the following:

i) Interest expense decreased to $Nil (2017 - $2,916) as a result of the Company paying off loans prior to the current quarter.

ii) Professional fees increased to $7,839 (2017 - $Nil) primarily as a result of the Company engaging accountants to bring the accounting records up to date.

iii) Wages decreased to $44,826 (2017 - $59,062) as a result of having one fewer full-time employee during the period.

iv) Grants and Government tax credits decreased to $2,700 (2017 - $114,510) primarily because the company received its SRED claim during the 2017 period and was also a recipient of IRAP assistance during the previous period.

Nine Months Ended September 30, 2018

During the nine months ended September 30, 2018, the Company recorded a net loss of $202,313 (2017 - $281,699). Significant fluctuations include the following:

i) Consulting fees decreased to $32,885 (2017 - $117,050) primarily as a result of issuing no stock to officers and directors for past services (2017 - $91,050)

ii) Interest expense increased to $8,195 (2017 - $4,423) primarily as a result of loans being outstanding for an increased duration in the current period.

iii) Professional fees increased to $16,756 (2017 - $9,364) primarily as a result of the Company engaging accountants to bring the accounting records up to date.

iv) Wages decreased to $151,596 (2017 - $237,795) as a result of issuing no stock to employees for past services during the period (2017 - $73,950).

LIQUIDITY AND CAPITAL RESOURCES AND GOING CONCERN

Working capital at September 30, 2018 was $205,162 (Working capital deficiency at December 31, 2017 - $148,398) as a result of a reduction in current liabilities and an increase of cash on hand as a result of the company's ongoing capital raising.

Cash flows from operating activities for the nine months ended September 30, 2018 were $(224,458) (2017 - $(99,745) the primary contributors to the variance were a decrease in government grants and tax credits to $86,720 (2017 - $159,522) and a decrease in Current Liabilities to $(132,351) (2017 - $(163,536)).

Cash flows from investing activities was $(7,597) (2017 - $0) arising from the purchase of test stand equipment.

Cash flows from financing activities was $543,779 (2017 - $101,549) – the variance can be explained by an increase in capital raising; net proceeds from issuance of shares and subscriptions received in advance increased to $552,779 (2017 - $101,549)

During the quarter ended September 30, 2018, the company issued 2,700,000 units at $0.10 per unit, for gross proceeds of $270,000; for the 9 month period ending September 30, 2018, the company issued 1,827,487 shares at $0.06 per share for gross proceeds of $109,649, 100,000 shares at $0.06 per share for $6,000 to settle debts, and 3,530,000 units at $0.10 per unit for gross proceeds of $353,000; subsequent to the end of the third quarter, the Company issued a further 2,470,000 units at $0.10 per unit, for gross proceeds of $247,000.

The condensed interim financial statements were prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), 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 for the foreseeable future. The operations of the Company were primarily funded by the issue of share capital and loans. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties and lenders, complete sufficient public equity financing, or generate profitable operations in the future. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the company be unable to continue in business.

The Company is in the business of research and development of a catalytic material, first for use in automotive emissions abatement, that by its nature involves a high degree of risk. There can be no assurance that current development programs will result in a commercial product. The Company's continued existence is dependent upon the continued progression of its research and development program, the further development of commercial partnerships, and the continued ability of the Company to obtain financing. Additionally, the Company estimates that it will need additional capital to operate some time in 2021. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements or obligations that are not disclosed in the financial statements.

RELATED PARTY TRANSACTIONS

	For the nine months ended September 30, 2018	For the nine months ended September 30, 2017
Transactions with Key Management Personnel		
Consulting fees paid to a director, officers, a company with common directors and a company owned by a director and officer	$ 27,000	$ 112,050

As at September 30, 2018, accounts payable and accrued liabilities include $42,047 (December 31, 2017 - $46,830) owing to a company owned by a director, officers and companies with common directors. The amounts are unsecured, non-interest bearing and have no specific terms of repayment.

As at September 30, 2018, loans payable includes $2,253 (December 31, 2017 - $8,953) owing to a director and companies with common directors. The amounts are unsecured, non-interest bearing and have no specific terms of repayment.

During the year ended December 31, 2017, the Company:

i) issued 2,092,500 shares to officers and a director for consulting fees and wages of $125,550.

ii)issued 22,706,664 shares to a director and a company with common directors to settle debt of $454,133.

CHANGES IN ACCOUNTING STANDARDS

Please refer to the September 30, 2018 financial statements note 2 for accounting policy pronouncements.

FINANCIAL INSTRUMENTS

Financial Risk Management
The Company is exposed to minimal financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Foreign currency risk
The Company operates primarily in Canada and is not currently exposed to foreign currency risk.

Credit Risk
The Company's cash and cash equivalents are mainly held through a large Canadian financial institution minimizing credit risk.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital resources as outlined in Note 8 of the financial statements. The Company's objective is to ensure that there are sufficient committed financial resources to meet its business requirements for a minimum of twelve months.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company does not hold interest bearing debt; therefore there is currently minimal interest rate risk.

OUTSTANDING SHARE DATA AT JANUARY 9, 2019

The company completed a 2:1 share consolidation on December 21, 2018, following which, there are 41,071,712 common shares issued and outstanding and 3,000,000 share purchase warrants issued and outstanding with an exercise price of $0.15 which expire from December 21, 2019 through April 20, 2020.

SCHEDULE "A"

AETHER CATALYST SOLUTIONS, INC.

(THE "COMPANY")

AUDIT COMMITTEE CHARTER

I. MANDATE

The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Aether Catalyst Solutions, Inc. (the "**Company**") shall assist the Board in fulfilling its financial oversight responsibilities. The Committee's primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company's financial statements and other financial information;
2. The compliance of such statements and information with legal and regulatory requirements;
3. The qualifications and independence of the Company's independent external auditor (the "**Auditor**"); and
4. The performance of the Company's internal accounting procedures and Auditor.

II. STRUCTURE AND OPERATIONS

A. <u>Composition</u>

The Committee shall be comprised of three or more members.

B. <u>Qualifications</u>

Each member of the Committee must be a member of the Board.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement.

C. <u>Appointment and Removal</u>

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

E. Meetings

The Committee shall meet as frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

III. DUTIES

A. Introduction

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

B. <u>Powers and Responsibilities</u>

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

Independence of Auditor

1. Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company.

2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.

3. Require the Auditor to report directly to the Committee.

4. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

Performance and Completion by Auditor of its Work

1. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including resolution of disagreements between management and the Auditor regarding financial reporting.

2. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company.

3. Recommend to the Board the compensation of the Auditor.

4. Pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

Internal Financial Controls and Operations of the Company

1. Establish procedures for:

(a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

(b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Preparation of Financial Statements

1. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.

2. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.

3. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

4. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

5. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:

   (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.

   (b) The management inquiry letter provided by the Auditor and the Company's response to that letter.

   (c) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

1. Review the Company's annual and interim financial statements, management's discussion and analysis (MD&A) and earnings press releases before the Board approves and the Company publicly discloses this information.

2. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than

disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.

3. Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Manner of Carrying Out its Mandate

1. Consult, to the extent it deems necessary or appropriate, with the Auditor, but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.

2. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

3. Meet, to the extent it deems necessary or appropriate, with management, any internal auditor and the Auditor in separate executive sessions.

4. Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee advisors.

5. Make regular reports to the Board.

6. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

7. Annually review the Committee's own performance.

8. Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.

9. Not delegate these responsibilities.

C. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.

CERTIFICATE OF THE COMPANY

Dated: February 7, 2019

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Company as required by securities legislation of British Columbia and Ontario.

"Paul Woodward"	*"Derek Lew"*
Paul Woodward Chief Executive Officer, President & Director	Derek Lew Chief Financial Officer, Secretary & Director

ON BEHALF OF THE BOARD OF DIRECTORS

"Jason Moreau"	*"Neil Branda"*
Jason Moreau Director	Neil Branda Director