

OFFERING MEMORANDUM



Date: **November 15, 2024**

The Issuer

Name: **VERSA PLATINUM FINANCIAL CORP.**
Head office: Address: **2328 Clearbrook Road, Abbotsford, British Columbia V2T 2X5**
Phone: **604-902-5740**
E-mail: **investor@atlasone.ca**
Website: **www.versaplatinum.ca**

Currently listed or quoted?..... **No. These securities do not trade on any exchange or market.**
Reporting issuer?..... **No**

The Offering

Securities offered: **Class A Non-Voting, Participating (redeemable) Shares**
Price per security: **\$1.00 per Share**
Minimum offering: **There is no minimum. You may be the only purchaser.**
Maximum offering: **\$5,000,000 (5,000,000 Shares)**
Minimum subscription amount: **\$10,000 (10,000 Shares)**
Payment terms: **The subscription price for Shares being purchased is payable in full by the applicable closing date. See Item 5.2 "Subscription Procedure".**
Proposed closing date(s): **This is a continuous offering. Closings will occur periodically as subscriptions are received until the earlier of November 28, 2025 and the issuance of our July 31, 2025 annual financial statements.**
Income tax consequences: **There are important tax consequences to these securities. See Item 8 "Income Tax Consequences and Registered Plan Eligibility".**

Compensation Paid to Sellers and Finders

A person [Atlas One Digital Securities Inc.] has received or will receive compensation for the sale of securities [Class A Shares] under the offering. See Item 9 "Compensation Paid to Sellers and Finders".

Resale Restrictions

You will be restricted from selling your securities [Class A Shares] for an indefinite period. See Item 12 "Resale Restrictions".

Conditions on Repurchases

You will have a right to require us to repurchase the securities [Class A Shares] from you, but this right is qualified by a specified price, restrictions and fees. As a result, you might not receive the amount of proceeds that you want. See Item 5.1 "Terms of Securities".

Purchaser's Rights

You have two business days to cancel your agreement to purchase these securities [Class A Shares]. If there is a misrepresentation in this Offering Memorandum, you have a right to damages or to cancel the agreement. See Item 13 "Purchasers' Rights".

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See Item 10 "Risk Factors".

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Item 1 – USE OF AVAILABLE FUNDS

1.1 Funds

The funds that will be available to us from the offering, together with the funds estimated to be available from other sources, are as follows:

	Description	Assuming	
		Minimum Offering	Maximum Offering
A	Amount to be raised by the offering	\$ 10,000	\$ 5,000,000
B	Selling commissions and fees	\$ 225	\$ 112,500
C	Estimated offering costs (including legal, accounting and audit)	\$ 30,000	\$ 40,000
D	Available funds: D = A - (B + C)	\$ <20,225>	\$ 4,847,500
E	Additional sources of funding required (available)	0	0
F	Working capital deficiency	0	0
G	Total: G = (D + E) - F	\$ <20,225>	\$ 4,847,500

1.2 Use of Available Funds

We intend to use the funds available to us from the offering and from other sources, as estimated in Item 1.1 “Funds”, as follows:

Description of Intended Use of Available Funds* (Listed in order of priority)	Assuming	
	Minimum Offering	Maximum Offering
Loan investments secured by mortgages on residential, commercial, development and bare land properties located in British Columbia	\$ 0	\$ 4,847,500
Totals (equal to G in the Funds table above)	\$ 0	\$ 4,847,500

* We expect that our revenue from operations will be sufficient to cover our operating costs.

1.3 Proceeds Transferred to Other Issuers

None of the proceeds of the offering will be invested in, loaned to, or otherwise transferred to another issuer (other than a subsidiary) unless that issuer owns real property in British Columbia on which a mortgage has been granted to us in the ordinary course of our business.

Item 2 – OUR BUSINESS AND OTHER INFORMATION AND TRANSACTIONS

2.1 Structure

We were incorporated as a company under the *Business Corporations Act* (British Columbia) on September 10, 2018. Our share capital consists of Class A Non-Voting, Participating shares with a par value of \$1.00 each (“**Class A Shares**”), and Class B Voting, Non-Participating shares with a par value of \$1.00 each (“**Class B Shares**” and, with our Class A Shares, “**Shares**”).

2.2 Our Business

Overview

We are a “mortgage investment corporation” (a “**MIC**”), a form of corporation under Canada’s *Income Tax Act* (the “**Tax Act**”) which makes loans secured by mortgages on real estate in Canada. Our borrowers are

located in British Columbia, although we may expand our lending to other provinces as we develop our business.

As a MIC, we make a diversified range of real estate secured loans, principally residential loans supplemented by a small number of other real estate (commercial, development and bare land) loans, all secured by first and second mortgages, and a very small number of third mortgages. We earn most of our income from the interest paid pursuant to these mortgages along with renewal fees, pre-payment penalties, performance bonuses and other fees and charges related to such mortgages. Additional income may be earned from short term rental of properties we acquire from foreclosures under mortgages held by us and any capital gains when such properties are sold.

We provide mortgage financing to borrowers whose applications do not necessarily fall within the lending and investing guidelines of conventional lenders. As a result of the additional risk, due diligence and administration associated with these mortgages, we charge a rate of interest that is higher than conventional lenders. If our borrowers default under their mortgage loans, we work through the foreclosure process with the goal of minimizing any significant losses.

We are registered (licensed) as a mortgage broker in British Columbia. The Office of the Registrar of Mortgage Brokers at the British Columbia Financial Services Authority regulates the mortgage brokering and lending activities of MICs under the *Mortgage Brokers Act* (British Columbia). The Registrar and the *Mortgage Brokers Act* do not regulate the capital raising and investment marketing activities of MICs which are subject to securities legislation and regulation.

Businesses We are Permitted to Conduct as a MIC

To qualify as a MIC, we are restricted by the Tax Act to carrying on the following activities:

- (a) our business must be passive and of an investment nature (accordingly, we cannot manage or develop residential or commercial properties other than incidental management thereof – such as management of properties acquired by foreclosure); and
- (b) our only business can be the investing of funds.

Furthermore, such investments are subject to the following restrictions:

- (a) at least 50% of the cost amount of all of our assets must consist of bank deposits or debts secured on Canadian homes or housing projects;
- (b) no more than 25% of the cost amount of all of our assets can consist of ownership of, or lease interests in, real estate unless acquired through foreclosure;
- (c) we cannot invest our funds in
 - (i) real estate located outside Canada or in leasehold interests in such real estate,
 - (ii) debts of persons not resident in Canada unless the debt is secured by a mortgage on real estate located within Canada, and
 - (iii) shares of corporations not resident in Canada;
- (d) our net leveraging (the ratio of the amount of our outstanding liabilities to the amount by which the cost of our assets exceeds our liabilities) cannot exceed a 3:1 ratio unless more than two-thirds of our investments are in residential mortgages and bank deposits, in which case it is entitled to be no more than a 5:1 ratio.

Taxation of MICs

Under the Tax Act, a MIC is not taxed on its net income and net realized capital gains during a financial year if such net income and one-half of such net realized capital gains (“**taxable capital gains**”) are distributed to the MIC’s shareholders within 90 days of the MIC’s financial year end. Therefore, to qualify as a MIC and receive this favourable tax treatment, we annually distribute all of our net income and taxable capital gains to our Class A Shareholders. The distributions are paid quarterly in, at the election of each Class A Shareholder, cash or further Class A Shares within (as required by the *Business Corporations Act*

(British Columbia)) two months after the end of our first, second and third financial quarters, with a final distribution of the remainder of our annual net income and taxable capital gains within two months after our financial year end. **These distributions are taxed as interest income in the hands of our Class A Shareholders and not as dividends** as described in Item 8 “Income Tax Consequences and Registered Plan Eligibility”.

Investment Policy

Our investment policy is intended to enable us to qualify for the special tax treatment afforded to MICs under the Tax Act. For this reason, we loan most of our funds as residential mortgage loans and the balance is held in bank deposits. We may also lend our funds as construction, commercial and bare land mortgage loans, however, we rarely do so. We do not make loans to related parties such as our directors, officers and their families or companies controlled by them, and no funds will be loaned in respect of any property in which our directors or officers have a direct or indirect interest.

We believe the types of mortgage loans which we have made, and intend to make, are consistent with the criteria for a MIC under the Tax Act. So long as we meet these criteria, we should be accorded the “flow through” tax treatment given to MICs. That treatment results in us not being taxed on any of our net income or taxable capital gains, all of which are distributed to our Class A Shareholders through annual distributions. **Pursuant to the Tax Act, such distributions are taxed as interest income in the hands of our Class A Shareholders and not as dividends.**

Operating Policy

Any residential loans made by us must be secured by first or second mortgages although, in very few cases, we may accept third mortgages as security on special terms. We limit all loans to a maximum of 80% of the appraised value of the mortgaged property less the amount of any prior mortgages (the “**loan to value**” or “**LTV**” ratio). We may occasionally exceed an 80% loan to value in order to secure the priority of our mortgage or otherwise effect a workout of the borrower’s indebtedness.

Commercial, development and bare land mortgages made by us must be secured by first or second mortgages and the LTV ratio must not exceed 80%.

In general, our loans are repayable with interest ranging from 7.95% to 10.95% per year for first mortgages and 10.95% to 14.95% per year for second mortgages. All of our loans are for a one-year term.

Independent appraisals by accredited appraisers are required for all new mortgage loans and renewals unless the LTV ratio, based on the most recent assessment from BC Assessment or valuation from PurView.ca is less than 50%.

We will not fund any loan until all relevant materials are provided, reviewed, and accepted by us. In addition to independent appraisals, such materials include mortgage applications, credit, financial, and economic reports. From time to time, exceptions to this appraisal requirement may be made for exceptionally low loan to value mortgages that are well secured by the land value, as evidenced by either a tax assessment of land value or a comparable market analysis of land value by a qualified realtor. Loans secured by properties with a residence must have valid homeowner insurance in place, unless at the time of funding the mortgage is fully secured by the land value alone. Title insurance is required and all taxes, levies and assessments must be fully paid on all properties.

Appraisals are not required during the term, nor for the renewal, of mortgage loans, but may be obtained when a loan is in foreclosure.

The following requirements are required for renewals:

- (a) evidence that all property taxes have been paid;
- (b) all principal, interest and other payments under the mortgage have been made up to date and there have not been any payments declined for insufficient funds in the term of the mortgage; and
- (c) evidence of appropriate property insurance being in place and naming us as a loss payee.

When we make loans secured by property outside of major urban centres, we significantly increase the requirements potential borrowers must meet before making such loans to ensure protection of our capital. We do not make loans to related parties such as our directors, officers and their families or companies controlled by them.

We exercise caution to ensure no significant mortgage loans are or will be made to any one borrower or group of related borrowers or for any one project. Further, no mortgage or collection of mortgages from a single borrower or group of related borrowers shall exceed 50% of our total assets.

To ensure compliance with our lending (operating) policy, all loans funded by us are reviewed for compliance by our Manager. See “Manager” below.

Competition

Our competitors are principally other MICs, but also include commercial lenders and financial institutions such as banks. Overall, the MIC lending business continues to increase in number of MICs and competitiveness of those MICs each year. There are already a significant number of MICs operating with varying levels of success and many of these MICs compete for the same borrowers. This has resulted, and could result in further, downward pressure on lending rates and the resulting rates of return to investors in MICs.

Manager

To provide for the management of our business we have entered into a Management Agreement with VIG Management Ltd. (“**Manager**”). Our Manager is owned by our directors, Ishwinderpal S. Sandhu (50%, he is also our President) and Vikramjit S. Sran (50%, he is also our Secretary).

Under the Management Agreement, our Manager provides mortgage investment and management services to us, including:

- (a) sourcing and administering mortgage loans on our behalf within investment parameters established by our Board of Directors;
- (b) carrying out the day-to-day administration of our business;
- (c) providing monthly reports on our operations to our Board of Directors;
- (d) communicating with mortgage brokers and our shareholders and answering their queries;
- (e) preparing accounting information for our auditor; and
- (f) furnishing us with all necessary administrative services including providing office space, clerical staff and maintaining books and records, all to the extent required in connection with the services that our Manager is required to render under the Management Agreement.

The Management Agreement provides that our Manager will be paid a monthly fee for its services equal to 0.125% (1.5% per year) of our total assets (after deduction of provisions for losses) up to \$5,000,000 and 0.0833% (1.0% per year) of our total assets (after deduction of provisions for losses) above \$5,000,000. Our total assets are determined as of the last working day of each month. From this amount, our Manager remunerates its employees and our President and Secretary. Payment to our Manager is made immediately after each month-end upon receipt of an account from it. See Note 7 “Related party transactions” of our annual financial statements included in this Offering Memorandum for details of our Manager’s remuneration.

We are also required to reimburse our Manager for its reasonable and necessary out-of-pocket disbursements (excluding wages, salaries and the costs of office space and maintenance of our books and records) incurred in connection with administering our business. Such disbursements are paid monthly once approved by us.

We have agreed to indemnify our Manager from all claims incurred in respect of the origination, administration, and servicing of our mortgage portfolio except those caused by our Manager’s gross negligence or willful misconduct.

The Management Agreement may be terminated by us or our Manager on 30 days written notice in the event of a default by the other or on six months written notice from our Manager.

Our Manager may receive or share mortgage brokerage fees or commissions paid in connection with mortgage loans made by us to borrowers introduced by our Manager, its directors and shareholders and third party mortgage brokers.

2.3 Development of Our Business

Since commencing operations in 2018, we have grown our business based on prudent lending practices and working through any foreclosures with the goal of minimizing losses. We believe this growth and loss strategy has resulted, and will continue to result, in consistent and acceptable rates of return on our invested capital compared to alternative investment opportunities for our shareholders. When borrowers default under their mortgage loans, we will work through the foreclosure process with the goal of minimizing any significant losses. This has allowed and should continue to allow us to provide fairly consistent rates of return for our shareholders commensurate with market conditions.

During our last two financial years and subsequent period up to the date of this Offering Memorandum, there have not been any major events or conditions that have favourably, or adversely, influenced the development or financial condition of our business.

Funding, Loans and Distributions to Investors

In the past six financial years, our business has grown as follows:

Financial Year ended July 31 st	Funds Raised	Loans Made			Distributions Paid ⁽¹⁾		
		No.	Principal Amount	Interest Rate ⁽²⁾	Shares ⁽³⁾	Cash	Total
2019 ⁽⁴⁾	\$ 484,413	4	\$ 530,000	11.25%	\$ 6,742	\$ 0	\$ 6,742
2020	\$ 594,706	6	\$ 1,318,500	11.24%	\$ 48,127	\$ 11,705	\$ 59,832
2021	\$ 962,723	7	\$ 2,030,000	12.14%	\$ 105,460	\$ 29,295	\$ 134,755
2022	\$ 3,825,016	13	\$ 3,567,000	12.84%	\$ 179,425	\$ 42,699	\$ 222,124
2023	\$ 1,120,413	11	\$ 2,825,500	12.64%	\$ 136,418	\$ 274,111	\$ 410,529
2024	\$ 2,584,010	22	\$ 3,826,000	13.63%	\$ 204,542	\$ 255,715	\$ 460,257
Totals	\$ 9,571,281	63	\$ 14,097,000	-	\$ 680,714	\$ 613,525	\$ 1,294,239

(1) Distributions paid within each financial year consist of the share and cash distributions for our first, second and third financial quarters of our current financial year and the annual distribution for our preceding financial year end, all of which are paid within two months after our financial year end or quarter, as applicable.

(2) Weighted average annual interest rate charged on all loans made during the financial year.

(3) Value of Class A Shares issued at a deemed price of \$1.00 each.

(4) Period from incorporation on September 10, 2018 to July 31, 2019.

Mortgage Portfolio

The development of our mortgage portfolio as at our July 31st financial year end in each of the past six financial years (since our incorporation) is as follows:

Mortgage Ranking	No.	Principal ⁽¹⁾	Percent ⁽²⁾	No.	Principal ⁽¹⁾	Percent ⁽²⁾
	2019			2020		
First	0	\$ 0	0.00%	0	\$ 0	0.00%
Second	2	\$ 212,825	100.00%	10	\$ 1,803,001	90.51%
Third	0	\$ 0	0.00%	1	\$ 189,034	9.49%
Totals	2	\$ 212,825	100.00%	11	\$ 1,992,035	100.00%
Weighted Average Interest Rate ⁽³⁾			11.69%	10.62%		
Mortgage Ranking	2021			2022		
First	0	\$ 0	0.00%	0	\$ 0	0.00%
Second	9	\$ 1,804,770	75.50%	13	\$ 3,232,883	100.00%
Third	2	\$ 585,767	24.50%	0	\$ 0	0.00%
Totals	11	\$ 2,390,537	100.00%	13	\$ 3,232,883	100.00%
Weighted Average Interest Rate ⁽³⁾			11.11%	12.73%		
Mortgage Ranking	2023			2024		
First	2	\$ 969,814	24.71%	2	\$700,000	11.40
Second	15	\$ 2,954,561	75.29%	30	\$5,442,347	88.60
Third	0	\$ 0	0.00%	0	\$0	0
Totals	17	\$ 3,924,375	100.00%	32	6,142,347	100.00%
Weighted Average Interest Rate ⁽³⁾			12.75%	13.33%		

(1) Net of loan allowance.

(2) Of total principal amount.

(3) Principal weighted average annual interest rate.

As at the date of this Offering Memorandum, we hold mortgages as security for loans as set out in the following three tables:

Mortgage Ranking	Number	Percentage (of Number)	Principal Amount	Percentage (of Principal)	Average (Principal weighted)		
					LTV	Annual Interest Rate	Term (Months)
First	3	8.10%	\$ 700,000	11.62%	48.98%	11.32%	12
Second	34	91.89%	\$ 5,323,025	88.37%	73%	14.06%	12
Third	0	0.00%	\$ 0	0.00%	-	-	-
Totals ⁽¹⁾	37	100.00%	\$ 6,023,025	100.00%			
Less allowance for loan impairment ⁽²⁾			\$ 58,500				
Total			\$ 5,964,525				
Average mortgage balance			\$ 162,784				
Principal weighted average interest rate			13.84%				

(1) Of these mortgages,

(a) all will mature in less than one year from the date of this Offering Memorandum, and

(b) none have payments more than 90 days overdue.

- (2) In preparing our annual financial statements, we are required to make estimates of any expected and possible future losses on our mortgage portfolio, and to provide for them in the financial statements as an "allowance for loan impairment". Loan impairment occurs when the underlying mortgage security is considered inadequate to recover all of our costs (including principal, interest, penalty and estimated costs of realization) and would result in a loss. See Note 3 "Significant Accounting Policies" and Note 5 "Financial instruments" of our annual financial statements included in this Offering Memorandum and "Delinquencies and Foreclosures" below for further information.

Mortgage Type	First Mortgages			Second Mortgages			Third Mortgages		
	No.	Principal	% ⁽¹⁾	No.	Principal	% ⁽¹⁾	No.	Principal	% ⁽¹⁾
Residential	2	\$ 250,000	4.15%	33	\$ 5,223,025	86.72%	0	\$ 0	0.00%
Residential land	1	\$ 450,000	7.47%	1	\$ 100,000	1.66%	0	\$ 0	0.00%
Mixed use ⁽²⁾	0	\$ 0	0.00%	0	\$ 0	0.00%	0	\$ 0	0.00%
Commercial	0	\$ 0	0.00%	0	\$ 0	0.00%	0	\$ 0	0.00%
Subtotals	3	\$ 700,000	11.62%	34	\$ 5,323,025	88.38%	0	\$ 0	0.00%
Totals – all mortgages	37	\$ 6,023,025	100.00%						

(1) Percentage of Principal

(2) Both commercial and residential use

Mortgage Location	First Mortgages			Second Mortgages			Third Mortgages		
	No.	Principal	%*	No.	Principal	%*	No.	Principal	%*
British Columbia	3	\$ 700,000	11.62%	34	\$ 5,323,025	88.37%	0	\$ 0	0.00%
Subtotals	3	\$ 700,000	11.62%	34	\$ 5,323,025	88.37%	0	\$ 0	0.00%
Totals – all mortgages	37	\$ 6,023,025	100.00%						

* Percentage of Principal

The properties are distributed between large metropolitan areas (Vancouver, Victoria, and their surrounding communities) and mid-sized and larger communities (such as Kelowna and Abbotsford). All of the loans were secured by mortgages on residential properties, although we do, from time to time, make loans secured by mortgages on commercial, development and bare land properties.

The ratio of the value of each loan to the appraised value of the property varies, but doesn't exceed 80%.

Of our mortgages held as at the date of this Offering Memorandum, none comprised 10% or more of the total principal amount of all our mortgages.

The average credit score of our borrowers, weighted by the principal amount of their mortgages is 660. A credit score represents how likely one of the two Canadian credit bureaus thinks someone is to pay their bills on time. The score can range from 300 to 900 with a credit score of more than 760 considered to be excellent and less than 560 considered to be bad.

Delinquencies and Foreclosures

As at the date of this Offering Memorandum, there are:

- two mortgages (5.40% of our mortgages) with outstanding principal totalling \$400,000 (6.64% of our total outstanding principal) which are delinquent (interest and principal payments are at least 60 days in arrears);
- no mortgages which have an impaired value (underlying security is considered to be of insufficient value to cover all of our costs (including principal, interest, penalty and estimated costs of realization) and would result in a loss where estimated realizable amounts are determined based on

valuations by independent appraisers accredited by professional institutes with recent experience in the location of the property being valued and by direct sales comparisons where the fair value is based on comparisons to recent sales of properties of similar types, locations and quality by the estimated fair market value of the security underlying the mortgages after deducting estimated costs of realization);

- no mortgages which are not impaired or in default, but for which we had made material accommodations to respond to financial difficulties of the borrower; and
- one mortgage (2.70% of our mortgages) with outstanding principal totalling \$200,000 (3.32% of our total outstanding principal) which is in foreclosure.

Portfolio Performance

The average annual rate of return (or yield) which our shareholders receive on their investments is confirmed annually by our auditor as at our July 31st financial year end. The effective annual yields on adjusted share capital for our shareholders for our last six financial years (since incorporation) are as follows:

2019	2020	2021	2022	2023	2024
11.69%	10.62%	11.11%	12.73%	12.75%	13.33%

All of our cash distributions for the financial years shown were, and we expect future distributions to continue to be, funded from our operating activities and funds re-invested through our share re-investment plan, and none were funded from bank borrowings, share subscriptions from our investors or other sources.

The rates of return are averages for all of our shareholders and may not reflect the return received by any one investor. There is no guarantee that such rates of return will continue or that investors will receive similar returns in future years. The factors which affect the rate of return are described in Item 10 “Risk Factors”.

2.4 Long Term Objectives

We have two long term objectives.

Firstly, to attain and continue an orderly and consistent growth of our earnings, assets and operations in accordance with prudent lending practices while minimizing both risk to our capital base and the number of foreclosures which must be completed when borrowers default under their mortgage loans.

Secondly, to continue to achieve a healthy return on capital to maximize the return on investment realized by our shareholders.

To achieve those objectives, we need to obtain a continuous supply of both investment capital and qualified, performing mortgages. There cannot be any assurance, however, that we will be able to do that or meet our long term objectives. See Item 10 “Risk Factors”.

2.5 Short Term Objectives

Our objectives for the next 12 months are threefold:

Firstly, to raise further investment capital and invest that capital in residential mortgages in British Columbia.

Secondly, to meet our two long term objectives set out in Item 2.4 “Long Term Objectives”.

To achieve those objectives, we need to obtain a continuous supply of both investment capital and qualified, performing mortgages. There cannot be any assurance, however, that we will be able to do so. See Item 10 “Risk Factors”.

We intend to meet those objectives for the next 12 months as follows:

Actions to be taken	Target completion date or, if not known, number of months to complete*	Cost to complete	
		Minimum Offering	Maximum Offering
Carry out the offering as described in this Offering Memorandum.	Next 12 months	\$ 30,000	\$ 40,000
Use the offering proceeds to make mortgage loans with a reasonable and manageable level of risk in accordance with our existing lending practices.	Ongoing*	\$ 0	\$ 4,847,500

* Since we have an ongoing offering and mortgage loan program, there is no target completion date for our business plan. Loans will be made as our available funds permit.

2.6 Insufficient Funds

The funds available from the offering may not be sufficient to accomplish all of our proposed objectives and, if so, we will continue to use our existing capital and cash flows to carry on our business.

2.7 Material Contracts

We are a party to the following material contracts:

- (a) Management Agreement dated October 30, 2018 with VIG Management Ltd. See Item 2.2 “Our Business – Manager”; and
- (b) Dealer Services and Distribution Agreement dated March 3, 2023 with Atlas One Digital Securities Inc. See Item 9 “Compensation Paid to Sellers and Finders”.

Item 3 – COMPENSATION AND SECURITY HOLDINGS OF CERTAIN PARTIES

3.1 Compensation and Securities Held

Our directors, officers and promoters, each person who has beneficial ownership of or direct or indirect control over (or a combination thereof) 10% or more of our Class B Shares and each related party other than the foregoing who received compensation in our most recently completed financial year or who we expect to receive compensation in our current financial year are as follows:

Full Legal Name & Place of Residence	Positions Held & Date Appointed	Compensation ⁽¹⁾ Paid (Last Fiscal Year) & Expected to be Paid (Current Fiscal Year)	Number, Type & Percentage of Our Securities held ⁽²⁾ after completion of the:	
			Minimum Offering	Maximum Offering ⁽³⁾
SANDHU, Ishwinderpal Singh Abbotsford, BC	President & Director September 10, 2018	0 0	0 Class A 1 Class B (8.33%)	0 Class A 1 Class B (8.33%)
SRAN, Vikramjit Singh Abbotsford, BC	Secretary & Director September 10, 2018	0 0	0 Class A 1 Class B (8.33%)	0 Class A 1 Class B (8.33%)

(1) Paid or expected to be paid by us or our Manager.

(2) Shares beneficially held, directly or indirectly, or over which control or direction is exercised, by each person and does not include shares held jointly with a spouse. Percentages are the percentage of the applicable class of Shares. Amounts are subject to variation depending on the share purchases and repurchases during the term of the offering.

(3) Assuming a minimum of no Class A Shares and a maximum of 5,000,000 Class A Shares are sold and the person does not purchase any Class A Shares. We are unaware whether our directors and officers will purchase any shares in the offering.

3.2 Management Experience

The principal occupations of our directors and executive officers over the past five years and their experience are as follows:

Full Legal Name & Position	Principal occupation and description of experience related to occupation
SANDHU, Ishwinderpal Singh President and Director	Registered Mortgage Broker (British Columbia) Co-owner of Sandhu & Sran Mortgages Inc. (a mortgage brokerage) since April 2018 Mortgage specialist with Royal Bank of Canada from March 2016 to April 2018 and Bank of Montreal from July 2015 to February 2016 Mortgage Broker with A to Z Mortgages from January 2014 to May 2015 Mortgage Broker course (University of British Columbia; December 2013) Bachelor of Arts (Punjab University, India; May 1998)
SRAN, Vikramjit Singh Secretary and Director	Registered Mortgage Broker (British Columbia) Co-owner of Sandhu & Sran Mortgages Inc. (a mortgage brokerage) since March 2018 Sub-mortgage broker for Jerry Brar Mortgages from March 2015 to January 2018 Manager for Sidhu & Sons Nursery from Jan 2012 to Feb 2015 Mortgage Broker course (University of British Columbia; Mar 2015) Bachelor of Engineering (Punjab Technical University, India; May 2007)

3.3 Penalties, Sanctions, Bankruptcy, Insolvency and Criminal or Quasi-Criminal Matters

None of our directors or executive officers or issuers of which they were a director, executive officer or control person (a shareholder that controls, individually or with others, more than 20% of the issuer's voting shares) at the time, has been any time during the last 10 years subject to any:

- (a) penalty or other sanction imposed by a court or regulatory body relating to a contravention of securities legislation;
- (b) order restricting trading in securities for 30 or more consecutive days; or
- (c) declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under bankruptcy or insolvency legislation, proceeding, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets.

Neither we nor any of our directors or executive officers has ever pled guilty to or been found guilty of any:

- (a) summary conviction or indictable offence under the *Criminal Code* (Canada);
- (b) quasi-criminal offence (which includes offences under tax, immigration, or money laundering legislation) in any jurisdiction of Canada or a foreign jurisdiction
- (c) misdemeanour or felony under the criminal legislation of the United States of America, or any state or territory of the United States of America;
- (d) offence under the criminal legislation of any other foreign jurisdiction.

3.4 Certain Loans

We are not indebted to any of our directors, officers, promoters, or other related parties, nor are any of them indebted to us, for any loans, debentures, or bonds except as follows:

Lender	Versa Platinum Financial Corp.	Sandhu & Sran Mortgages Inc.
Borrower	VIG Management Ltd.	Versa Platinum Financial Corp.
Amount of indebtedness	\$15,125	\$24,005
Interest rate payable	No interest payable	No interest payable
Security	None	None
Maturity date	On demand	On demand
Material amendments during our past two financial years	None	None
Purpose	Working capital	Working capital

During our last two financial years, there have not been any material amendment to such loans nor any release, cancellation or forgiveness of such indebtedness.

Item 4 – CAPITAL STRUCTURE

4.1 Securities Except for Debt Securities

Our share capital is as follows:

Description of Security *	Number Authorized to be Issued	Price per Security	Number outstanding		
			as at the date of this Offering Memorandum	after the	
				Minimum Offering	Maximum Offering ⁽²⁾
Class A Non-Voting, Participating Shares	unlimited	\$1.00	6,821,482	6,831,482	11,821,482
Class B Voting, Non-Participating Shares	unlimited	\$1.00	12	12	12

* There are not any issued or outstanding options, warrants or other securities convertible into Class A Shares or Class B Shares.

See Item 5.1 “Terms of Securities” for a description of the terms of our share capital.

4.2 Long Term Debt

As at the date of this Offering Memorandum, we do not have any long-term debt.

4.3 Prior Sales

During the past 12 months, we issued Class A Shares (and no Class B Shares or securities convertible into or exchangeable for Class A Shares or Class B Shares) as follows:

Date of Issuance	Number of Shares Issued	Price per Shares	Total Funds Received
October 2023	1,321,040	\$ 1.00	\$ 1,321,040
October 2023 – Quarterly Distribution *	96,652	\$ 1.00	\$ 96,652
November 2023	180,000	\$ 1.00	\$ 180,000
December 2023	759,700	\$ 1.00	\$ 759,700
January 2024	0	\$ 1.00	\$ 0
January 2024 – Quarterly Distribution *	163,482	\$ 1.00	\$ 163,482
February 2024	211,970	\$ 1.00	\$ 211,970
March 2024	15800	\$ 1.00	\$ 15800
April 2024	40,000	\$ 1.00	\$ 40,000
April 2024 – Quarterly Distribution *	156,313	\$ 1.00	\$ 156,313
May 2024	0	\$ 1.00	\$ 0
June 2024	55,500	\$ 1.00	\$ 55,500
July 2024	0	\$ 1.00	\$ 0
July 2024– Annual Distribution *	151,850	\$ 1.00	\$ 151,850
August 2024	200,000	\$ 1.00	\$ 200,000
September 2024	0	\$ 1.00	\$ 0
Total	\$ 3,352,307	-	\$ 3,352,307

* Issued in lieu of the balance of the cash payment for our quarterly (October 31st, January 31st, and April 30th) or annual (July 31st) distribution of our net income and taxable capital gains for the preceding financial quarter or year, respectively.

Item 5 – SECURITIES OFFERED

By this Offering Memorandum, we are offering our Class A Shares for sale on a private placement basis to qualified investors (“**Subscribers**”) in British Columbia, Alberta and Ontario on a “best efforts” basis by our selling agent, Atlas One Atlas One Digital Securities Inc., and registered securities and exempt market dealers (if any).

5.1 Terms of Securities

Voting

Our Class A Shares do not have any right to vote except in respect of any amendment to their special rights and privileges.

Each Class B Share has one vote at every meeting of Class B shareholders.

Distribution of Profits

Each financial year, we distribute to our Class A Shareholders all of our net income and taxable capital gains for that financial year. This is done through three distributions paid on each Class A Share outstanding as at the end of the first, second and third financial quarters, with a fourth and final distribution being paid on each Class A Share outstanding as at the end of our financial year end. All distributions are paid within two months after our financial quarter or year end. The distributions may be paid by the issuance of further Class A Shares or by way of cash, or a combination of both, as elected by the shareholder. Our financial quarters and the payment of our distributions are as follows:

Financial Quarter	Period	Distribution is Paid Before
1 st	August 1 st to October 31 st	December 31 st
2 nd	November 1 st to January 31 st	March 30 th
3 rd	February 1 st to April 30 th	June 30 th
4 th	May 1 st to July 31 st	September 30 th

Our Class B Shares are not entitled to receive any distributions of our net income or taxable capital gains.

Restrictions on Ownership

The Tax Act imposes significant penalties on investments by Registered Retirement Savings Plans (RRSP) and Tax Free Savings Accounts (TFSA) if the ownership through an RRSP and TFSA by an investor and parties related to the investor equals 10% or more of the shares of a MIC. A “related party” includes the investor and anyone related to the investor by blood, marriage, “common law” partnership or adoption. **These Tax Act rules are complex and investors should seek advice from an accountant, investment advisor or other qualified person if the investor and the investor’s related parties might jointly own 10% or more of our Class A Shares.**

Repurchases (Redemption and Retraction) of Shares

You can require us to repurchase some or all of your Class A Shares by sending a written notice of repurchase to us at least 30 days before the end of one of our financial quarters. Your shares will be repurchased for our net worth (the difference between the fair market value of our assets and our liabilities) per share, which is usually \$1.00 per share, plus any unpaid cash distributions, on the first day of our next financial quarter and payment for your shares will be made within 90 days, as follows:

Financial Quarter	Financial Quarter ends on	Repurchase Notice must be received by us on or before	Repurchase will be effective on	Payment of Repurchase Amount will be made on or before
1 st	October 31 st	September 30 th	November 1 st	January 30 th
2 nd	January 31 st	December 31 st	February 1 st	May 2 nd *
3 rd	April 30 th	March 30 th	May 1 st	July 30 th
4 th	July 31 st	June 30 th	August 1 st	October 30 th

* May 1st in leap years.

Each repurchase of your Class A Shares is subject to a fee of \$75, payable to us by you. **If you require us to repurchase your Class A Shares within two years of acquiring them, there is also an early repurchase fee of 3% in the first year and 1.5% in the second year. There is no early repurchase fee payable for any repurchase after you have owned your Class A Shares for more than two years.** Accordingly, if you provide, for example, notice respecting the repurchase of your 1,000 Class A Shares on or before March 30th, you will receive on or before the following July 30th a cheque from us for:

- \$895 (\$1,000 less \$30 (3%) less \$75) if you have held your Class A Shares for less than one year by May 1st;
- \$910 (\$1,000 less \$15 (1.5%) less \$75) if you have held your Class A Shares for at least one year but less than two years by May 1st; or
- \$925 (\$1,000 less \$75) if you have held your Class A Shares for at least two years by May 1st.

We can repurchase, in our sole discretion, any or all Class A Shares held by any shareholder without the consent of, or receiving a notice of repurchase from, that shareholder. Payment for such shares will be made within 90 days of repurchase. There is not an early repurchase fee payable for such repurchases.

If a planned repurchase would result in us not meeting the requirements for a MIC under the Tax Act or the solvency requirements of the *Business Corporations Act* (British Columbia), we will only repurchase such number of Class A Shares as may be necessary for us to continue to meet such requirements.

Transferability

Our Class A Shares are subject to restrictions on transfer:

- contained in our Articles (our corporate charter); and
- imposed by applicable securities legislation (see Item 12 “Resale Restrictions”).

Our Articles provide that a shareholder cannot transfer any of their Class A Shares without the consent of our Board of Directors. This restriction does not apply to a transfer of Class A Shares to the shareholder’s Registered Retirement Savings Plan (RRSP), Registered Retirement Income Fund (RRIF), Deferred Profit Share Plan (DPSP), Registered Pension Plan (RPP), Registered Education Savings Plan (RESP), Tax Free Savings Account (TFSA), independent savings plan or other savings plan created by a province or the Canadian government (collectively, “**Registered Plans**”) or a Registered Plan owned by the shareholder’s spouse.

The Tax Act requires MICs to have no fewer than 20 shareholders and no one shareholder (including the shareholder’s spouse and children under 18, and companies controlled by any of them and the shareholder) to hold more than 25% of its issued shares. Accordingly, our Articles also prohibit any transfer of shares or any other action which would result in us not qualifying as a MIC under the Tax Act.

Each transfer of your Class A Shares is subject to a fee of \$75, payable to us by you.

Conversion

Neither our Class A Shares nor our Class B Shares are convertible into any other form of share or security.

Liquidation Entitlement

If we are liquidated, dissolved or wound-up, the remaining proceeds after payment of all expenses and outstanding indebtedness will be paid to our Class A Shareholders and Class B Shareholders in proportion to the number of our shares held. Since we pay out all of our net income and taxable capital gains each year, it is possible that on our liquidation, dissolution or winding-up our shareholders may not be paid the full amount paid for their shares.

Amendment of Terms

The terms of our Class A Shares may only be amended with the approval of not less than two-thirds of the votes cast by our Class A Shareholders, each Class A Shareholder having one vote for each Class A Share held.

The terms of our Class B Shares may only be amended with the approval of not less than two-thirds of the votes cast by our Class B Shareholders.

Assessment

All of our Class A Shares issued to date are, and those issued pursuant to this Offering Memorandum shall be, fully paid and non-assessable.

5.2 Subscription Procedure

If you wish to subscribe for our Class A Shares, please complete and sign a Subscription Agreement in the form accompanying this Offering Memorandum and **deliver the agreement to our selling agent** as follows:

Atlas One Digital Securities Inc.

1626 Duranleau Street

Vancouver, B.C. BC V6H3S4

For subscriptions through a Registered Plan, funds are transferred from your trustee. For all other subscriptions, **also deliver to our selling agent a certified cheque, bank draft or money order payable to “Versa Platinum Financial Corp.”**, for the number of Class A Shares you wish to purchase.

If you are resident in Alberta or Ontario, your subscription, together with all your other subscriptions in the preceding 12 months pursuant to offerings carried out by offering memoranda, is limited to an aggregate of:

- \$10,000 if you are not an “eligible investor” (as that term is used in Schedules II and III of the Subscription Agreement);
- \$30,000 if you are an “eligible investor”; or
- \$100,000 if you are an “eligible investor” and have received advice from a portfolio manager, investment dealer or exempt market dealer that the investment is suitable.

The foregoing restrictions may not apply if you are an accredited investor or a family, close personal friend or close business associate investor (as those terms are used in Schedules II and III of the Subscription Agreement) in which event you may be required to provide further documentation to confirm your status to invest.

All subscription funds will be held by our selling agent (as required by law) for at least two business days after receipt. Closing will occur shortly thereafter and the shares will be issued. No share certificates will be issued unless requested or you subscribe for your shares through a Registered Plan and the financial institution administering your Registered Plan requires a share certificate.

There are no conditions that must be met by us before any closing occurs, however, we may, in our sole discretion, change the minimum and maximum subscription amounts by investors or accept or reject any subscription. If a subscription is not accepted, in whole or in part, we will return all or part of your subscription funds, without interest or deduction, as applicable.

Any “OM marketing materials” (as that term is defined in National Instrument 45-106 *Prospectus Exemptions* of the Canadian Securities Administrators and generally being a written communication other than a term sheet intended for prospective Subscribers under this Offering Memorandum that contains material facts relating to us, our Shares and the offering) related to each distribution under this Offering Memorandum and delivered or made reasonably available to a prospective Subscriber before the termination of the distribution is, and is deemed to be, incorporated by reference into this Offering Memorandum. Notwithstanding the foregoing, OM marketing materials incorporated by reference as described above are no longer incorporated by reference, and no longer form part of this Offering Memorandum, to the extent to which such materials have been superseded by a statement or statements contained in (i) an amendment to the Offering Memorandum, or an amended and restated Offering Memorandum, or (ii) subsequent OM marketing materials delivered to or made reasonably available to a prospective Subscriber.

Item 6 – REPURCHASE REQUESTS

During our last two financial years and subsequent period up to the date of this Offering Memorandum, we repurchased the following Class A Shares (and no Class B Shares) at a price of \$1.00 per share using only our net income and no subscription funds:

Financial Year ended. July 31,	Number of Shares			
	subject to repurchase requests outstanding at beginning of Financial Year / Period	requested to be repurchased during Financial Year / Period	repurchased during Financial Year / Period	subject to repurchase requests outstanding at end of Financial Year / Period
2023	0	2,460,000	2,460,000	0
2024	0	327,825	327,825	0
2025*	0	400,000	400,000	0

* Financial period ended November 15, 2024.

Item 7– CERTAIN DIVIDENDS OR DISTRIBUTIONS

We have not, during our last two financial years, or any subsequent interim financial period, paid dividends or distributions that exceeded our cash flow from operations.

Item 8 – INCOME TAX CONSEQUENCES AND REGISTERED PLAN ELIGIBILITY

8.1 Caution

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

8.2 Description of Income Tax Consequences

General

In the opinion of our management, the following sets out a summary of the principal Canadian federal income tax consequences of acquiring, holding, and disposing of our Class A Shares by a Subscriber who, at all relevant times, is a resident of Canada, deals with us at arm’s length, and who acquires and holds our Class A Shares as capital property. Subscribers for whom our Class A Shares might not constitute capital property may elect, in certain circumstances, to have such property treated as capital property by making an election permitted by subsection 39(4) of the Tax Act. This summary is not applicable to any Class A

Shareholder which is a “financial institution” as defined in section 142.2 of the Tax Act, or to any holder of Class A Shares an interest in which is a “tax shelter investment” for the purposes of the Tax Act.

This summary is based upon the current provisions of the Tax Act, the regulations made under the Tax Act (the “**Tax Regulations**”), all specific proposals to amend the Tax Act and the Tax Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Offering Memorandum and the current published administrative practices of Canada Revenue Agency. This summary assumes that all such tax proposals will be enacted as currently proposed but does not take into account or anticipate any other changes in law whether by legislative, government or judicial action and does not take into account tax legislation or considerations of any province, territory or foreign jurisdiction.

You should consult your own professional advisors to obtain advice on the tax consequences that apply to you.

The summary contained in this section is of a general nature only and is not exhaustive of all possible Canadian federal income tax consequences. It is not intended to be and should not be interpreted as legal or tax advice to any particular Subscriber. You should consult with your own tax advisor regarding the income tax consequences to you of acquiring, holding and disposing of our Class A Shares including the application and effect of the income and other tax laws of any country, province, state or local tax authority.

Status as a Mortgage Investment Corporation

This summary assumes that we qualify as a mortgage investment corporation under the Tax Act. We will qualify as a mortgage investment corporation throughout each of our taxation years if throughout that taxation year:

- (a) we are a Canadian Company as defined in the Tax Act;
- (b) our only undertaking is the investing of funds and we did not manage or develop any real property;
- (c) no debts are owed to us that are secured on real property situated outside of Canada;
- (d) no debts are owed to us by non-residents, other than debts secured on real property situated in Canada;
- (e) we do not own shares of any corporation not resident in Canada;
- (f) we do not own real property located outside of Canada or any leasehold interest in such property;
- (g) we have at least 20 shareholders (except that we are deemed to comply with this requirement throughout its first taxation year if we comply with it on the last day of our first taxation year, which we did);
- (h) no person is a “specified shareholder”, as that term is defined in subsection 248(1) of the Tax Act and modified by paragraph 130.1(6)(d) of the Tax Act, which generally means a person who alone or together with the person's spouse, children under the age of 18, and other related parties, owns more than 25% of the issued shares of any class of our shares;
- (i) any preferred shares, as that term is defined in the Tax Act, have a right, after payment to them of their preferred dividends (distributions), and payment of dividends (distributions) in a like amount per share to the holders of the common shares, as that term is defined in the Tax Act, to participate *pari passu* with the holders of common shares in any further payment of dividends (distributions);
- (j) the cost amount of our property represented by loans on houses or on property included within a housing project (as those terms are defined in Canada’s *National Housing Act*), together with cash on hand and deposits with a bank or any other lender whose deposits are insured by the Canada Deposit Insurance Company or a credit union, (collectively, the “**Qualifying Property**”) is at least 50% of the cost amount to us of all of our property;
- (k) the cost amount of real property (including leasehold interests therein but excluding real property acquired as a consequence of foreclosure or defaults on a mortgage held by us) owned by us does

not exceed 25% of the cost amount to us of all of our property; and

- (1) where at any time in the year the cost amount to us of our Qualifying Property is less than 2/3 of the cost amount to us of all of our property, our liabilities throughout the year do not exceed three times the amount by which the cost amount to us of all of our property exceeds our liabilities, or, where throughout the taxation year the cost amount to us of our Qualifying Property equals or exceeds 2/3 of the cost amount of all of our property, our liabilities do not exceed five times the amount by which the cost amount to us of all of our property exceed our liabilities.

It is intended, and this summary assumes, that these requirements will be satisfied so that we will qualify as a mortgage investment corporation at all relevant times. If we were not to qualify as a mortgage investment corporation, the income tax consequences would be materially different from those described below.

Tax Payable by Us

In general, a MIC does not pay income tax as long as it distributes its net income and any taxable capital gains to its shareholders within 90 days after each financial year end. Due to changes in the International Financial Reporting Standards, a MIC might be subject to pay income taxes in respect of its reserve for loan losses. The amount of this tax payable by us is expected to be negligible. **When our net income and any taxable capital gains are distributed to you, tax on the net income component of that distribution is payable by you as if you had received interest income and the tax on the capital gain component is payable in accordance with the usual capital gains tax rules.**

Tax Payable by You

The distributions you receive on your Class A Shares, whether you take such distributions in cash or as new Class A Shares, may result in you having to pay tax. The result depends on how your Class A Shares are held.

Class A Shares held in a Registered Plan

Any distributions paid to a Registered Plan (other than an RRSP or an RRIF) will be received on a tax-free basis so tax is not paid by you on such distribution. For an RRSP or RRIF, tax is not paid by you on such distribution until it is withdrawn from the RRSP or RRIF. Furthermore, until withdrawn, any income earned on such distributions (for example, interest) within a Registered Plan is earned tax-free (other than an RRSP or RRIF which is earned on a tax-deferred basis).

Class A Shares held outside of Registered Plans

If you are an individual and hold your Class A Shares outside of a Registered Plan you must declare distributions paid to you by us as taxable interest and if the distribution includes a capital gain component, the tax payable on that component is subject to the usual capital gains tax. This is the case whether the distributions were paid to you in cash or through additional Class A Shares. The amount of the distribution you receive is based on the number of Class A Shares you own. The nature of the distribution (that is, whether it is taxed as interest or as a capital gain) depends on how we initially received the funds – as interest or a capital gain. After the end of each calendar year, we will issue a T5 reporting slip to you indicating how much of your distributions are income and how much are capital gains.

Repurchase of Shares

If we repurchase your Class A Shares, you will generally receive \$1.00 per share repurchased. In certain cases, however, you may receive less than \$1.00 per share in which case you will realize a capital loss. Since we must annually distribute all of our net income and taxable capital gains in order to remain qualified as a MIC, it is unlikely you will receive more than \$1.00 per Class A Share repurchased.

Amounts paid by us on the repurchase or acquisition of a Class A Share, up to the paid-up capital thereof, will be treated as proceeds of disposition. Any amount paid by us on the repurchase or acquisition of a Class A Share in excess of the paid-up capital of such Class A Share will be included in the income of a holder of Class A Shares, in accordance with the rules described above.

In general, the capital loss will be equal to the difference between the amount you receive on the repurchase (less any costs of the repurchase) and the adjusted cost base (“ACB”) of the shares (which is calculated in accordance with the requirements set out in the Tax Act). Capital losses may be applied (depending on your circumstances) to capital gains to reduce your overall tax payable. We will provide you with details on the proceeds from our repurchase of your shares. However, in order to calculate your capital loss, you need to know the ACB of your shares before the repurchase.

8.3 Eligibility for RRSPs and Other Registered Plans

Our Class A Shares, if issued on the date hereof and the investor, together with the investor’s related parties, owns less than 10% of our shares, would be qualified investments under the Tax Act and the regulations thereunder for Registered Plans. In addition, our Class A Shares, if issued on the date hereof, would not constitute “foreign property” for the purpose of the tax imposed under Part XI.01 of the Tax Act on the Registered Plans, registered investments and certain other tax exempt entities, including most RPPs and registered pension funds. RRSPs, RESPs and TFSAs are not subject to the foreign property rules.

Item 9 – COMPENSATION PAID TO SELLERS AND FINDERS

We have retained Atlas One Digital Securities Inc., an arm’s length private company registered as an exempt market dealer in British Columbia, Alberta, Saskatchewan and Ontario, as our selling agent to sell our Class A Shares in British Columbia, Alberta and Ontario on a “best efforts” basis. We paid Atlas an initial fee of \$15,000 and will pay Atlas a further 2.25% of all funds raised by it. We will also pay Atlas various other smaller amounts in connection with its services.

We may also pay commissions and fees to other exempt market dealers and registered securities dealers in consideration of their sale of our Class A Shares to qualified investors. Such commissions and fees will be negotiated on a case-by-case basis and may involve up-front cash commissions, “trailing” fees (paid over time while the investor continues to hold our Class A Shares) and other fees, the amounts of which will not exceed commissions and fees normally paid in the securities industry. Such commissions and fees may be paid from our income or deducted, for fixed fees and commissions, from the subscription funds provided by an investor and, for trailing fees, from income distributions paid to such investor. Investors purchasing Shares with the assistance of a dealer may be requested by the dealer to pay a commission in addition to the subscription price.

Item 10 – RISK FACTORS

Nature of a Mortgage Investment Corporation

When you invest in a MIC you do so by buying its shares. The MIC then invests the money raised from you and a group of investors with similar investment objectives in mortgages that are professionally managed by the MIC and its manager.

As a result, when you buy shares of a MIC you are indirectly buying an interest in these underlying mortgages. The value of your investment is determined by the performance of these underlying mortgages so you and the investors in the MIC share in any gains or losses generated by the MIC from these mortgages.

Generally, you can sell your shares back to the MIC (in other words, the MIC will repurchase your shares) in order to take your money out of the MIC. When you sell your shares back to the MIC, the value of your original investment may have increased or decreased.

How risk is related to return

Generally, there is a strong relationship between the amount of risk associated with a particular investment, and that investment’s long-term potential to increase in value.

Investments that have a lower risk also tend to have lower returns because factors that can affect the value of the investment, the risks, are well known or are well controlled and have already been worked into the

price of the investment. On the other hand, investments that could have potentially higher returns if conditions for success are favourable also risk generating equally higher losses if conditions become unfavourable. This is because the factors affecting the value of such investments are unknown or difficult to control.

What are the risks of investing in MICs?

Like any investment, there are risks associated with investing in MICs. The specific risks that can apply to us are explained below.

Your Investment is Not Guaranteed

Unlike bank deposits and guaranteed investment certificates (GICs) or money you have deposited in a bank account, your investment in a MIC is not guaranteed by the Canada Deposit Insurance Corporation, by any other government insurer or by us. You could, therefore, lose some or all of your investment.

The Security for Our Loans Often Ranks Second to Other Loans

As at the date of this Offering Memorandum, a significant portion of the principal amount of loans made by us is secured by second mortgages. See the three tables on pages 6 and 7 for details of the mortgages held by us.

Second mortgages rank second in priority to first mortgages. As a result, a lender holding a first mortgage will have priority to the net proceeds from the sale of the property should the borrower default. Thus, the loan payable, including any accrued interest, penalties and fees, under the first mortgage will be paid to its holder before we, as the second mortgage lender, receive any funds. Additionally, any outstanding property liens will also be paid before the holder of the second mortgage receives payment from the balance, if any, of funds remaining.

This prioritization of claims significantly increases the risk for second mortgages in the event of a default by a borrower followed by a sale of the mortgaged property, since there may be insufficient funds remaining after satisfying the first mortgage and other senior claims to fully repay the principal, interest, penalties and fees secured by the second mortgage. This can lead to losses, particularly if the value of the mortgaged property decreases.

The Security for Our Loans will Fluctuate in Value

The value of a MIC's investments (that is, the loans it has made) and the value of the security for those investments (that is, the properties against which the mortgages securing the loans are registered) will change from time to time due to events beyond our control. While we endeavour to minimize our exposure to such fluctuations (and the resulting risk to our investors) by restricting our loans to 80% (or less) of the value of the security for such loans, there is a risk that the value of such security can significantly decrease in a falling real estate market. If the value of such security decreases to less than the outstanding amount due under the corresponding loan, the value of the loan would be adversely affected or impaired, which could reduce the value of your shares upon a repurchase or the amount of income distributed to you.

There is a myriad of factors that can affect the value of real estate and a MIC's loans, including:

- current economic conditions, in particular, the value of real estate;
- changes in interest rates;
- changes in governmental regulation;
- events in financial markets;
- world events such as the COVID-19 pandemic; and
- financial conditions of the borrowers to which the MIC has advanced funds.

Your Investment could Decrease in Value

As a result of the changing value of the loans and corresponding mortgages, the value of your investment in a MIC could decrease over time, and there is no guarantee that, when we repurchase your Class A Shares, they will be worth the price you paid for them.

Your Investment is Subject to Changes in Interest Rates

MICs are subject to interest rate risk. Our mortgage investments earn a fixed rate of interest. When interest rates rise, existing investments in mortgages become less valuable because new mortgages will pay the new, higher rate of interest. Conversely, if interest rates fall, the value of an existing mortgage with a higher rate of interest will rise.

Our Borrowers are or could become a Bad Credit Risk

Our borrowers often have incomes that are seasonal or fluctuate or they may have been refused credit from banks and other traditional financial institutions. Accordingly, our borrowers may be considered to be higher risk and, as a result, there is a risk they may not be able to, or may refuse to, pay back their loans when due. We believe our lending policy is conservative and anticipate that minimal losses will be incurred. Furthermore, if a loss does occur, it will be spread over all of our capital. Nevertheless, such losses could amount to a reduction in anticipated return on your investment or, in the worst circumstances, result in you losing your entire investment.

We might be Unable to Repurchase Your Shares

Under exceptional circumstances, we may suspend your right to repurchase your Class A Shares for example, if the repurchase would render us insolvent or if it would cause us not to meet the requirements for a MIC under the Tax Act.

A Fee will be Deducted if You Repurchase Your Shares within Two Years of Purchase

If you repurchase your Class A Shares within two years of acquiring them, an early repurchase fee will be deducted from the amount repaid to you. That fee is 3% in the first year and 1.5% in the second year. There is no early repurchase fee payable for any repurchase after you have owned your Class A Shares for more than two years.

Class A Shareholders have Restricted Voting Rights

Class A Shareholders cannot vote at annual general meetings of our shareholders in respect of the election of directors and the appointment of an auditor. Only Class B Shareholders are entitled to vote on such matters. However, matters specifically affecting the rights of Class A Shareholders are subject to approval by a vote of our Class A Shareholders.

The Loss of our Manager could Adversely Affect Our Business

We rely solely on our Manager to administer investments for us. The loss of our Manager would require us to retain another manager, possibly at a higher cost and on a less successful basis than our Manager. This would have a material adverse effect on the rate of return obtained on our capital and, therefore, on the value of your investment in our Class A Shares.

A Change in Tax Legislation could Adversely Affect Our Business

We have been created to comply with the MIC requirements of the Tax Act. Our Class A Shares are intended to appeal to individuals having Registered Plans such as RRSPs, RRIFs, TFSAs and RESPs. While it is not anticipated the provisions of the Tax Act respecting such Registered Plans will change, there is always the possibility that it could be altered so that our Class A Shares would no longer be eligible investments for Registered Plans. Such changes could have an adverse effect on your investment.

We intend our business to be operated so that it complies at all times with the requirements for MICs under the Tax Act. Failure to meet such requirements could have a material adverse effect on our financial performance.

The provisions of the Tax Act could be changed so that our net income and taxable capital gains could be taxable in our, rather than your, hands. This could affect the value of your investment, especially if you own our Class A Shares in a Registered Plan.

Risk of Dealing with Trustees

We will deal with the trustees of Registered Plans as necessary but we will not undertake any responsibility for the administration of any self-directed Registered Plans by such trustees. The trust company of your Registered Plan may impose conditions upon us with which we are unable or unwilling to comply. As a result, your trustee may refuse to allow our Class A Shares to be an eligible investment for your Registered Plan.

Our Shares are Subject to Restrictions on Resale

Our Class A Shares are not traded on any stock exchange and may not be resold to third parties, therefore, you cannot liquidate your investment through selling your Class A Shares. See Item 12 “Resale Restrictions”.

Item 11 – REPORTING OBLIGATIONS

We are not required to send to you any documents on an annual or ongoing basis.

11.1 Corporate Requirements

The *Business Corporations Act* (British Columbia) requires us to hold a general meeting of our Class B Shareholders (but not of our Class A Shareholders since our Class A Shares are non-voting) in each calendar year and, prior to or at the meeting, to provide them (but not our Class A Shareholders) with audited financial statements for the previous financial year and, if the previous financial year ended more than six months before the issuance of such financial statements, to also provide audited financial statements for a financial period ending within such six month period. Nevertheless, we mail or electronically deliver such financial statements to both our Class B Shareholders and Class A Shareholders together with a letter to shareholders reporting on our previous year’s business.

From time to time, we may send out on our own accord, or in response to a request from one or more shareholders, further information to all shareholders such as a reporting letter and interim financial statements.

11.2 Corporate and Securities Information

We are not a “reporting issuer” under Canadian securities legislation and our Class A Shares are not publicly traded, nor will we become a reporting issuer or our Class A Shares become publicly traded following the completion of the offering. Since we are not a reporting issuer and our Class A Shares are not publicly traded, no corporate or securities information about us is available from a securities regulatory authority, stock exchange or quotation and trade reporting system and we are not required to issue press releases or to send to you our interim and annual financial statements, management’s discussion and analysis respecting such statements or annual reports. Such financial statements and certain other information are available on our website or from us at the phone number and e-mail address set out on the front cover. Further, some securities information about the offering and previous offerings is available without charge from the British Columbia Securities Commission at www.bsc.bc.ca.

Item 12 – RESALE RESTRICTIONS

12.1 Shares not Tradable

Our Class A Shares offered by this Offering Memorandum will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities [Class A Shares] unless you comply with an exemption from the prospectus and registration

requirements under securities legislation. For information about these restrictions, you should consult a lawyer.

12.2 Restricted Period

Unless permitted under securities legislation, you cannot trade the securities [Class A Shares] before the date that is four months and a day after the date on which we become a reporting issuer in any province or territory of Canada.

We are not currently a reporting issuer in any Canadian province or territory, we will not become a reporting issuer upon completion of the offering and we do not anticipate becoming a reporting issuer. Accordingly, the resale restriction on any Class A Shares you acquire under the offering may never expire.

Item 13 – PURCHASERS’ RIGHTS

If you purchase these securities [Class A Shares] you will have certain rights, some of which are described below. For information about your rights, you should consult a lawyer.

13.1 Two Day Cancellation Right

You can cancel your agreement to purchase these securities [Class A Shares]. To do so, you must send a notice to us by midnight on the second business day after you sign the agreement to buy the securities [Class A Shares].

13.2 Statutory Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) us to cancel your agreement to buy these securities [Class A Shares]; or
- (b) for damages against us, our directors as at the date of this Offering Memorandum and every signatory to this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities [Class A Shares].

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations.

You must commence your action to cancel the agreement within 180 days after you signed the agreement to purchase the securities [Class A Shares]. You must commence your action for damages within the earlier of 180 days after learning of the misrepresentation and three years after you signed the agreement to purchase the securities [Class A Shares].

If you sue for damages, the amount you may recover will not exceed the price that you paid for your securities [Class A Shares] and will not include any part of the damages that we prove does not represent the depreciation in value of the securities [Class A Shares] resulting from the misrepresentation. We have a defence if we prove that you knew of the misrepresentation when you purchased the securities [Series 1 Shares].

13.3 Contractual Rights of Action in the Event of a Misrepresentation

If the securities legislation where you are resident does not provide a comparable statutory right and there is a misrepresentation in this Offering Memorandum, you have a contractual right to sue us:

- (a) to cancel your agreement to buy these securities [Class A Shares]; or
- (b) for damages.

This contractual right to sue is available to you whether or not you relied on the misrepresentation. However, in an action for damages, the amount you may recover will not exceed the price that you paid for your securities [Class A Shares] and will not include any part of the damages that we prove does not represent the depreciation in value of the securities [Class A Shares] resulting from the misrepresentation. We have a defence if we prove that you knew of the misrepresentation when you purchased the securities [Class A Shares].

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after you signed the agreement to purchase the securities [Class A Shares]. You must commence your action for damages within the earlier of 180 days after learning of the misrepresentation and three years after you signed the agreement to purchase the securities [Class A Shares].

Item 14 – FINANCIAL STATEMENTS

Following are our audited financial statements for our last two completed financial years.

Financial statements of

Versa Platinum Financial Corp.
July 31, 2024
(in Canadian Dollars)

Versa Platinum Financial Corp.

July 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Versa Platinum Financial Corp.

Opinion

We have audited the financial statements of Versa Platinum Financial Corp. (the "Corporation"), which comprise the statement of financial position as at July 31, 2024, and the statement of earnings (loss) and total comprehensive income (loss), statement of changes in equity and statement of cash flows for the year ended July 31, 2024, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "Financial Statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of July 31, 2024, and the results of its financial performance and cash flows for the year ended July 31, 2024, in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

T Bhatia & Co Inc.

Burnaby, BC
November 5, 2024

T Bhatia & Co. Inc.
Chartered Professional Accountants



Versa Platinum Financial Corp.**Statement of earnings (loss) and total comprehensive income (loss)****Year ended July 31, 2024**

(in Canadian dollars)

	2024	2023
	\$	\$
Revenue		
Finance income <i>(Note 3 & 5)</i>	836,993	623,623
Other income <i>(Note 8)</i>	60,741	-
	897,734	623,623
Expenses		
Dividends on Class A shares <i>(Note 3 & 5)</i>	460,542	410,529
Insurance	1,684	-
Management fee <i>(Note 8)</i>	-	60,741
Printing & stationery	246	-
Software	-	16,601
Bank charges	1,887	1,500
Professional fees	26,000	77,928
Expected credit loss <i>(Note 3 & 6)</i>	58,500	33,500
Share issuing costs <i>(Note 5 & 9)</i>	10,531	6,078
Dues & subscription	5,376	590
Bad debts <i>(Note 3, 5 & 7)</i>	184,347	18,760
	749,113	626,227
Net earnings (loss) and total comprehensive income (loss)	148,621	(2,604)

The accompanying notes are an integral part of these financial statements

Versa Platinum Financial Corp.

Statement of changes in equity

Year ended July 31, 2024

(in Canadian dollars)

	Capital stock	Accumulated retained earnings (deficit)	Total
	\$	\$	\$
Balance, July 31, 2022	12	(80,847)	(80,835)
Net loss for the year and total comprehensive loss	-	(2,604)	(2,604)
Balance, July 31, 2023	12	(83,451)	(83,439)
Net earnings for the year and total comprehensive income	-	148,621	148,621
Balance, July 31, 2024	12	65,170	65,182

The accompanying notes are an integral part of these financial statements

Versa Platinum Financial Corp.

Statements of financial position

As at July 31, 2024

(in Canadian dollars)

	2024	2023
	\$	\$
Assets		
Cash <i>(Note 3)</i>	683,716	481,736
Finance income receivable <i>(Note 7)</i>	64,864	27,444
Prepaid expenses	5,052	5,335
Due from related party <i>(Note 8)</i>	15,125	-
Mortgages receivable, net of allowance <i>(Note 3 & 6)</i>	6,142,347	3,924,375
	6,911,104	4,438,890
Liabilities		
Accounts payable and accrued liabilities	21,500	29,098
Due to related parties <i>(Note 8)</i>	24,005	132,476
Class A shares <i>(Note 3 & 9)</i>	6,800,417	4,360,755
	6,845,922	4,522,329
Shareholders' equity		
Capital stock <i>(Note 3 & 9)</i>	12	12
Accumulated retained earnings (deficit)	65,170	(83,451)
	65,182	(83,439)
	6,911,104	4,438,890

Approved on behalf of the Board



Director

The accompanying notes are an integral part of these financial statements

Versa Platinum Financial Corp.

Statement of cash flows

Year ended July 31, 2024

(in Canadian dollars)

	2024	2023
	\$	\$
Operating activities		
Net income (loss)	148,621	(2,604)
Items not requiring an outlay of cash		
Expected credit loss	58,500	33,500
Dividends reinvested	204,542	136,418
Net changes in non-cash operating items		
Finance income receivable	(37,420)	(9,459)
Prepaid expenses	283	(5,335)
Accounts payable and accrued liabilities	(7,598)	(7,135)
Due from / to related parties	(123,596)	19,632
Net cash provided by operating activities	243,332	165,017
Investing activities		
Advances of mortgages receivable	(2,276,472)	(724,992)
Net cash used in investing activities	(2,276,472)	(724,992)
Financing activities		
Issuance /(Redemption) of Class A shares (net)	2,235,120	(1,339,587)
Net cash provided by (used in) financing activities	2,235,120	(1,339,587)
Net increase (decrease) in cash	201,980	(1,899,562)
Cash, beginning of year	481,736	2,381,298
Cash, end of year	683,716	481,736

The accompanying notes are an integral part of these financial statements

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

1. Nature of operations

Versa Platinum Financial Corp. (the “Corporation”) was incorporated under the laws of the Province of British Columbia on September 10, 2018. The address of the Corporation and principal place of business is 2328 Clearbrook Road, Abbotsford BC V2T 2X5.

The Corporation is a Mortgage investment corporation (“MIC”) as defined in Section 130.1 (6) of the Canadian Income Tax Act, carrying on the business of investing directly or indirectly in mortgages granted as security for loans to owners of residential real estate located in British Columbia, Canada. Section 130.1 (6) of the Income Tax Act prescribes the tax treatment of a MIC allowing the income earned on mortgages to be passed on to the shareholders in a flow-through manner. The flow-through is accomplished by a dividend which is deducted from the annual income for tax purposes but taxed as bond interest in the hands of the recipients.

The Corporation invests in mortgages originated, sourced, or arranged by various mortgage brokers.

The Corporation has appointed VIG Management Ltd. (a company under common control) as its investment fund manager to administer and manage the mortgages.

2. Basis of Presentation

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and interpretations adopted by the International Accounting Standards Board (“IASB”).

The financial statements were authorized for issue by the Board of Directors on November 5, 2024.

Basis of preparation

The financial statements have been prepared on a going concern basis and historical cost except for financial instruments classified as at fair value through profit or loss (“FVTPL”) which are measured at fair value. These financial statements are presented in Canadian dollars, which is the Corporation’s functional and presentation currency.

General

The Corporation’s financial statements are prepared using the significant accounting policies described in Note 3. These policies have been applied throughout the year unless otherwise stated.

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

3. Significant accounting policies

In the current year, the Corporation has applied a number of amendments to IFRS Accounting Standards issued by the IASB that are mandatorily effective for an accounting period that begins on or after January 1, 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgments — Disclosure of Accounting Policies
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors — Definition of Accounting Estimates

Cash

The Corporation's policy is to present bank deposit balances under cash, including cash, cash held in trust and short term investments in money market instruments (if held). All components are liquid.

Financial instruments

Financial instruments are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than those at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and liabilities at FVTPL are expenses when incurred.

Financial assets

All financial assets are recognized and derecognized on the trade date at which the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of financial assets.

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

3. Significant accounting policies (continued)

Financial assets (continued)

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI")

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Cash, finance income receivable, and mortgage receivable are subsequently measured at amortized cost.

By default, all other financial assets are subsequently measured at fair value through profit or loss ("FVTPL").

Mortgages receivable

Mortgages receivables are initially recorded at fair value plus any transaction costs and are subsequently measured at amortized cost using the effective interest method, less any impairment losses. The Corporation recognizes a loss allowance for mortgages receivable in accordance with the IFRS 9 expected credit loss ("ECL") model. The ECL is estimated as the difference between all contractual cash flows that are due to the Corporation in accordance with the mortgage contract agreement and all the cash flows that the Corporation expects to receive, discounted at the original effective interest rate.

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

3. Significant accounting policies (continued)

Mortgages receivable (continued)

The amount of ECL is updated at each reporting date to reflect the changes in credit risk since initial recognition for each of the respective mortgages receivable. The Corporation recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition on the mortgage receivable. If, on the other hand, the credit risk on the mortgages receivable has not increased significantly since initial recognition, the Corporation measures the loss allowance for that mortgage receivable at an amount equal to 12 month ECL ("12m ECL").

The Corporation may classify mortgages as impaired due to: 1) actual default, 2) technical default, 3) increased credit risk and 4) increased market risk (referred to as Categories).

The Corporation shall maintain strict controls around 1) actual default, defined as failure to make a schedule payment under the mortgage contract. The Corporation shall act immediately upon the instance of an NSF (non-sufficient funds) payment, to collect the arrears within 30 days of the original payment date.

The Corporation shall maintain similar controls around 2) technical default, and at times may be on a longer timeline due to the required deferred nature of the resolution of the technical default. Technical default can include failure to maintain insurance, failure to pay property taxes when due, default in prior or subsequent encumbrances, failure to maintain property or any other breach of the standard charge terms or mortgage contract. In cases where technical default does not generate ECL, for instance when, a property is sold (or refinanced) successfully but with a deferred firm closing date, no ECL is recognized.

Certain mortgages will be classified as Category 2 or Category 3 due to a significant increase of credit risk ("SICR") created by actual or technical default. The Corporation shall monitor loans with SICR more closely and on an individual basis given their significance and unique characteristics.

At each period end, the Corporation calculates impairment allowance for increased credit risk on a file-by-file basis using the following methodology, with information available without undue cost or effect on an individual basis:

- The Corporation determines if mortgages have SICR. Mortgages with no SICR are classified as Category 1 and mortgages with SICR are classified as either Category 2 or Category 3.
- Mortgages receivables are considered to have similar risk characteristics when they are in the same geographical area which are secured by real property as collateral, as well as (in most instances) a Personal Property Securities Act ("PPSA") registration against the borrower(s) and any guarantor(s).

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

3. Significant accounting policies (continued)

Mortgages receivable (continued)

- The Corporation presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due unless the Corporation has reasonable and supportable information that demonstrates otherwise.
- Mortgages in actual and technical default are further analyzed and assessed for impairment on a per-file basis.
- Impairment losses resulting from a mortgage default is determined using a provision matrix that can be adjusted on a file by file basis for factors that are specific to the property securing the mortgage, the circumstances of the borrowers and guarantors, general economic conditions in the regional market in which the property is located and an assessment of both the current and the forecast direction of real estate market conditions at the reporting date, including the expected timeline for the resolution of any foreclosure or power of sale process (where appropriate).

Finance income receivable

Finance income receivable on mortgages is calculated on each individual mortgage balance at year end using the effective interest rate associated with the mortgage balance.

Financial Liabilities – classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. The Corporation has classified non-voting preference shares redeemable at the option of the holder as liabilities.

Financial liabilities are classified as either financial liabilities at FVTPL or amortized cost.

Financial liabilities at amortized cost, including borrowings are initially measured at fair value, net of transaction costs. Financial liabilities at amortized cost are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

All financial liabilities, which include accounts payable and accrued liabilities, dividends payable and preferred shares are subsequently measured at amortized cost.

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

3. Significant accounting policies (continued)

Financial Liabilities – classification as debt or equity (continued)

The Corporation has classified its financial liabilities as follows:

Accounts payable and accrued liabilities	at Amortized cost
Due to related parties	at Amortized cost
Class A shares	at Amortized cost
Unsecured loans	at Amortized cost

Equity

Capital stock is recorded at fair value of the shares issued. Costs directly related to the issuance of shares are reported as a reduction from equity, net of tax effects.

Dividends are included under liabilities in the period in which the dividend is declared and approved by the Board of Directors, until paid by the Corporation.

Share capital

Class B shares

Class B shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity.

Class A shares

The Corporation classified Class A shares strictly based on their substance. Shares which give the holder the right to require the issuer to redeem the shares at or after a particular date for a fixed or determinable amount, meet the definition of a financial liability and is classified as such. Dividends on class A shares are recognized in profit and loss as accrued.

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

3. Significant accounting policies (continued)

Revenue recognition

Revenue is substantially derived from the arranging of private mortgages to various clients. Mortgage interest and fees revenues are recognized in the statement of net earnings (loss) and total comprehensive income (loss) using the effective interest method. Mortgage interest and fees revenues include the corporation's share of any fees received, as well as the effect of any discount or premium on the mortgage. Interest revenue is calculated on the gross carrying amount for mortgages receivable in Stages 1 and 2 and on the net carrying amount for mortgages receivable in Stage 3 (see Note 3 Mortgages receivable).

The effective interest method derives the interest rate that discounts the estimated future cash receipts during the expected life of the mortgage receivable (which is the contractual life, if a shorter period is not expected) to its carrying amount. When calculating the effective interest rate, future cash flows are estimated considering all contractual terms of the financial instrument, but not future credit losses (see Note 3 - Mortgages receivable). The calculation of the effective interest rate includes all fees and transaction costs paid or received. Fees and transaction costs include incremental revenues and costs that are directly attributable to the acquisition or issuance of the mortgage.

Upon impairment of a mortgage receivable, subsequent accreted income is recorded using the rate of interest used to discount the future cash flows in measuring impairment.

Income taxes

The Corporation is qualified as a MIC for Canadian income tax purposes. As such, the Corporation is able to deduct, in computing its income for a taxation year, dividends paid to its preferred shareholders during the year or within 90 days of the end of the year. The Corporation intends to maintain its status as a MIC and pay dividends to its shareholders in the year and in future years to ensure that it will not be subject to income taxes. Accordingly, for financial statement reporting purposes, the tax deductibility of the Corporation's distribution results in the Corporation being effectively not liable to taxation and no provision for current or deferred income taxes is required for the Corporation.

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

3. Significant accounting policies (continued)

Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Changes in estimates are recorded in the accounting period in which they are determined.

Management makes accounting estimates and judgements when determining the following:

- Value of contingencies and accrued liabilities.
- Classification of mortgage investments.
- Impairment: Management makes an assessment of whether credit risk of financial assets has increased significantly since initial recognition and whether a loss allowance should be recognized.

By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements for changes in such estimates in future period could be material.

Provisions

Provisions are recognized when the Corporation has a present obligation (legal or constructive), as a result of past event, if it is probable that the Corporation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably. Provisions are not recognized for future operating losses.

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

4. Emerging accounting pronouncements under IFRS

Various pronouncements have been issued by the International Accounting Standards Board (IASB) or IFRS Interpretations Committee (IFRIC) that will be effective for future accounting periods. The Corporation closely monitors new accounting standards as well as amendments to existing standards and assesses what impact, if any, these will have on the financial statements.

Management anticipates that all relevant pronouncements will be adopted in the Corporation's accounting policies for the first period beginning after the effective date of the pronouncement.

At the date of authorization of these financial statements, the Corporation has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective.

- IAS 1 - Presentation of Financial Statements

In January 2020, the IASB issued an amendment to IAS 1, Presentation of Financial Statements, to come into effect January 1, 2022. The amendment is to provide clarification on the classification of liabilities as current or non-current. On July 15, 2020, the effective date of these amendments was deferred to January 1, 2024, with early adoption permitted. The Corporation will adopt the amendments in its financial statements for the annual period beginning August 1, 2024. The Corporation does not expect the amendments to have a material impact on its financial statements.

5. Financial instruments

a) Fair value of financial instruments

The Corporation classifies its fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The accounting standard establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The inputs fall into three levels that may be used to measure fair value:

Level 1 - Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

5. Financial instruments *(Continued)*

a) Fair value of financial instruments (Continued)

Level 2 - Applies to assets or liabilities for which there are inputs other than the quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

Level 3 - Applies to assets or liabilities for which there is no observable market data.

Generally, the fair value of the mortgage investments approximates their carrying values given the short-term nature of these mortgages. The Corporation believes that the recorded values of all of the other financial instruments approximate their current fair values because of their nature and respective maturity dates and durations.

b) Risk management

The Corporation's financial instruments are subject to the following risks:

Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Corporation. This risk arises principally from cash and the mortgages receivable.

The Corporation mitigates this risk by having well-established lending policies in place that ensure that mortgages are well secured and by limiting its exposure to any one borrower. The Corporation has recourse under these mortgages in the event of default by the borrower, in which case the Corporation would have a claim against the underlying property. As of July 31, 2024, the Corporation assessed the mortgage investments as to impairment using the following methodology:

- *Considering* a default in interest payments by 2 (2023 – 1) of the clients, the Corporation had assessed a SICR for the file. Considering the risk the Corporation has initiated the process of foreclosure the loans. Further, the corporation has recognized ECL against these mortgages. The total amount of such impaired mortgages is \$300,000 (YE 2023: \$268,000) During the current year, the corporation completed the process of recalling one of the previously impaired loans and recognized a loss of \$156,680 as non-recoverable.

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

5. Financial instruments *(Continued)*

b) Risk management (Continued)

Credit Risk (Continued)

- The Corporation has assessed an impairment loss of \$58,500 (2023 – \$40,000), calculated as the difference in present value of all contractual cash flows that are due to the Corporation in accordance with the mortgage contract agreements and all the cash flows that the Corporation expects to receive.
- All mortgage receivables share similar risk characteristics that all mortgage loans are in the same geographical area which are all secured by real property as collateral as well as (in most instances), a PPSA registration against the borrowers and any guarantors.
- All of the loans were originated at a market rate of interest.
- The Corporation was unable to rebut the presumption that a loan will have a greater SICR when more than 30 days past due.
- Impairment losses were estimated using a provision matrix that incorporates the outstanding principal under the mortgage, any regular interest receivable, fees receivable from the borrower(s) and guarantor(s) prior to and subsequent to default, and fees and charges for file related one-time and ongoing legal, insurance and property management services paid to realize the value of the mortgage property.
- The Corporation generally places its cash in Canadian chartered banks and as such, the Corporation does not anticipate significant credit risk associated with cash.

To reduce the Corporation's credit risk on finance income receivable, the Corporation has a stringent process validating the credibility of the borrower. Mortgage applications undergo a comprehensive due diligence process adhering to the restrictions and eligibility under the Corporation's policies.

Liquidity risk

All financial liabilities are exposed to liquidity risk. Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with its financial liabilities. The Corporation's management addresses this risk by reviewing its expected future cash flow requirements. In addition, the Corporation has policies in place that limit the total amount of share redemptions in any given year.

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

5. Financial instruments (Continued)

b) Risk management (Continued)

Liquidity Risk (Continued)

The table below analyzes the Corporation's financial liabilities as at July 31, 2024 into relevant groupings based on contractual maturity dates. The amounts in the table are contractual undiscounted cash flows. Balances due within 12 months equal their carrying values as the impact of discounting is not significant.

	Within one year	Due after one year	No stated maturity	Total
July 31, 2024	\$	\$	\$	\$
Accounts payable and accrued liabilities	21,500	-	-	21,500
Due to related parties	-	-	24,005	24,005
Class A shares	-	-	6,800,417	6,800,417
Total	21,500	-	6,824,422	6,845,922

	Within one year	Due after one year	No stated maturity	Total
July 31, 2023	\$	\$	\$	\$
Accounts payable and accrued liabilities	29,098	-	-	29,098
Due to related parties	-	-	132,476	132,476
Class A shares	-	-	4,360,755	4,360,755
Total	29,098	-	4,493,231	4,522,329

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk. The Corporation manages this risk by having well-established lending policies in place that ensure mortgages are well secured.

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

5. Financial instruments *(Continued)*

b) Risk management (Continued)

Currency risk

Currency risk is the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates. Substantially all of the Corporation's transactions are in Canadian dollars and as a result, the Corporation is not subject to significant currency risk.

Interest rate risk

Interest rate risk is the risk that the value of the Corporation's financial instruments will fluctuate due to changes in market interest rates. In respect of the Corporation's mortgage investments, the Corporation generally issues mortgages with terms of no longer than 12 months at fixed interest rates. Accordingly, the Corporation is subject to limited exposure to interest rate risk.

Other price risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The Corporation is not exposed to significant other price risk.

Changes in risk

There have been no changes in the Corporation's risk exposures during the period.

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

5. Financial instruments (Continued)

c) Income and expenses

	2024	2023
	\$	\$
Finance income from financial assets measured at effective interest rate	836,993	623,400
Interest on funds held with bank	-	223
Dividends declared on financial liabilities measured at amortized cost	460,542	410,529
Share issuance costs expensed for financial liabilities measured at amortized cost	10,531	6,078

6. Mortgage receivable

Mortgage investments are secured by the real property to which they relate, mature at various dates up to July 2025 with interest rates ranging from 9.95% to 16.00%. All mortgages are secured and relate to residential properties located in Surrey and surrounding regions of British Columbia.

Reconciliation of Gross Mortgage amount

	2024			
	Stage 1 12 MECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Mortgage amount (net of ECL) as at August 01, 2023	3,750,500	-	228,000	3,978,500
New Mortgages originated	5,692,500	-	-	5,692,500
Paydown on Mortgages	(3,190,500)	-	(71,320)	(3,261,820)
Transfer from Stage 1 to Stage 3	(300,000)	-	300,000	-
Mortgages written off as non recoverable	-	-	(156,680)	(156,680)
Mortgage amount as at July 31, 2024	5,952,500	-	300,000	6,252,500
Provision for expected credit loss	-	-	(58,500)	(58,500)
Mortgage receivable (net of ECL) as at July 31, 2024	5,952,500	-	241,500	6,194,000

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

6. Mortgage receivable (Continued)

	2023			
	Stage 1 12 MECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Mortgage amount (net of ECL) as at August 01, 2022	3,035,000	-	268,000	3,303,000
New Mortgages originated	5,149,374	-	-	5,149,374
Paydown on Mortgages	(4,433,874)	-	-	(4,433,874)
Mortgage amount as at July 31, 2023	3,750,500	-	268,000	4,018,500
Provision for expected credit loss			(40,000)	(40,000)
Mortgage receivable (net of ECL) as at July 31, 2023	3,750,500	-	228,000	3,978,500

Reconciliation of Gross Mortgage amount and Net Mortgages receivable:

	2024 \$	2023 \$
Total Mortgages receivable	6,252,500	4,018,500
Less: Provision for expected credit loss	(58,500)	(40,000)
Less: Prepaid Interest	(6,812)	(13,081)
Less: Mortgage fee received; to be amortized over remaining term	(44,841)	(41,044)
Net Mortgages receivable	6,142,347	3,924,375

The mortgages receivable as at July 31, 2024 & July 31, 2023, are expected to mature as follows:

	2024 \$	2023 \$
0 - 90 days	1,094,000	882,000
91 - 180 days	1,971,000	-
180+ days	3,187,500	3,136,500
Total	6,252,500	4,018,500

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

7. Finance income receivable

The loss allowance for the finance income receivable reconcile to the opening allowances as follows:

	2024	2023
	\$	\$
Total Finance income receivable	92,531	46,204
Less: Provision for receivables written off during the year as uncollectible	(27,667)	(18,760)
Net Finance income receivable	64,864	27,444

8. Related Party Transactions

The Corporation, VIG Management Ltd. ("VML") and Sandhu and Sran Mortgages ("SSM") are companies under common ownership and management.

During the fiscal year ended July 31, 2024, the Corporation engaged in the following related party transactions:

a) *Management fee*

Under a management agreement with VML, the Corporation is obligated to pay a management fee calculated as 1.5% per annum on the first \$5,000,000 of the mortgage portfolio and 1% on any amount exceeding \$5,000,000.

To support the Corporation's financial stability, VML waived the management fees for the fiscal years ended July 31, 2023, and July 31, 2024. The waived fee for the fiscal year ended July 31, 2024, was \$83,633 (2023: \$60,741).

As a result of this waiver, the previously recorded management fee expense of \$60,741 for the year ended July 31, 2023, has been reversed in the current year's financial statements and reclassified as other income. Additionally, no management fee expense has been recorded for the fiscal year ended July 31, 2024.

This waiver is a one-time arrangement intended to support the Corporation's financial position and is not expected to continue in future periods. The standard management fee arrangement is anticipated to resume after July 31, 2024, unless otherwise modified by a new agreement.

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

8. Related Party Transactions *(Continued)*

b) Broker fee

SSM operates as a broker for various mortgages financed by the Corporation. Under this arrangement, SSM charges customers a broker fee directly, as determined by the specific terms of each mortgage agreement.

The Corporation neither recognizes revenue nor incurs expenses related to these broker fees, as the fees are solely a transaction between SSM and the customers. The Corporation has no rights or obligations associated with these fees, and as such, no financial impact is reflected in the Corporation's financial statements with respect to these broker fees.

This arrangement does not affect the Corporation's financial position or performance.

c) Related party balances

The amounts to due to/(from) related parties, included the following amounts:

	2024 \$	2023 \$
Due to SSM	24,005	24,005
Due to / (from) VML	(15,125)	108,471

Related party balances are unsecured, without interest and with no specific terms of repayment.

9. Share Capital

Authorized:

The authorized share capital of the Corporation consists of:

- a) Unlimited number of Class A non-voting, participating shares with a par value of \$1.00;
and
- b) Unlimited number of Class B voting, non-participating shares with a par value of \$1.00

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

9. Share Capital (Continued)

Class A Shares

The Class A shares are not entitled to vote, are entitled to receive dividends, are redeemable by the Corporation, are retractable by the shareholder at par, and on liquidation or winding-up are entitled to a distribution of assets of the Corporation for the purpose of winding up its affairs, ranking equally with each other and voting shares. The Corporation can issue Class A shares in one or more series. No special rights or restrictions attached to a series of Class A shares shall confer on the series priority over another series of Class A shares then outstanding respecting:

- a) Payment of dividend, other than the percentage or per share rate of dividend to be paid; or
- b) Return of capital on
 - i) A winding-up, or
 - ii) The occurrence of another event that would result in the holders of all series of Class A being entitled to a return of capital.

Shares issued are:

	2024		2023	
	Number of shares	Amount \$	Number of shares	Amount \$
Balance at the beginning of year	4,360,755	4,360,755	5,563,924	5,563,924
Issuance of shares	2,584,010	2,584,010	1,120,413	1,120,413
Redemption of shares	327,825	327,825	2,460,000	2,460,000
Reinvested distributions	204,542	204,542	136,418	136,418
Balance at the end of year	6,821,482	6,821,482	4,360,755	4,360,755
Less, issuance costs		(21,065)		-
		6,800,417		4,360,755

Versa Platinum Financial Corp.

Notes to the financial statements

(In Canadian dollars)

July 31, 2024

9. Share Capital (Continued)

Class A Shares

Share issuance costs are reconciled as follows:

	2024	2023
	Amount	Amount
	\$	\$
Balance at the beginning of year	-	-
Filing and EMD fee	31,596	6,078
Amortization of issuance costs	(10,531)	(6,078)
Balance at the end of year	21,065	-

Class B Shares

The Class B voting shares are entitled to vote, are not entitled to receive dividends, are redeemable by the Corporation and, on liquidation or wind-up, subject to any senior rights, are entitled to share pro rata in the net asset value of the class A and Class B Shares

Shares issued are:

	2024		2023	
	Number of shares	Amount \$	Number of shares	Amount \$
Balance at beginning of period	12	12	12	12
Issuance of shares	-	-	-	-
Balance at end of period	12	12	12	12

10. Capital Management

The Corporation's objectives when managing capital are to meet regulatory requirements and other contractual obligations and to safeguard the Corporation's ability to continue as a going concern to generate returns to its investors.

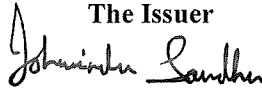
The Corporation is not subject to externally imposed capital requirements and there were no changes in the Corporation's approach to capital management during the year.

Item 13 – DATE AND CERTIFICATE

Dated: November 15, 2024

This Offering Memorandum does not contain a misrepresentation.

The Issuer

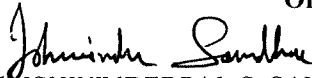


(signed) ISHWINDERPAL S. SANDHU

President

(*de facto* chief executive officer and chief financial officer)

On Behalf of the Directors



(signed) ISHWINDERPAL S. SANDHU

Director



(signed) VIKRAMJIT S. SRAN

Director