Admore Capital Group MIC Ltd.

FORM 45-106F2 - *OFFERING MEMORANDUM FOR NON-QUALIFYING ISSUERS*

FOR PURCHASERS IN ALBERTA, BRITISH COLUMBIA, MANITOBA, NEW BRUNSWICK, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA, ONTARIO, PRINCE EDWARD ISLAND AND SASKATCHEWAN

Accredited Investors
Friends and Family
Corporation Investing > $150,000
Eligible Investors with Dealer Representation
(all as defined in NI 45-106)

Date: **January 26, 2023**

The Issuer

Name:	Admore Capital Group MIC Ltd. (the "**Corporation**")
Head office:	718 Wilson Avenue, Suite 403, Toronto, Ontario M5K 1E2
Phone #:	**416 630 7554**
E-mail address:	info@admorecapitalgroup.com
Currently listed or quoted	No. **These securities do not trade on any exchange or market.**
Reporting issuer	No.
SEDAR filer	No. Filing will be done once there are 50 investors and thereafter. Filing will be as required pursuant to section 2.9 of National Instrument 45-106 – *Prospectus Exemptions* ("**NI 45-106**"). The Corporation is not a reporting issuer and does not file continuous disclosure documents on SEDAR that are required to be filed by reporting issuers.
Manager:	Admore Capital Group Manager Inc. ("**Manager**")

The Offering

Securities offered:	Series C Preferred Shares in the capital of the Corporation (the "**Shares**" or the "**Preferred Shares**").
Price per security:	$1.00, Shares will initially be offered at $1.00 per Share and, thereafter, at a price equal to the Net Asset Value Per Share (as defined in the OM (as defined herein)) on a Valuation Date (as defined in the OM). See the OM under "*Description of Share Capital – Calculation of Net Asset Value Per Share*".
Minimum Offering:	**There is no minimum offering amount. You may be the only investor.**
Maximum Offering	**There is no maximum offering amount**
Target Offering:	$40,000,000 (40,000,000 Shares). **Funds available under the Offering may not be sufficient to accomplish our proposed objectives but the program is scalable.**
Minimum subscription amount:	$50,000, subject to the Corporation's right, at its sole discretion, to accept a subscription which is for less than the minimum subscription amount.
Redemption Rights and Restrictions	**Cash redemptions are offered quarterly limited to the greater of $500,000 and five percent (5%) of the total capital of the issued and outstanding Preferred Shares determined at the beginning of such calendar quarter (the "Preferred Share Redemption Limit"). Any cutbacks will be on a proportionate basis with respect to the aggregate number of Preferred Shares represented by redemption notices. Redemptions are subject in all cases to the Corporation's right to suspend redemptions. See description in the OM attached.** Any redemption notices (or portions thereof) which are not honoured shall be honoured at the next following

Redemption Date (as defined in the OM) with the Corporation redeeming the cutback redemption requests from the oldest to the newest before redeeming any Preferred Shares for the current quarter, subject in all cases to the Corporation's right to suspend redemptions. See the OM under "*Summary – Redemptions*" and "*Description of Share Capital – Redemptions*".

Payment terms: Cheque, bank draft or wire transfer on subscription.

Proposed closing date(s): The last business day of any calendar month (each a "**Closing Date**"), the Corporation may close on such other dates as it shall determine.

Income tax consequences: There are important tax consequences to these securities. See Item 6 "*Income Tax Consequences and RRSP Eligibility*".

Eligibility for Investment: If issued on the date hereof, the Shares would be qualified investments under the Income Tax Act (*Canada*) (the "**Tax Act**") for a trust governed by a "registered retirement savings plan" ("**RRSP**"), a "registered retirement income fund" ("**RRIF**"), a "registered disability savings plan" ("**RDSP**"), a "tax-free savings account" ("**TFSA**"), a "registered education savings plan" ("**RESP**"), (collectively, "**Registered Plans**"), or a "deferred profit sharing plan" (together with Registered Plans, "**Plans**"), each as defined in the Tax Act, at a particular time, provided that the Corporation qualifies as a "mortgage investment corporation" ("MIC") pursuant to the Tax Act at such particular time and further provided that throughout the relevant calendar year in which the particular time occurs, the Corporation does not hold any indebtedness, whether by way of mortgage or otherwise, of a person who is an annuitant, a beneficiary, an employer, or a subscriber under, or a holder of, the Plan, or of any other person who does not deal at arm's length with that person.

Notwithstanding that the Shares may be qualified investments for a trust governed by a Registered Plan, the holder or subscriber of, or an annuitant under, a Registered Plan, as the case may be, (the "**Controlling Individual**") will be subject to a penalty tax if the Shares held in the Registered Plan are a "prohibited investment" (as defined in the Tax Act) for the particular Registered Plan. The Shares will generally not be a "prohibited investment" for a Registered Plan unless the Controlling Individual (i) does not deal at arm's length with the Corporation for purposes of the Tax Act, or (ii) has a "significant interest", as defined in the Tax Act, in the Corporation. A "significant interest" of a Shareholder of the Corporation generally means ownership by the Shareholder, either alone or together with persons with which the Shareholder does not deal at arm's length for purposes of the Tax Act, of ten percent (10%) or more of the issued shares of any class of the capital of the Corporation (or of any related corporation). In addition, Shares will not be a "prohibited investment" if the Shares are "excluded property", as defined in the Tax Act, for the Registered Plan. Potential investors should consult their own tax advisors to ensure that the Shares would not be a "prohibited investment" for the purposes of the Tax Act in their particular circumstances.

Certain Canadian Federal Income Tax Considerations for Shareholders resident in Canada (Summary): This income tax summary for Shareholders who are resident in Canada is subject to the limitations and qualifications set out in the OM under "*Certain Canadian Federal Income Tax Considerations*". Any references to Shareholder in this summary means a Shareholder who is resident in Canada.

Corporate Dividends

Capital gains dividends received by a Shareholder (whether paid in cash or reinvested in Shares) will be treated as a capital gain of the Shareholder from a disposition in the year of capital property for the year in which the dividend is received. See below under the subheading "*Disposition of Shares*" for a description of the tax treatment of capital gains.

Taxable dividends, other than capital gains dividends, received by a Shareholder of Shares (whether paid in cash or reinvested in Shares) must be included in the Shareholder's income as interest payable on a bond issued by the Corporation. The amount of a dividend reinvested in additional Shares will be the cost amount of such Shares.

The provisions of the Tax Act providing for interest accrual, the gross-up and dividend tax credit in respect of taxable dividends received by individuals from taxable Canadian corporations, and the deduction generally available to corporations for inter-corporate dividends received, will not apply to dividends paid by the Corporation.

Disposition of Shares

On the disposition or deemed disposition of a Share by a Shareholder, the Shareholder will generally realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition in respect of such Share, net of any reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base of the Share to the Shareholder.

For the purpose of determining the adjusted cost base to a Shareholder of Shares, when a Share is acquired, the cost of the newly acquired Share will be averaged with the adjusted cost base of all of the Shares owned by the Shareholder as capital property immediately before that acquisition. The adjusted cost base of a Share to a Shareholder will be the cost to the Shareholder for the Share, with certain adjustments.

In general, one-half of a capital gain ("**taxable capital gain**") realized in the year by a Shareholder on the disposition of Shares will be included in the Shareholder's income for the year, and one-half of a capital loss ("**allowable capital loss**") realized in the year on a disposition of Shares will be deducted from the Shareholder's taxable capital gains, if any, realized in such year. Allowable capital losses in excess of taxable capital gains for a particular year may generally be carried back three (3) years or forward indefinitely and deducted against taxable capital gains realized in such years, subject to the detailed rules in the Tax Act.

On a redemption or acquisition of Shares by the Corporation, the Shareholder generally will be deemed to have received, and the Corporation will be deemed to have paid, a dividend in an amount equal to the amount by which the redemption price exceeds the paid-up capital of the redeemed Shares. This deemed dividend will be treated in the same manner as other dividends received by the Shareholder from the Corporation, and its treatment will depend on whether the Corporation elects that the entire dividend be a capital gains dividend (to the extent the Corporation has realized sufficient capital gains, net of any applicable capital losses, in the year). The balance of the redemption price will constitute proceeds of disposition of the Shares for purposes of the capital gains rules, as described above.

Notice to Shareholders not Resident in Canada:

For non-resident Shareholders, dividend income, other than capital gains dividend, will be deemed to be interest income for purposes of the Tax Act and may be subject to withholding tax at the rate of twenty-five percent (25%), subject to any reduction under any applicable income tax treaty or convention. Accordingly, the Corporation intends to withhold and remit such tax at the rate of 25% of the amount of such deemed interest payment to a Non-Resident Shareholder, subject to any such reduction in the rate of withholding under any applicable income tax treaty or convention.

Non-resident Shareholders should consult with their own tax advisors before acquiring Shares. See the OM under "*Certain Canadian Federal Income Tax Considerations—Taxation of Holders—Holders Not Resident in Canada*".

Selling Agent	The Corporation has retained Axcess Capital Advisors Inc. (an exempt market dealer) (the "**Agent**") to offer the Shares on a best efforts basis, subject to prior sale, if, as and when issued by the Corporation and accepted by the Agent in accordance with the conditions to be contained in the Agency Agreement (as defined herein). See Item 7 "*Compensation Paid to Sellers and Finders*". The Corporation may also retain the services of other licensed exempt market dealers ("**EMDs**") in order to facilitate the offering of the Shares to investors. The maximum commission amount payable to an EMD in connection with such distribution is six and one-half percent (6.5%) of the gross proceeds received in connection with such offering and will be paid out of the proceeds attributable to such offering. See the OM under "*Fees and Expenses — Sales Commission*".
Ownership Restrictions	No Shareholder is permitted to hold at any time, directly or indirectly, together with Related Persons (as defined in the Tax Act), more than twenty-five percent (25%) of any class or series of the issued shares of the Corporation.
Resale restrictions:	You will be restricted from selling your securities for an indefinite period. See Item 10 "*Resale Restrictions*". However, Shares are redeemable in certain circumstances. See the OM under "*Description of Share Capital*".
Purchasers' rights:	For purchasers purchasing the Shares under the offering memorandum exemption pursuant to section 2.9 of NI 45-106, you have two (2) business days to cancel your subscription agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel the subscription agreement, subject to the securities legislation applicable in your province. See Item 11 "*Purchasers' Rights*" and Appendix A attached to this Offering Memorandum. For purchasers purchasing the Shares pursuant to a prospectus exemption in NI 45-106 other than the offering memorandum exemption, if there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel the subscription agreement, subject to the securities legislation applicable in your province. See Item 11 "*Purchasers' Rights*" and Appendix A attached to this Offering Memorandum, except with respect to the provinces of British Columbia wherein no statutory rights will be available to purchasers who do not purchase the Shares in reliance on the offering memorandum exemption under section 2.9 of NI 45-106. Such purchasers in British Columbia shall be entitled to the same rights as purchasers in Ontario as described in Appendix A.
Dividends:	The board of directors of the Corporation (the "**Board**") has adopted a dividend strategy, pursuant to which at the discretion of management, we intend to declare quarterly dividends to holders of Shares of record at the close of business on the last Business Day of each quarter. Each declared quarterly dividend will be paid within twenty (20) days of the dividend record date. Should the Corporation be in a position of excess taxable income, the strategy will be to declare a surplus (fifth (5^{th})) dividend referred to as a special dividend, to be paid to all Shareholders throughout the calendar year, whether or not Shares were held as at

December 31. If declared, said special dividend will be paid on the basis of the proportionate share of each Shareholder's Contributed Capital during the calendar year.

The special dividend will be paid within ninety (90) days of the dividend record date. The special dividend each year ending December 31, would be equal to taxable income for that fiscal year and capital gains for that fiscal year, less dividends previously declared for that fiscal year and any profits allocated to the Manager. The general dividend strategy of the Board is to pay dividends to the Shareholders of record on the dividend record date, subject to available profit, of seven percent (7%) per annum on the capital invested by the series plus seventy-five percent (75%) of the profit attributable to the series capital that is greater than seven percent (7%). The remaining twenty-five percent (25%) of profit that is greater than seven percent (7%) will flow to the Manager. See "*Fees and Expenses*".

However, holders of the Shares have a right, after payment to them of their preferred dividends, and payment of dividends in a like amount per share to the holders of the Common Shares (as defined in the OM), to participate *pari passu* with the holders of the Common Shares in any further payment of dividends.

Dividend Reinvestment: The Corporation, subject to maintaining its status as a MIC under the Tax Act and applicable securities laws, may in future provide a dividend reinvestment and Share purchase plan (the "**DRIP**"). If and when offered, under the DRIP, holders of shares of the Corporation from time to time can reinvest dividends in additional Shares of the Corporation. The Corporation or the Manager will administer all aspects of the DRIP. Once the DRIP is offered notice of the commencement and an enrolment form will be provided, together with a copy of the Plan.

If the Corporation provides such a plan, all Shareholders who are resident in Canada will be eligible to participate in the DRIP by completing an enrolment form and returning it to the Corporation (the "**Registered Participants**"). Such Shareholders may enroll all or a portion of their Shares in the DRIP.

Participation in the DRIP will be restricted to Shareholders who are resident in Canada for the purposes of the Tax Act.

Appendix B and Defined Terms: Attached hereto as Appendix B and forming part of this Offering Memorandum is a confidential offering memorandum of the Corporation dated **January 26, 2023** (the "**OM**"). Capitalized terms used but not otherwise defined herein have the respective meanings given to them in the OM. The OM and all schedules to the OM, if any, are deemed to be incorporated herein by reference. To the extent that the contents of this Offering Memorandum conflict with the OM, this Offering Memorandum shall prevail. The OM has detailed discussion of matters set out in this Offering Memorandum and should be referred to where noted.

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 8 "*Risk Factors*".

CANADIAN CURRENCY

All dollar amounts stated herein, unless otherwise stated, are expressed in currency of Canada.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Offering Memorandum, constitute forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the

meaning of applicable securities laws. Such forward-looking statements relate to future events or the Corporation's future performance. All statements other than statements of historical fact may be forward-looking statements. Such forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this Offering Memorandum should not be unduly relied upon. These forward-looking statements speak only as of the date of this Offering Memorandum or as of the date specified in the documents incorporated by reference into this Offering Memorandum, as the case may be.

Investors are cautioned that they should not unduly rely on the forward-looking statements included in this Offering Memorandum. These forward-looking statements are made as of the date of this Offering Memorandum and the Corporation disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. All forward looking statements contained in this Offering Memorandum are expressly qualified by this cautionary statement.

MARKETING MATERIALS

Any "**OM Marketing Materials**" (as such term is defined in NI 45-106) related to each distribution under this Offering Memorandum and delivered or made reasonably available to a prospective Shareholder 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 modified or 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 Shareholder prior to the execution of the subscription agreement by the Shareholder. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement is not deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded is not deemed, except as so modified or superseded, to constitute a part of this Offering Memorandum.

Item 1: Use of Available Funds

1.1 Funds

		Assuming Target Offering[1]
A.	Amount to be raised by this Offering	$40,000,000
B.	Selling commissions and fees[2]	$2,600,000
C.	Estimated offering costs (e.g., legal, accounting, audit)[3]	$50,000
D.	Available funds: D = A - (B+C)	$37,350,000
E.	Additional Sources of Funding Required	$0
F.	Working Capital Deficiency	$0
G.	Total: G = (D + E) – F	$37,350,000

Notes:

(1) There is no minimum or maximum offering. The Corporation is targeting an offering of $40,000,000, but may raise more or less than such target amount. This is combined with the simultaneous offering to accredited investors. Assumes amounts will be paid in cash.

(2) The Corporation may pay a sales commission to registered dealers or, where permitted under applicable law, other persons in an amount to be determined by the Corporation (to a maximum of six and one-half percent (6.5%) of the subscription amount). See Item 7 "*Compensation Paid to Sellers and Finders*".

(3) Offering costs as shown are estimated, and include legal and accounting costs, printing and other administrative costs associated with marketing the Shares pursuant to this Offering Memorandum. These costs will be paid as a general expense from revenues generated after investment of the proceeds of the Offering. The figures presented do not include the Management Fee, as it will not be paid out of the proceeds of the Offering. The Management Fee will be paid out of the Corporation's gross assets.

1.2 Use of Available Funds

The available funds will be used by the Corporation for the purposes set forth in the table below.

Description of intended use of available funds listed in order of priority	Assuming Target Offering[1]
The net (of offering expenses) proceeds from the sale of this Offering will be used to invest in accordance with the investment objectives and investment strategies of the Corporation, subject to the investment policies. This includes using funds to invest in mortgages and general working capital purposes.	$37,350,000

Notes:

(1) There is no minimum or maximum offering. The Corporation is targeting an offering of $40,000,000, but may raise more or less than such target amount.

See the OM under "*Summary – Use of Proceeds*", "*Summary – Investment Objectives*" and "*Summary – Investment Strategies*".

1.3 Reallocation

We intend to spend the available funds as stated. We will reallocate funds only for sound business reasons. The Shares are redeemable in accordance with their terms and applicable law. The available funds may be used to satisfy redemptions. See also the OM under "*Description of Share Capital – Redemptions*".

Item 2: Business of the Corporation

2.1 Structure

Admore Capital Group MIC Ltd. was incorporated under the *Business Corporations Act* (Ontario) ("**OBCA**") by Articles of Incorporation dated December 23, 2021. Our head and registered office is located at 718 Wilson Avenue, Suite 403, Toronto, Ontario, M3K 1E2. Our business and affairs are also regulated by By-Law No. 1 adopted by the Board on **December 23, 2021**. We do not have any subsidiaries. See the structure chart at Schedule A.

2.2 Our Business

The Corporation finances loans secured by real estate assets that may be identified as too risky by conventional bank lenders or loans which need to be more customized. The Corporation's investment objective is to preserve investors' capital while providing a consistent stream of cash distributions. Investing predominantly in short-term residential, and to a lesser extent, commercial, real estate mortgage loans, the Corporation seeks to make loans in the alternative mortgage market principally in the residential mortgage market.

Qualification as MIC under Tax Act

The Corporation intends to carry on its business in a manner so that it qualifies and continues to qualify as a MIC under the Tax Act. As a MIC, when calculating its income tax payable in Canada, the Corporation may deduct dividends that are paid from income to reduce corporate income tax. The Corporation intends to make distributions to the extent necessary so that it will generally have no taxes payable under Part I of the Tax Act and to generally elect to have dividends be capital gains dividends to the maximum extent allowable. Taxable dividends, other than capital gains dividends, are treated as interest income to Shareholders for Canadian income tax purposes. See Item 6 "*Income Tax Consequences and RRSP Eligibility*".

See the OM for more detail under "*The Corporation*" and "*Certain Canadian Federal Income Tax Considerations – Status of the Corporation – Classification Under the Tax Act*".

2.3 Development of Business

The Corporation was established to provide investors with the ability to invest (indirectly, via Shares in the Corporation) in mortgages primarily in the Greater Toronto Area. The goal is to acquire and hold mortgages generating strong returns from both lender fees and interest, and to pay out those returns as a steady and secure stream of income for investors. See the OM under "Summary – *Investment Objectives*" and "*Summary – Investment Strategies*".

2.4 Long Term Objectives

The Corporation intends to qualify as a MIC and carry out the business as set out above under Item 2.2 "*Our Business*". See also the OM under "*The Corporation*".

In order for the Corporation to accomplish its long-term objectives, the following must occur:

(a) the Corporation must complete its short-term objectives described under Item 2.5 "*Short Term Objectives and How We Intend to Achieve Them*" below; and

(b) the Manager must prudently manage the affairs of the Corporation and the Portfolio (as defined herein) on an ongoing basis.

The following investment guidelines will govern the origination of investments for the Corporation in accordance with this objective:

Investment Objectives

<table>
<tr><td>Investment Objectives:</td><td>The Corporation was established to provide investors with the ability to invest (indirectly, via Shares in the Corporation) in mortgages in Ontario with a primary focus in the Greater Toronto Area (the "Portfolio"). The goal is to acquire and hold mortgages generating strong returns from both lender fees and interest, and to pay out those returns as a steady and secure stream of income for the investors.</td></tr>
<tr><td>Investment Strategies:</td><td>The following investment guidelines shall govern the allocation of investments within the Corporation:

Investment Strategy/guidelines:

Below are management's targets for investment opportunities:

• mostly first (1st) and second (2nd) mortgages in the Greater Toronto Area;
• single family residential properties with a weighted average loan to value not exceeding seventy-five percent (75%);
• freehold and condominium properties with an emphasis on owner occupied;
• construction financing for residential properties; and
• term is between twelve (12) and twenty-four (24) months.

On occasion, the Corporation will invest in land and/or commercial properties, but these types of deals will be "one off" investments and will only be taken with significant collateral and expected upside.

Restrictions/guidelines

• Loan to value will not exceed eighty percent (80%) on any one investment absent other blanket security;
• no investment in deals outside of Ontario;
• secondary financing will not exceed sixty-five percent (65%) loan to property value unless a related party is in first position; and
• in the event of default, enforcement proceedings will be immediately commenced absent a clear and plausible workout, explanation and timeline.

The Corporation shall not make any investment that would result in the Corporation failing to qualify as a MIC pursuant to the Tax Act.</td></tr>
</table>

2.5 Short Term Objectives and How We Intend to Achieve Them

The business objectives of the Corporation are to complete the Offering with a sufficient number of Shares pursuant to this Offering Memorandum. This will enable the Corporation to invest in mortgages in accordance with its investment guidelines and establish the Portfolio.

2.6 Insufficient Funds

The funds raised by the Corporation pursuant to the Offering may not be sufficient to accomplish all of the Corporation's proposed objectives and there is no assurance that alternative financing will be available. It is believed the business is sufficiently scalable that the funds raised will be successfully invested.

2.7 Material Agreements

The management agreement between the Corporation and the Manager (the "**Management Agreement**") is the only material contract of the Corporation. See the OM under "*Management Agreement*".

Certain of our mortgages can be shared with other investors, including members of the Board and/or officers of the Corporation. In every case, our mortgage participation either ranks equally or in priority to other members of the syndicate as to receipt of principal and interest. See the OM under "*Interests of Management and Others in Material Transactions*".

Certain directors, officers and employees of the Manager and/or its affiliates and associates may purchase and hold Shares and may also participate in the mortgages on a syndicated basis from time to time. See the OM under "*Interest of Management and Others in Material Transactions*". The officers and directors of the Corporation are also officers and directors of the Manager (Admore Capital Group Manager Inc.), the Mortgage Administrator (2593799 Ontario Inc.) and the Mortgage Brokerage (Admore Financial Services Inc.). Through these various related companies, fees and compensation will be received from transactions related to the Corporation, and as such, there is a very real potential for conflicts of interest. More specifically, many investment opportunities for the Corporation will be generated through the brokerage, resulting in fees and commissions to the brokerage. Furthermore, the management and administration of the Corporation will result in fees and compensation to the officers and directors of the Corporation as outlined in the Management Agreement.

These risk factors are also described under Item 8: "*Risk Factors*".

Item 3: Interests of Directors, Management, Promoters and Principal Holders

3.1 Compensation and Securities Held

Name and municipality of principal residence	Positions held (e.g., director, officer, promoter and/or principal holder) and the date of obtaining that position	Compensation paid by issuer or related party in the most recently completed financial year and the compensation anticipated to be paid in the current financial year(1)	Number, type and percentage of securities of the issuer held after completion of the Offering(2)
John Cocomile, Toronto, ON	Director and Chief Executive Officer (December 2021)	nil	250 Common voting shares (25%)

Name and municipality of principal residence	Positions held (e.g., director, officer, promoter and/or principal holder) and the date of obtaining that position	Compensation paid by issuer or related party in the most recently completed financial year and the compensation anticipated to be paid in the current financial year(1)	Number, type and percentage of securities of the issuer held after completion of the Offering(2)
Geoff Carnevale, Toronto, ON	Director and President (December 2021)	nil	250 Common voting shares (25%)
Frank Carnevale. Toronto, ON	Director (November 2022)	nil	250 Common voting shares (25%)
Terrence Reiber, Toronto, ON	Director (December 2021)	nil	250 Common voting shares (25%)

Notes**:**

(1) In consideration of the services provided to the Corporation by the Manager, the Manager will be paid a management fee equal to two percent (2%) per annum of the Contributed Capital (as defined in the OM), calculated and paid quarterly on the last Business Day of each quarter, in arrears, plus applicable taxes (the "**Management Fee**"). An additional fee will also be paid to the Manager by the Corporation, if the returns from investment for the Corporation are greater than seven percent (7%) return on capital in a calendar year, any returns above that seven percent (7%) will be split on a 75/25 basis, with seventy-five percent (75%) payable to the Shareholders and twenty-five percent (25%) payable to the Manager.

(2) The directors and officers and other principal holders of the Corporation may acquire Shares as part of the Offering; however, the amount of Shares that any director or officer or principal holder may acquire is not known as of the date of this Offering Memorandum.

The Corporation will pay for all expenses that the Corporation incurs or the Manager incurs on behalf of the Corporation in connection with our operation and management, including: (a) financial reporting costs, and mailing and printing expenses for periodic reports to Shareholders and other Shareholder communications including marketing and advertising expenses; (b) any taxes payable by the Corporation; (c) fees payable to its transfer agent and its custodians, if any; (d) costs and fees payable to any agent, legal counsel, investment counsel, investment advisor, actuary, valuator, technical consultant, accountant or auditor or other third party service provider; (e) ongoing regulatory filing fees, license fees and other fees; (f) any expenses incurred in connection with any legal proceedings in which the Manager participates on behalf of the Corporation or any other acts of the Manager, or any other agent of the Corporation, in connection with the maintenance or protection of the property of the Corporation, including without limitation, costs associated with the enforcement of mortgage loans; (g) any additional fees payable to the Manager for performance of extraordinary services on behalf of the Corporation; (h) consulting fees including website maintenance costs and expenses associated with the preparation of tax filings; and (i) other administrative expenses of the Corporation.

The Corporation will also be responsible for all taxes, commissions, brokerage commissions (including to related party brokers) and other costs of securities transactions, debt service, commitment fees and costs relating to any credit facilities, insurance premiums and any extraordinary expenses that the Manager may incur or that may be incurred on the Manager's behalf by the Manager's agent or contractor from time to time, as applicable.

3.2 Management Experience

Management Roles

Management Roles:	**Manager** **Mortgage Administrator** **Mortgage Brokerage**	**Admore Capital Group Manager Inc.** **2593799 Ontario Inc.** **FSRA registration number 12950** **Admore Financial Services Inc.** **FSRA registration number 10463**
The Manager:	**Admore Capital Group Manager Inc., a corporation incorporated under the laws of the Province of Ontario, provides management services to the Corporation. The Manager is affiliated with the Corporation.**	
Name	**Principal occupation and related experience over the past 5 years**	
Geoff Carnevale	Licensed mortgage broker	
John Cocomile	Licensed mortgage broker	
Frank Carnevale	Licensed mortgage broker	
Terrence Reiber	Lawyer	

For additional information regarding each of the directors and executive officers of the Corporation and their related experience over the past five (5) years, see the OM under "*Directors and Officers of the Corporation – Biographies*".

3.3 Penalties, Sanctions and Bankruptcy

No director, executive officer or control person of the Corporation, or the Manager has in the last ten (10) years: (i) been subject to any penalties, sanctions or cease trade orders; (ii) been a director, executive officer or control person of an issuer that has been subject to any penalties, sanctions or cease trade orders while such director, executive officer or control person was a director, executive officer or control person of such issuer; (iii) made any declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets; or (iv) been a director, executive officer or control person of an issuer that has made any declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets while such director, executive officer or control person was a director, executive officer or control person of such issuer.

See the OM under "*Legal Proceedings and Regulatory Actions*".

3.4 Loans

There are no outstanding debentures or loans to or from the directors, management, promoters or principal holders of the Corporation or the Manager.

Item 4: Capital Structure

4.1 Share Capital

Description of security	Number authorized to be issued	Price per security	Number outstanding as at August 10, 2022	Number outstanding after the target offering(1)
Common Shares (Not offered - Founders shares)	Unlimited	$1.00	1,000	1,000
Preferred Shares	Unlimited	$1.00	0	40,000,000

Notes:

(1) There is no minimum or maximum offering. The Corporation is targeting an offering of $40,000,000, but may raise more or less than such target amount. There is no minimum offering.

See the OM under "*Description of Share Capital*".

4.2 Long Term Debt Securities

The Corporation may employ leverage in order to enable the Corporation to achieve a higher rate of return, provided that the Corporation may not, at any point in time, incur a level of borrowing in excess of fifty percent (50%) of the total assets of the Corporation.

The Corporation may also borrow to maintain liquidity for general working capital purposes and to bridge timing differences resulting from redemptions, mortgage maturities and new mortgage origination. The Corporation may grant security over the Portfolio in order to achieve the foregoing.

4.3 Prior Sales

Date of issuance	Type of security issued	Number of securities issued	Price per security	Total funds received
None as at Nov 21, 2022	_______	_______		

Item 5: Securities Offered

5.1 Terms of Securities

See the OM under "*Description of Share Capital". See also the OM under "*Restrictions on Resale*" and "*Dividends*".

5.2 Subscription Procedure

To subscribe for Shares, complete the subscription agreement that accompanies this Offering Memorandum. In accordance with the requirements of NI 45-106, the Corporation will arrange for the subscription monies advanced by each subscriber to be held in trust for the subscriber until midnight on the second (2^{nd}) business day after the subscription agreement is signed by the subscriber.

Item 6: Income Tax Consequences and RRSP Eligibility

6.1 Professional Advisers

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

See earlier summary and the detailed description in the OM under "*Certain Canadian Federal Income Tax Considerations*".

Item 7: Compensation Paid to Sellers and Finders

The Corporation is offering Shares to a limited number of investors initially in reliance on the private issuer exemption under NI 45-106 and may rely on the accredited investor, family, friends and business associates and the $150,000 minimum amount investment exemptions, the offering memorandum exemption (with dealer) as to the offering pursuant to this Offering and other available exemptions.

The Shares may also be sold by registered dealers authorized by the Corporation. In its discretion, the Corporation may pay a sales commission to registered dealers or, where permitted under applicable law, a referral fee to other persons ("finders") in an amount to be determined by the Corporation. The maximum sales commission payable is six and one-half percent (6.5%) of the subscription amount. Any such commissions may be paid in cash upon acceptance of the subscription or on other terms agreed to. Notwithstanding the foregoing, the Corporation will not pay a commission to its directors, officers or employees. In the event that the target offering of $40,000,000 is achieved, the maximum commission payable by the Corporation would be $2,600,000.

The Corporation has retained Axcess Capital Advisors Inc. to offer the Shares on a best efforts basis, subject to prior sale, if, as and when issued by the Corporation and accepted by the Agent in accordance with the conditions to be contained in an agency agreement between the Manager and the Agent (the "**Agency Agreement**").

Pursuant to the Agency Agreement, the Agent and any selling group member will be entitled to receive a sales commission of up to six and one-half percent (6.5%) of the gross proceeds of the Shares sold pursuant to the Offering.

The Agent has agreed to use its best efforts to sell the Shares offered hereby, but will not be obligated to purchase any of the Shares. The Shares generally are being offered for sale in each of the provinces and territories of Canada in reliance on certain exemptions from the prospectus requirements of applicable securities laws; but this Offering being made pursuant to the offering memorandum exemption under section 2.9 of NI 45-106 is being made in each of the provinces of Canada except Quebec. Investors will only be permitted to purchase Shares if the purchase qualifies for exemptions pursuant to NI 45-106.

Under the terms of the Agency Agreement, the Agent may, at its discretion on the basis of their assessment of the state of the financial markets and upon the occurrence of certain stated events, terminate the Agency Agreement and withdraw all subscriptions for Shares on behalf of subscribers.

Item 8: Risk Factors

See the OM under "*Risk Factors*".

Item 9: Reporting Obligations

See the OM under "*Fees and Expenses – Information and Reports*" and "*Financial Disclosure*".

Item 10: Resale Restrictions

10.1 General Statement

For trades in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island and Saskatchewan, Shares will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, a holder of Shares will not be able to trade the Shares unless he, she or it complies with an exemption from the prospectus and registration requirements under applicable securities legislation.

10.2 Restricted Period

For trades in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island and Saskatchewan, unless permitted under securities legislation, a holder of Shares cannot trade the Shares before the date that is four (4) months and a day after the date the Corporation becomes a reporting issuer in any province or territory of Canada.

Item 11: Purchasers' Rights

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

(1) Two Day Cancellation Right - You can cancel your agreement to purchase these securities. To do so, you must send a notice to us before midnight on the second (2nd) business day after you sign the agreement to buy the securities.

(2) Statutory Rights of Action in the Event of a Misrepresentation – Purchasers in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island and Saskatchewan

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

(a) the Corporation to cancel your agreement to buy these securities, or

(b) for damages against the Corporation every director of the Corporation at the date of this Offering Memorandum, and every person who signed this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the securities.

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 one-hundred eighty (180) days after you signed the agreement to purchase the securities. You must commence your action for damages within the earlier of one-hundred eighty (180) days from the day that you first had knowledge of the misrepresentation, or three (3) years after the date of the transaction that gave rise to the cause of action. The rules are described in greater detail in Appendix A of this Offering Memorandum.

ADMORE CAPITAL GROUP MIC LTD.

Toronto, Ontario

FINANCIAL STATEMENTS

December 31, 2024

(Expressed in Canadian dollars)

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INDEPENDENT AUDITOR'S REPORT

To the shareholders of Admore Capital Group MIC Ltd.:

Opinion

We have audited the financial statements of Admore Capital Group MIC Ltd. (the "Company"), which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of changes in shareholders' equity (deficiency) and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

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 Company 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 Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 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 Company'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 Company'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 Company 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.

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS, LICENSED PUBLIC ACCOUNTANTS

Toronto, Ontario
March 28, 2025

ADMORE CAPITAL GROUP MIC LTD.

STATEMENT OF FINANCIAL POSITION

December 31, 2024
(Expressed in Canadian dollars)

	2024 **$**	2023 $
Assets		
Current		
Cash	**1,040**	2,658
Non current		
Investment in Admore Capital Group Limited Partnership (Note 2)	**2,704,498**	753,989
Due from related parties (Note 5)	**12,467**	9,707
	2,716,965	763,696
	2,718,005	766,354
Liabilities		
Current		
Payables and accruals	**-**	9,078
Dividends payable	**12,511**	846
Preferred shares (Note 3)	**2,000,000**	755,430
	2,012,511	765,354
Non current		
Preferred shares (Note 3)	**704,494**	-
	2,717,005	765,354
Shareholders' equity		
Common shares (Note 4)	**1,000**	1,000
	2,718,005	766,354

Subsequent events (Note 8)

Approved by the Directors:

ADMORE CAPITAL GROUP MIC LTD.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended December 31, 2024
(Expressed in Canadian dollars)

	2024 $	2023 $
Revenue		
Interest	**74,765**	384
Expenses		
Audit fees	**-**	6,000
Bank charges	**301**	264
Office and general	**732**	78
	1,033	6,342
Income (loss) before other items	**73,732**	(5,958)
Other income (expense)		
Change in fair value of investment in Admore Capital Group Limited Partnership	**-**	3,989
Interest expense on preferred share liabilities	**(74,765)**	(4,277)
Reimbursement of fees and expenses	**1,033**	9,323
	(73,732)	9,035
Net and comprehensive income	**-**	3,077

The accompanying notes are an integral part of these financial statements.

ADMORE CAPITAL GROUP MIC LTD.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)

For the year ended December 31, 2024
(Expressed in Canadian dollars)

	Common shares	Retained earnings	Total shareholders' equity
	$	$	**$**
Balance, December 31, 2022	1,000	(3,077)	**(2,077)**
Net and comprehensive loss	-	3,077	**3,077**
Balance, December 31, 2023	1,000	-	**1,000**
Net and comprehensive income	-	-	**-**
Balance, December 31, 2024	**1,000**	**-**	**1,000**

The accompanying notes are an integral part of these financial statements.

ADMORE CAPITAL GROUP MIC LTD.

STATEMENT OF CASH FLOWS

For the year ended December 31, 2024
(Expressed in Canadian dollars)

	2024 $	2023 $
Cash flows related to operating activities		
Net income	**-**	3,077
Adjustments for items which do not affect cash:		
Change in fair value of investment in Admore Capital Group Limited Partnership	**-**	(3,989)
Interest expense on preferred share liabilities	**74,765**	4,277
	74,765	3,365
Change in non-cash working capital:		
Payables and accruals	**(9,079)**	6,077
	65,686	9,442
Cash flows related to investing activities		
Purchase of Class B units of Admore Capital Group Limited Partnership (Note 2)	**(2,386,389)**	(750,000)
Advances to related parties	**(2,760)**	(8,707)
Proceeds on sale of Class B units of Admore Capital Group Limited Partnership	**435,880**	-
	(1,953,269)	(758,707)
Cash flows related to financing activity		
Proceeds from the issuance of preferred shares	**2,313,945**	752,000
Redemption of preferred shares	**(364,880)**	-
Dividends on preferred shares payable	**(63,100)**	-
	1,885,965	752,000
Net change in cash (bank indebtedness)	**(1,618)**	2,735
Cash (bank indebtedness), beginning	**2,658**	(77)
Cash (bank indebtedness), ending	**1,040**	2,658

The accompanying notes are an integral part of these financial statements.

Admore Capital Group MIC Ltd. (the "Company") was incorporated under the Business Corporations Act of Ontario on December 23, 2021. The Company is registered to operate as a mortgage investment corporation as defined in the Canadian Income Tax Act. The Company invests indirectly in mortgages with the goal of generating returns for investors. The registered office and principal place of business is 718 Wilson Avenue, Suite 403, Toronto, Ontario, M3K 1E2.

1. Material accounting policy information

Statement of compliance

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

These financial statements were approved by the board of directors and authorized for issue on March 28, 2025.

Basis of presentation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value. In addition, these financial statements are prepared using the accrual basis of accounting, aside from cash flow information. The financial statements are presented using the Canadian dollar which is the Company's functional currency.

Financial instruments

Recognition

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument, except for trade receivables and debt securities which are initially recognized when they are originated. Financial assets are initially measured at fair value, and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset.

1. Material accounting policy information (continued)

Financial instruments (continued)

Classification and Measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets are classified according to the following measurement categories:

i. those to be measured subsequently at fair value, either through profit or loss ("FVTPL") or through other comprehensive income ("FVTOCI"); and,
ii. those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair values at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition).

After initial recognition at fair value, financial liabilities are classified and measured at either:

i. amortized cost;
ii. FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or,
iii. FVTOCI, when the change in fair value is attributable to changes in the Company's credit risk.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

1. Material accounting policy information (continued)

Financial instruments (continued)

Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability classified as subsequently measured at amortized cost or at fair value through other comprehensive income are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at fair value through profit or loss are expensed in profit or loss.

The Company's financial assets consist of cash and amounts due from related parties, which are classified as subsequently measured at amortized cost, and investment in Admore Capital Group Limited Partnership which is classified as FVTPL. The Company's financial liabilities consist of bank indebtedness, payables and accruals, dividends payable, and preferred shares, which are classified and measured at amortized cost using the effective interest method. Interest expense is reported in profit or loss. Preferred shares have been classified as a financial liability because they are retractable at the option of the holder.

Impairment

The Company assesses all information available, including on a forward-looking basis the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

Common shares

The Company classifies financial instruments issued as either financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instrument. Accordingly, common shares are classified as equity.

1. Material accounting policy information (continued)

Income taxes

The Company is a mortgage investment corporation ("MIC") pursuant to the Income Tax Act (Canada). As such, the Company is entitled to deduct from its taxable income dividends paid to shareholders during the year or within ninety days of the end of the year to the extent the dividends were not deducted previously. The Company intends to maintain its status as a MIC and intends to distribute sufficient dividends in the year and in future years to ensure that the Company is not subject to income taxes. Accordingly, for financial statement reporting purposes, the tax deductibility of the Company's dividends result in the Company being effectively exempt from taxation and no provision for current or deferred income taxes is required.

Income taxes are accounted for using the deferred taxes method. Under this method, current income taxes are recognized for the estimated income taxes payable for the current year. Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases, as well as for the benefit of losses available to be carried forward to future years for tax purposes that are more likely than not to be realized.

Deferred tax assets and liabilities are measured using tax rates expected to apply to the period when the asset is realized or the liability is settled.

Estimates and judgments

Mortgage investment companies make estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of change in an accounting estimate is recognized prospectively by including it in profit or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both. To the extent that a change in an accounting estimate gives rise to changes in assets and liabilities, or relates to an item of equity, the change is recognized by adjusting the carrying amount of the related asset, liability or equity item in the period of the change.

Recently issued but not yet effective standards and recently adopted standards

The Company has performed an assessment of new and revised standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be material.

1. Material accounting policy information (continued)

Recently issued but not yet effective standards and recently adopted standards (continued)

Adoption of amendments to IAS 1 Presentation of Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements. This standard aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. In addition, IFRS 18 requires entities to classify income and expenses into five categories, three of which are new – i.e. operating, investing and financing – and the income tax and discontinued operation categories. The new standard sets out detailed requirements for classifying income and expenses into each category. These amendments are effective for annual periods beginning on or after January 1, 2027. The Company is currently assessing the impact that the adoption of IFRS 18 will have on its financial statements.

IFRS 9 Financial Instruments

IFRS 9 requires entities to recognize financial assets and liabilities when they become party to the contractual terms and to measure them initially at fair value, adjusted for directly attributable transaction costs where applicable. The standard is being clarified to provide better guidance on the derecognition of financial liabilities, which can impact bank reconciliation processes, especially during debt restructuring based on the timing of payments on financial liabilities as compared to the actual settlement of those debts. This clarification may result in a change in the derecognition timing of financial liabilities in situations where electronic payments are involved. The Company is currently assessing the impact that the adoption of this clarification of IFRS 9 will have on its financial statements.

2. Investment in Admore Capital Group Limited Partnership

During the year, the Company purchased 2,331,895 (2023 - 753,989) for $2,331,895 (2023 - $753,989) and sold 435,880 (2023 - Nil) for $435,880 (2023 - $Nil) Class B units of Admore Capital Limited Partnership and re-invested $54,495 (2023 - $Nil) of distributions in Class B units of Admore Capital Limited Partnership. Class B limited partners have the right to equal participation in any distributions of net partnership income made by the class. All partnership units are issued for $1 per unit and are redeemable at the same amount per unit.

(Expressed in Canadian dollars)

3. Preferred shares

Authorized:

Unlimited number of Class C preferred shares without par value

Issued:

	2024	2023
	$	$
2,704,494 (2023 - 755,430) Class C preferred shares	**2,704,494**	755,430
Current portion of preferred shares	**(2,000,000)**	(755,430)
Non current portion of preferred shares	**704,494**	-

During the year, 2,258,362 Class C preferred shares were issued for $2,258,361 (2023 - $752,000). $55,582 in distributions to the preferred shareholders were reinvested in 55,582 (2023 - 3,430) of additional Class C shares under the Company's dividend reinvestment plan (DRIP). During the year, $364,880 (2023 - $Nil) were redeemed by the preferred shareholders.

The Class C preferred shares are non-voting and redeemable on a quarterly basis. Redemptions are limited to the greater of $500,000 or 5% of the total capital of the issued and outstanding shares at the beginning of the quarter. The Company has the right to suspend or defer redemptions in order to facilitate the orderly liquidation of investments to meet such redemption requests.

Net asset value

The net asset value per share calculation, based on the Company's offering memorandum dated January 26, 2023, is as follows as at December 31, 2024:

	Amount
Total assets	$ 2,718,005
Less: total liabilities excluding liability for preferred shares	12,511
	$ 2,705,494
Total number of shares (2,704,494 preferred shares and 1,000 common shares)	2,705,494
Net asset value per share	$ 1.00

(Expressed in Canadian dollars)

4. Common shares

Authorized:

Unlimited number of common shares without par value

		2024	2023
Issued:		**$**	$
1,000	common shares at $1 per share	**1,000**	1,000

5. Related party balances and transactions

When an entity, person, or close member of a person's family has control, joint control, or significant influence over the Company, the parties are related to the Company. Key management personnel are also related parties and are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and members of the board of directors. A related party transaction is a transfer of resources or obligations between related parties.

During the year ended December 31, 2024, there was no compensation to key management personnel.

At December 31, 2024, the balance due from related parties was $12,467 (2023 - $9,707). The balance is unsecured, without interest and fixed repayment terms.

6. Financial instruments

Items that meet the definition of a financial instrument include cash, amounts due from related parties, investment in Admore Capital Group Limited Partnership, payables and accruals, dividends payable and preferred shares.

The following is a summary of the significant financial instrument risks:

Fair value

The fair value of current financial liabilities approximates their carrying amount due to their short-term maturity dates.

6. Financial instruments (continued)

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in levels 1 to 3 based on the degree to which the fair value is observable:
- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash. The Company is exposed to liquidity risk arising from its payables and accruals, dividend payable and preferred shares.

The following are the financial liabilities contractually maturing in one year as at the reporting date:

	< 1 year $
Payables and accruals	-
	-
Dividends payable	12,511
Preferred shares	2,000,000
	2,012,511

The Company continues to raise funds through the issuance of preferred shares which were used for both repayment of current liabilities and additional investments in Admore Capital Group Limited Partnership subsequent to year end. There are no scheduled redemptions after December 31, 2024. Quarterly redemptions are limited to the greater of $500,000 or 5% of the total capital of the issued and outstanding shares at the beginning of the quarter. The Company has the right to suspend or defer redemptions.

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 comprises three types of risk: currency risk, interest rate risk and other price risk. The Company's strategy for the management of market risk is driven by the Company's investment objective which is to invest in a diversified portfolio of mortgages on real property located within Canada through its investment in Admore Capital Group Limited Partnership that preserves capital and generates returns in order to permit the Company to pay distributions. It is management's opinion that the Company is not exposed to significant currency, interest rate or other price risk.

6. Financial instruments (continued)

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk in connection with the amounts due from related parties.

The Company's maximum credit risk exposure at December 31, 2024 and 2023 is represented by the respective carrying amounts of the relevant financial assets in the statement of financial position.

7. Capital management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to be able to generate returns for its investors. The capital structure of the Company consists of preferred shares and common shares, and preferred shares are classified as financial liabilities. Capital comprises shareholders' equity in the amount of $1,000 (2023: $1,000). The Company's primary objective with respect to its capital structure is to invest indirectly in mortgages in order to provide a return to its investors. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of preferred shares. The Company is not subject to externally imposed capital requirements.

8. Subsequent events

On February 1, 2025 and March 1, 2025, the Company received $845,266 and $89,497 respectively and issued preferred shares at $1 per share.

APPENDIX A

STATUTORY RIGHTS

Statutory Rights of Action in the Event of a Misrepresentation

The following statutory or contractual rights of action for damages or rescission will apply to a purchase of Shares. The applicable securities legislation in certain offering jurisdictions provides purchasers, or requires purchasers be provided with remedies for rescission or damages, or both, if this Offering Memorandum or any amendment to it contains a misrepresentation. However, these remedies must be exercised within the time limits prescribed. Purchasers should refer to the applicable legislative provisions for the complete text of these rights and/or consult with a legal advisor.

Rights for Purchasers in Alberta

Securities legislation in Alberta provides that every purchaser of Shares pursuant to this Offering Memorandum or any amendment thereto shall have, in addition to any other rights they may have at law, a right of action for damages or rescission, against the Corporation and certain other persons if this Offering Memorandum or any amendment thereto contains a "misrepresentation" (as defined in the *Securities Act* (Alberta) (the "**Alberta Act**")). However, such rights must be exercised within prescribed time limits. Purchasers should refer to the applicable provisions of the Alberta securities legislation for particulars of those rights or consult with a lawyer. In particular, section 204 of the Alberta Act provides that if this Offering Memorandum or any amendment thereto contains a misrepresentation, a purchaser who purchases Shares offered under this Offering Memorandum or any amendment will be deemed to have relied upon the misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for damages against the Corporation and every person or company who signed this Offering Memorandum or, alternatively, for rescission against the Corporation, provided that if the purchaser exercises its right of rescission against the Corporation, the purchaser will not have a right of action for damages against the Corporation or against any aforementioned person or company.

No action can be commenced to enforce the rights of action described above more than:

(a) in the case of an action for rescission, 180 days from the date of the transaction that gave rise to the cause of action, or

(b) in the case of any action, other than an action for rescission, the earlier of: (i) 180 days from the date that the purchaser first had knowledge of the facts giving rise to the cause of action, or (ii) three years from the date of the transaction that gave rise to the cause of action.

No person or company referred to above is liable if the person or company proves that the purchaser had knowledge of the misrepresentation. In addition, no person or company will be liable in an action pursuant to section 204 of the Alberta Act if the person or company proves that:

(a) this Offering Memorandum or any amendment thereto was sent to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of it being sent, the person or company promptly gave reasonable notice to the Corporation that it was sent without the knowledge and consent of the person or company;

(b) on becoming aware of the misrepresentation in this Offering Memorandum, the person or company withdrew its consent to this Offering Memorandum and gave reasonable notice to the Corporation of the withdrawal and the reason for it; or

(c) if, with respect to any part of this Offering Memorandum or any amendment thereto purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company proves had no reasonable grounds to believe and did not believe that there had been a misrepresentation, the relevant part of this Offering Memorandum or any amendment thereto did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

In addition, no person or company is liable with respect to any part of this Offering Memorandum or any amendment thereto not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company: (i) failed to conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation; or (ii) believed that there had been a misrepresentation.

In an action for damages, the defendant will not be liable for all or any part of the damages that it proves do not represent the depreciation in value of the Shares as a result of the misrepresentation relied upon. The amount recoverable under this right of action will not exceed the price at which the Shares were offered under this Offering Memorandum or any amendment thereto. The rights of action for rescission or damages are in addition to and without derogation from any other right the purchaser may have at law. This summary is subject to the express provisions of the Alberta Act and the regulations and rules made under it, and prospective investors should refer to the complete text of those provisions.

Rights for Purchasers in Saskatchewan

Section 138 of The *Securities Act, 1988* (Saskatchewan), as amended (the "**Saskatchewan Act**") provides that where an offering memorandum (such as this Offering Memorandum) or any amendment thereto is sent or delivered to a purchaser and it contains a misrepresentation (as defined in the Saskatchewan Act), a purchaser who purchases a Share covered by this Offering Memorandum or any amendment thereto is deemed to have relied upon that misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for rescission against the Corporation or has a right of action for damages against:

(a) the Corporation;

(b) every promoter and director of the Corporation at the time this Offering Memorandum or any amendment thereto was sent or delivered;

(c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them;

(d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed this Offering Memorandum or any amendment thereto; and

(e) every person who or company that sells Shares of the Corporation on behalf of the Corporation under this Offering Memorandum or amendment thereto.

Such rights of rescission and damages are subject to certain limitations including the following:

(a) if the purchaser elects to exercise its right of rescission against the Corporation, it shall have no right of action for damages against it;

(b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the Shares resulting from the misrepresentation relied on;

(c) no person or company, other than the Corporation, will be liable for any part of this Offering Memorandum or any amendment thereto not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a misrepresentation;

(d) in no case shall the amount recoverable exceed the price at which the Shares were offered; and (e) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation.

In addition, no person or company, other than the Corporation, will be liable in an action pursuant to section 138 of the Saskatchewan Act if the person or company proves that:

(a) this Offering Memorandum or any amendment thereto was sent or delivered without the person's or company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered; or

(b) with respect to any part of this Offering Memorandum or any amendment thereto purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, the part of this Offering Memorandum or any amendment thereto did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert. In addition, no person or company will be liable in an action pursuant to section 138 of the Saskatchewan Act if that person or company proves that in respect of a misrepresentation in forward looking information (as defined in the Saskatchewan Act), such person or company proves that with respect to the document containing the forward looking information, approximate to that information, there is contained reasonable cautionary language identifying the forward looking information as such and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward looking information; and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward looking information; and, the person or company had a reasonable basis for drawing the conclusions or making the forecast and projections set out in the forward looking information.

Not all defences upon which we or others may rely are described herein. Please refer to the full text of the Saskatchewan Act for a complete listing.

Similar rights of action for damages and rescission are provided in section 138.1 of the Saskatchewan Act in respect of a misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

Section 138.2 of the Saskatchewan Act also provides that where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser is deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for damages against the individual who made the verbal statement.

Section 141(1) of the Saskatchewan Act provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold in contravention of the Saskatchewan Act, the regulations to the Saskatchewan Act or a decision of the Saskatchewan Financial Services Commission.

Section 141(2) of the Saskatchewan Act also provides a right of action for rescission or damages to a purchaser of securities to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by section 80.1 of the Saskatchewan Act.

The rights of action for damages or rescission under the Saskatchewan Act are in addition to and do not derogate from any other right which a purchaser may have at law. Section 147 of the Saskatchewan Act provides that no action shall be commenced to enforce any of the foregoing rights more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of any other action, other than an action for rescission, the earlier of:

  (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or

  (ii) six years after the date of the transaction that gave rise to the cause of action.

Section 80.1 of the Saskatchewan Act also provides a purchaser who has received an amended offering memorandum delivered in accordance with subsection 80.1(3) of the Saskatchewan Act, a right to withdraw from the agreement to purchase securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

Rights for Purchasers in Manitoba

If the purchaser is resident in Manitoba and if this Offering Memorandum, together with any amendment thereto, contains a misrepresentation, each purchaser in Manitoba to whom the Offering Memorandum has been sent or delivered and who purchases Shares, will be deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of purchase, and the purchaser has a right of action for damages against the Corporation, and, subject to certain additional defenses, against every director of the Corporation acting on behalf of the Corporation at the date of the Offering Memorandum and any person or company who signed the Offering Memorandum and any amendment thereto, but may elect instead to exercise a right of rescission against the Corporation, in which case the purchaser will have no right of action for damages against the Corporation or any other person or company who signed this Offering Memorandum, provided that, among other limitations:

(a) in an action for rescission or damages, no person or company will be liable if it proves that the purchaser purchased the Shares with knowledge of the misrepresentation;

(b) in an action for damages, the Corporation will not be held liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Shares as a result of the misrepresentation relied upon; and

(c) in no case will the amount recoverable under the right of action described above exceed the price at which the Shares were offered.

In addition, no person or company other than the Corporation is liable if the person or company proves that:

(a) this Offering Memorandum or any amendment thereto was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent;

(b) after delivery of this Offering Memorandum or any amendment thereto and before the purchase of the Shares by the purchaser, on becoming aware of any misrepresentation in this Offering Memorandum, the person or company withdrew the person's or company's consent to the Offering Memorandum, or any amendment thereto, and gave reasonable general notice of the withdrawal and the reason for it; or

(c) with respect to any part of this Offering Memorandum or any amendment thereto purporting to be made on the authority of an expert, or to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that: (i) there had been a misrepresentation, or (ii) the relevant part of this Offering Memorandum or any amendment thereto (A) did not fairly represent the report, opinion or statement of the expert, or (B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

In addition, no person or company other than the Corporation is liable with respect to any part of this Offering Memorandum or any amendment thereto not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company: (i) failed to conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation; or (ii) believed that there had been a misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

In addition, no action shall be commenced to enforce these rights more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of any action, other than an action for rescission, the earlier of: (i) 180 days after the date on which the purchaser first had knowledge of the facts giving rise to the cause of action or (ii) two years after the date of the transaction that gave rise to the cause of action. The rights discussed above are in addition to and without derogation from any other right or remedy which purchasers may have at law and are intended to correspond to the provisions of the relevant securities legislation and are subject to the defenses contained therein.

Rights for Purchasers in Ontario

In accordance with section 130.1 of the *Securities Act* (Ontario) (the "**Ontario Act**") in the event that this Offering Memorandum or any amendment thereto contains a misrepresentation (as defined in the Ontario Act), the purchaser who purchases Shares offered by this Offering Memorandum during the period of distribution has, without regard to whether the purchaser relied upon the misrepresentation, a right of action against the Corporation for damages, or, while still the owner of the Shares purchased by that purchaser, a right of rescission, except as provided below. If the purchaser exercises the right of rescission, the purchaser ceases to have a right of action for damages against the Corporation.

The foregoing rights are subject to the following limitations:

(a) the Corporation will not be liable if it proves that the purchaser purchased the Shares with knowledge of the misrepresentation;

(b) in the case of an action for damages, the Corporation will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Shares as a result of the misrepresentation relied upon; and

(c) in no case will the amount recoverable in any action exceed the price at which Shares were sold to the purchaser.

No action shall be commenced to enforce these statutory rights more than:

(a) in an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in an action for damages, the earlier of:

   (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action; or

   (ii) three years after the date of the transaction that gave rise to the cause of action.

The rights discussed above are in addition to and without derogation from any other rights or remedies available at law to the purchaser.

Rights for Purchasers in New Brunswick

The *Securities Act* (New Brunswick) (the "**New Brunswick Act**") provides that, subject to certain limitations, where this Offering Memorandum or any amendment thereto, which is provided to a purchaser of the Shares contains an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made (a "misrepresentation"), a purchaser who purchases the Shares shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and the purchaser has, subject to certain defenses, a right of action for damages against the Corporation or, while still the owner of the Shares, may elect to exercise a right of rescission against the seller, in which case he shall have no right of action for damages, provided that:

(a) in an action for rescission or damages, the defendant will not be liable if it proves that the purchaser purchased the security with knowledge of the misrepresentation;

(b) in an action for damages, the defendant is not liable for all or any portion of the damages that it proves do not represent the depreciation in value of the security as a result of the misrepresentation relied upon; and

(c) in no case shall the amount recoverable under the right of action described herein exceed the price at which the security was offered.

The right of action for rescission or damages described herein is conferred by section 150 of the New Brunswick Act and is in addition to and without derogation from any right the purchaser may have at law.

Pursuant to section 161 of the New Brunswick Act, no action shall be commenced to enforce a right of rescission unless such action is commenced not later than 180 days after the date of the transaction that gave rise to the cause of action and in the case of any action, other than an action for rescission, such action shall be commenced before the earlier of: (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action, and (ii) six years after the date of the transaction that gave rise to the cause of action.

Rights for Purchasers in Nova Scotia

The *Securities Act* (Nova Scotia) (the "**Nova Scotia Act**") provides that, subject to certain limitations, where this Offering Memorandum, together with any amendment thereto, or any advertising or sales literature (as such terms are defined in the Nova Scotia Act) disseminated in connection with the offering, contains an untrue statement of material fact or omits to state a material fact that is necessary to prevent a statement in this Offering

Memorandum, any amendment thereto or advertising or sales literature from being misleading in light of the circumstances in which the statement was made (each, a "**Misrepresentation**"), that was a Misrepresentation at the time of purchase, a purchaser who purchases Shares has a right of action for damages against the Corporation, subject to certain additional defenses, every seller (other than the Corporation) of Shares, any director of the Corporation acting on behalf of the Corporation and persons who have signed this Offering Memorandum.

Alternatively, where the purchaser purchased Shares from the Corporation, the purchaser may elect to exercise a right of rescission against the Corporation in which case the purchaser shall have no right of action for damages against the seller or persons who have signed the Offering Memorandum.

The foregoing rights are subject to, among other limitations, the following:

(a) no action shall be commenced to enforce any of the foregoing rights more than 120 days after the date on which the initial payment was made for the Shares;

(b) no person will be liable if it proves that the purchaser purchased the Shares with knowledge of the Misrepresentation;

(c) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Shares as a result of the Misrepresentation relied upon; and

(d) in no case will the amount recoverable in any action exceed the price at which the Shares were offered under this Offering Memorandum or amendment thereto.

In addition, no person or company other than the Corporation is liable if the person or company proves that:

(a) this Offering Memorandum or any amendment thereto was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent;

(b) after delivery of this Offering Memorandum or any amendment thereto and before the purchase of the Shares by the purchaser, on becoming aware of any Misrepresentation in this Offering Memorandum, or amendment thereto, the person or company withdrew the person's or company's consent to this Offering Memorandum, or amendment thereto, and gave reasonable general notice of the withdrawal and the reason for it; or

(c) with respect to any part of this Offering Memorandum or any amendment thereto purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a Misrepresentation, the part of this Offering Memorandum or any amendment thereto did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Furthermore, no person or company other than the Corporation is liable with respect to any part of this Offering Memorandum or any amendment thereto not purporting to be made on the authority of an expert; and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no Misrepresentation; or (ii) believed that there had been a Misrepresentation.

If a Misrepresentation is contained in a record incorporated by reference in, or deemed incorporated into, this Offering Memorandum or amendment thereto, the Misrepresentation is deemed to be contained in this Offering Memorandum or in any amendment thereto.

The rights of action for rescission or damages are in addition to and without derogation from any other right the purchaser may have at law.

Rights for Purchasers in Prince Edward Island

For purchasers of Shares resident in Prince Edward Island, if there is a misrepresentation in respect of the Corporation in the Offering Memorandum or in any amendment hereto, the purchaser will have a right of action for damages against the Corporation, every director of the Corporation acting on behalf of the Corporation at the date of the Offering Memorandum, and every person who signed the Offering Memorandum, but may elect to exercise a right of rescission against the Corporation, in which case the purchaser shall have no right of action for damages against the Corporation, any such director of the Corporation acting on behalf of the Corporation or any such other person, provided that, among other limitations:

No action may be commenced to enforce a right of action more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of any action other than an action for rescission, (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of the transaction giving rise to the cause of action, whichever period expires first. In an action for rescission or damages, the defendant will not be liable if it proves that the purchaser purchased the Shares with knowledge of the misrepresentation.

In an action for damages, the defendant is not liable for any damages that it proves do not represent the depreciation in value of the Shares resulting from the misrepresentation. The amount recoverable under the right of action described herein must not exceed the price at which the Shares purchased by the purchaser were offered.

No person other than the Corporation will be liable if the person proves that:

(i) the Offering Memorandum was sent to the purchaser without the person's knowledge or consent and that, on becoming aware of its being sent, the person promptly gave reasonable notice to the Corporation that it had been sent without the person's knowledge and consent;

(ii) the person, on becoming aware of the misrepresentation, had withdrawn the person's consent to the Offering Memorandum and had given reasonable notice to the Corporation of the withdrawal and the reason for it; or (iii) with respect to any part of the Offering Memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, statement or opinion of an expert, the person had no reasonable grounds to believe and did not believe that there had been a misrepresentation, or that the relevant part of the Offering Memorandum did not fairly represent the report, statement or opinion of the expert, or was not a fair copy of, or an extract from, the report, statement or opinion of the expert.

No person other than the Corporation will be liable with respect to any part of the Offering Memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, statement or opinion of an expert, unless the person failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation, or believed that there had been a misrepresentation.

A person will not be liable for a misrepresentation in forward-looking information if:

(a) the Offering Memorandum contains, proximate to the forward looking information, reasonable cautionary language identifying the forward looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward looking information, and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward looking information; and

(b) the person or company had a reasonable basis for drawing the conclusions or making the forecasts or projections set out in the forward-looking information; and if a misrepresentation is contained in a record incorporated by reference in, or deemed to be incorporated into, the Offering Memorandum, the misrepresentation is deemed to be contained in the Offering Memorandum.

Rights for Purchasers in Newfoundland and Labrador

The *Securities Act* (Newfoundland and Labrador) provides a contractual right of action against an issuer for rescission or damages to every purchaser of securities to whom an offering memorandum (such as this Offering Memorandum) has been delivered by or on behalf of the seller of securities referred to in the offering memorandum if the offering memorandum contains a misrepresentation. This contractual right of action is exercisable on notice given to the issuer not later than 90 days after the date on which payment was made for the securities or after the initial payment, where payments after the initial payment are made under a contractual commitment assumed before, or concurrently with, the initial payment.

A person or company is not liable for misrepresentation where he or she proves that the purchaser purchased the securities with knowledge of the misrepresentation.

Rights for Purchasers in British Columbia

Investors in British Columbia are granted the same rights of action for damages or rescission as residents of Ontario who purchase Shares. The rights summarized above are in addition to and without derogation from any other rights or remedy which investors may have at law.

APPENDIX B

CONFIDENTIAL OFFERING MEMORANDUM

Accredited Investors/Friends and Family

This Offering Memorandum is not, and under no circumstances is to be construed as, a prospectus or advertisement or a public offering of the securities referred to herein. No securities commission or similar regulatory authority in Canada or in any other jurisdiction has passed on the merits of the securities offered hereunder and any representation to the contrary is an offence. This Offering Memorandum constitutes an offering of these securities only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

This Offering Memorandum is submitted on a confidential basis to prospective investors for informational use solely in connection with their consideration of the purchase of Shares. Use for any other purposes is not authorized. No person has been authorized to give any information or to make any representations regarding the Corporation or the distribution of the Shares other than as contained in this Offering Memorandum and, if given or made, such information or representations must not be relied upon as having been authorized by the Corporation. This Offering Memorandum may not be copied or reproduced in whole or in part, nor may it be distributed or any of its contents be disclosed to anyone other than the prospective investors to whom it is submitted. Any decision to purchase Shares must be based solely upon the information contained herein.

The Corporation is not registered under the U.S. Investment Company Act of 1940, as amended, nor are the shares of the Corporation registered under the 1933 Act (as defined herein), or under any state "Blue Sky" laws. Accordingly, Shares may not be offered or sold in the United States of America, including its territories and possessions ("**United States**" or "**U.S.**"), or, directly or indirectly, to or for the benefit of a "U.S. Person" (as such term is defined in Regulation S under the 1933 Act), except in a private placement transaction which does not result in a violation of applicable United States federal or state securities laws. U.S. Persons should refer to "Notice To Prospective Investors in The United States".

Continuous Offering **January 26, 2023**

ADMORE CAPITAL GROUP MIC LTD.

This is an offering to Accredited Investors, Family, Friends and Business Associates, each as defined in National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**"), and to corporations acquiring $150,000 or more.

Shares will be separately offered by the Corporation to Eligible Investors as defined in NI 45-106 under certain prospectus exemptions under NI 45-106 pursuant to the offering using Form 45-106F2 and not hereby. This Offering (as defined herein) is made in accordance with the conditions specified in this Offering Memorandum. The Corporation may accept subscriptions and close on any business day of a month in its discretion. It is generally intended that subscriptions received before 4:00 p.m. (Toronto time) on the last Business Day (being any day, other than a Saturday, Sunday or holiday, on which Canadian chartered banks are open for business in Toronto, Ontario) of any calendar month (a "**Closing Date**") will be accepted at the discretion of the Corporation. Subscriptions received after that time will be considered on the next Closing Date. Subject to applicable law and the Corporation's right to suspend redemptions in certain circumstances, Shares may be submitted for redemption on a quarterly basis, at an amount, if any, equal to the Redemption Price (as defined herein) as of the Valuation Date (as defined herein), provided that the redemption request is made to the Corporation at least ninety (90) days prior to the applicable redemption date.

An investment in Shares involves significant risk due to the nature of the mortgage financing business. You should carefully review and evaluate all risk factors before making any investment decision with respect to the securities of the Corporation. See "*Risk Factors*".

There is no market through which the Shares may be sold and none is expected to develop. The Shares are also subject to resale restrictions under applicable securities legislation. Persons who receive this Offering Memorandum must inform themselves of, and observe, all applicable restrictions with respect to the acquisition or disposition of Shares under applicable securities legislation. The Corporation does not currently intend to file a prospectus or otherwise become a reporting issuer pursuant to applicable securities laws and accordingly it is not intended that the Shares will become freely tradable. Redemptions of Shares may be suspended if there is insufficient liquidity in the Portfolio (as defined herein). There are certain additional risk factors associated with investing in the Shares. See "*Restrictions on Resale*" and "*Risk Factors*".

Purchasers of Shares pursuant to this Offering Memorandum are granted certain rights of withdrawal and rescission described herein. See "*Purchasers' Rights*".

EACH PURCHASER OF SHARES IS ADVISED TO CONSULT WITH THEIR OWN LEGAL ADVISOR AS TO THE COMPLETE DETAILS OF THE EXEMPTIONS FROM THE PROSPECTUS REQUIREMENTS OF APPLICABLE SECURITIES LAWS BEING RELIED UPON AND THE CONSEQUENCES OF PURCHASING SHARES PURSUANT TO SUCH EXEMPTIONS.

Except as otherwise noted, the information in this Offering Memorandum is given as of **January 23, 2023**.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES:

Only U.S. Persons who are "accredited investors" within the meaning of Regulation D under the U.S. Securities Act of 1933, as amended (the "**1933 Act**"), and who are eligible to invest in the Corporation under the relevant rules of the U.S. Commodity Futures Trading Commission's will be permitted to invest in the Corporation.

The Corporation is not registered under the U.S. Investment Company Act of 1940, as amended, nor are the shares of the Corporation registered under the 1933 Act or under any state "Blue Sky" laws. Accordingly, Shares may not be offered or sold in the United States of America, including its territories and possessions ("**United States**" or "**U.S.**"), or, directly or indirectly, to or for the benefit of a U.S. Person, except in a private placement transaction which does not result in a violation of applicable United States federal or state securities laws.

THE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THESE OFFERING MATERIALS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

Purchasers' Rights

You have two (2) Business Days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel your agreement to purchase these securities.

Canadian Currency

All dollar amounts stated herein, unless otherwise stated, are expressed in Canadian currency.

IMPORTANT INFORMATION ABOUT THIS OFFERING MEMORANDUM

No person has been authorized to provide any information or to make any representation not contained in this Offering Memorandum, and, if provided or made, such information or representation should not be relied upon. You should assume that the information contained in this Offering Memorandum is accurate only as of the date of this Offering Memorandum.

Unless the context otherwise permits, indicates or requires, all references in this Offering Memorandum to the “Corporation”, “we”, “our”, “us” and similar expressions are references to Admore Capital Group MIC Ltd. and the business carried on by it. All financial information in this Offering Memorandum is presented in Canadian dollars.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Offering Memorandum includes statements that express the Corporation’s opinions, expectations, beliefs, plans, objectives, assumptions and/or projections regarding future events or future results, and therefore are, or may be deemed to be, “forward-looking statements.” By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These risks should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. Although the Corporation bases its forward-looking statements on assumptions that the Corporation believes were reasonable when made, the Corporation cautions you that forward-looking statements are not guarantees of future performance and that the Corporation’s actual results of operations, financial condition and liquidity, and the development of the industry in which the Corporation operate may differ materially from those made in or suggested by the forward-looking statements contained in this Offering Memorandum. In addition, even if the Corporation’s results of operations, financial condition and liquidity, and the development of the industry in which the Corporation operates are consistent with the forward-looking statements contained in this Offering Memorandum, those results or developments may not be indicative of results or developments in subsequent periods.

Any forward-looking statements which the Corporation makes in this Offering Memorandum speak only as of the date of such statement, and do not undertake, and specifically decline, except as required by applicable law, any obligation to update such statements or to publicly announce the results of any revisions to any such statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data. All of the forward-looking statements made in this Offering Memorandum are qualified by these cautionary statements.

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Section 1 SUMMARY

Prospective investors are encouraged to consult with their own professional advisors as to the tax and legal consequences of investing in the Corporation. The following is a summary only and is qualified by the more detailed information contained in this Offering Memorandum.

The Corporation:	The Corporation was incorporated on December 23, 2021 pursuant to the *Business Corporations Act* (Ontario) (the "**OBCA**").
Offering:	The Corporation is offering up to $40,000,000 Series C preferred shares (the "**Shares**") on a private placement basis (the "**Offering**"). Shares will initially be issued pursuant to the private issuer exemption and, investors must be "accredited investors" or "family, friends and business associates" as defined under NI 45-106 and Section 73.3 of the *Securities Act* (Ontario) or otherwise qualified to purchase the Shares pursuant to applicable securities laws. Corporations acquiring $150,000 or more may purchase. Shares of the Corporation are offered on a private placement basis at a subscription price of $1.00 per Share. Investors must subscribe for not less than CAD $50,000 of Shares, although the Corporation reserves the right to waive the minimum investment requirement in certain circumstances subject to compliance with regulatory requirements.
Price:	Shares will initially be offered at $1.00 per Share and, thereafter, at a price equal to lesser of $1.00 or the Net Asset Value Per Share (as defined herein) on a Valuation Date (as defined herein). See "*Calculation of Net Asset Value Per Share*".
Minimum Initial Subscription:	There is a minimum initial subscription of $50,000 (50,000 Shares).
Offering Size:	Up to $40,000,000 (40,000,000 Shares).
Investment Objectives:	The Corporation was established to provide investors with the ability to invest (indirectly, via Shares in the Corporation) in mortgages in Ontario with a primary focus in the Greater Toronto Area (the "**Portfolio**"). The goal is to acquire and hold mortgages generating strong returns from both lender fees and interest, and to pay out those returns as a steady and secure stream of income for the investors.
Investment Strategies:	The following investment guidelines shall govern the allocation of investments within the Corporation:

<table>
<tr><td></td><td>Investment Strategy/guidelines:

Below are management's targets for investment opportunities:
mostly first (1st) and second (2nd) mortgages in the Greater Toronto Area;
single family residential properties with a weighted average loan to value not exceeding seventy-five percent (75%);
freehold and condominium properties with an emphasis on being owner occupied;
construction financing for residential properties; and
term is between twelve (12) and twenty-four (24) months.
On occasion, the Corporation will invest in land and/or commercial properties, but these types of deals will be "one off" investments and will only be taken with significant collateral and expected upside.
Restrictions/guidelines
Loan to value will not exceed eighty percent (80%) on any one investment absent other blanket security;
no investment in deals outside of Ontario
secondary financing will not exceed sixty-five percent (65%) loan to property value unless a related party is in first position; and
in the event of default, enforcement proceedings will be immediately commenced absent a clear and plausible workout, explanation and timeline.
The Corporation shall not make any investment that would result in the Corporation failing to qualify as a "mortgage investment corporation" ("MIC") pursuant to the Income Tax Act (Canada) (the "Tax Act").</td></tr>
<tr><td>Loan Facilities:</td><td>The Corporation may employ leverage in order to enable the Corporation to achieve a higher rate of return, provided that the Corporation may not, at any point in time, incur a level of borrowing in excess of fifty percent (50%) of the total assets of the Corporation.

The Corporation may also borrow to maintain liquidity for general working capital purposes and to bridge timing differences resulting from redemptions, mortgage maturities and new mortgage origination. The Corporation may grant security over the Portfolio in order to achieve the foregoing.</td></tr>
<tr><td>Use of Proceeds:</td><td>The net (of offering expenses) proceeds from the sale of the Shares will be used to invest in mortgages as described in this Offering Memorandum. The Corporation will use its best efforts to make suitable investments of the subscription proceeds in mortgages as soon as is reasonably possible following each Closing Date.</td></tr>
<tr><td>Management Roles:</td><td>Manager: Admore Capital Group Manager Inc.

Mortgage Administrator: 2593799 Ontario Inc.
FSRA registration number 12950

Mortgage Brokerage: Admore Financial Services Inc.
FSRA registration number 10463</td></tr>
<tr><td>The Manager:</td><td>Admore Capital Group Manager Inc., a corporation incorporated under the laws of the Province of Ontario (the "Manager"), provides management services to the Corporation. The Manager is affiliated with the Corporation.</td></tr>
</table>

Dividends:	The Corporation's board of directors (the "**Board**") has adopted a dividend strategy, pursuant to which at the discretion of management, intends to declare quarterly dividends to holders of Shares of record at the close of business on the last Business Day of each calendar quarter. Each declared quarterly dividend will be paid within twenty (20) days of the dividend record date. Should the Corporation be in a position of excess taxable income, the strategy will be to declare a surplus (fifth (5^{th})) dividend referred to as a "special dividend", to be paid to all Shareholders throughout the calendar year, whether or not they were holders of Shares as at December 31. If declared, said special dividend will be paid on the basis of the proportionate share of each Shareholder's Contributed Capital during the calendar year. The special dividend will be paid within ninety (90) days of the dividend record date. The special dividend each year ending December 31, would be equal to taxable income for that fiscal year and capital gains for that fiscal year, less dividends previously declared for that fiscal year and any profits allocated to the Manager. The general dividend strategy of the Board is to pay dividends to the Shareholders of record on the dividend record date, subject to available profit, of seven percent (7%) per annum on the capital invested by the series plus seventy-five percent (75%) of the profit attributable to the series capital that is greater than seven percent (7%). The remaining twenty-five percent (25%) of profit that is greater than seven percent (7%) will flow to the Manager. However, holders of the Shares have a right, after payment to them of their preferred dividends, and payment of dividends in a like amount per share to the holders of the common shares, to participate *pari passu* with the holders of the Common Shares (as defined herein) in any further payment of dividends.
Dividend Reinvestment:	The Corporation, subject to maintaining its status as a MIC under the Tax Act and applicable securities laws, may in future provide a dividend reinvestment and share purchase plan (the "**DRIP**"). If and when offered, under the DRIP, holders of shares of the Corporation from time to time can reinvest dividends in additional shares of the Corporation. The Corporation or the Manager will administer all aspects of the DRIP. Once the DRIP is offered notice of the commencement and an enrolment form will be provided, together with a copy of the plan. Should the Corporation provide such a plan, all Canadian Shareholders will be eligible to participate in the DRIP by completing and returning an enrolment form (the "**Registered Participants**"). Shareholders may enroll all or a portion of their Shares in the DRIP. **Participation in the DRIP will be restricted to holders of Shares who are residents of Canada for the purposes of the Tax Act.**
Eligibility for Investment:	If issued on the date hereof, the Shares would be qualified investments under the Tax Act for a trust governed by a "registered retirement savings plan" ("**RRSP**"), a "registered retirement income fund" ("**RRIF**"), a "deferred profit sharing plan" ("**DPSP**"), a "registered disability savings plan" ("**RDSP**"), a "tax-free savings account" ("**TFSA**"), or a "registered education savings plan" ("**RESP**"), (collectively, "**Registered Plans**") each as defined in the Tax Act, at a particular time, provided that the Corporation qualifies as a MIC at such particular time and further provided that throughout the calendar year in which the particular time occurs, the Corporation does not hold any indebtedness, whether by way of mortgage or otherwise, of a person who

	is an annuitant, a beneficiary, an employer, or a subscriber under, or a holder of, the Registered Plan, or of any other person who does not deal at arm's length with that person.
Notice to Shareholders not Resident in Canada:	For non-resident Shareholders, dividend income, other than capital gains dividend, will be deemed to be interest income for purposes of the Tax Act and may be subject to withholding tax at the rate of twenty-five percent (25%), subject to any reduction under any applicable income tax treaty or convention. Accordingly, the Corporation intends to withhold and remit such tax at the rate of 25% of the amount of such deemed interest payment to a Non-Resident Shareholder, subject to any such reduction in the rate of withholding under any applicable income tax treaty or convention. **Non-resident Shareholders should consult with their own tax advisors before acquiring Shares**. See "*Certain Canadian Federal Income Tax Considerations—Taxation of Holders—Holders Not Resident in Canada*".
Management Fee:	In consideration of the services provided to the Corporation by the Manager, the Manager will be paid a management fee equal to two percent (2%) per annum of the Contributed Capital (as defined herein), calculated and paid quarterly on the last Business Day of each quarter, in arrears, plus applicable taxes (the "**Management Fee**"). An additional fee will also be paid to the Manager by the Corporation, if the returns from investment for the Corporation are greater than seven percent (7%) return on capital in a calendar year, any returns above that seven percent (7%) will be split on a 75/25 basis, with seventy-five percent (75%) payable to the Shareholders and twenty-five percent (25%) payable to the Manager.
Operating Expenses:	The Corporation will pay for all expenses that the Corporation incurs or the Manager incurs on behalf of the Corporation in connection with the Corporation's operation and management, including: (a) financial reporting costs, and mailing and printing expenses for periodic reports to Shareholders and other Shareholder communications including marketing and advertising expenses; (b) any taxes payable by the Corporation; (c) fees payable to its transfer agent and its custodians, if any; (d) costs and fees payable to any agent, legal counsel, investment counsel, investment advisor, actuary, valuator, technical consultant, accountant or auditor or other third party service provider; (e) ongoing regulatory filing fees, license fees and other fees; (f) any expenses incurred in connection with any legal proceedings in which the Manager participates on behalf of the Corporation or any other acts of the Manager, or any other agent of the Corporation, in connection with the maintenance or protection of the property of the Corporation, including without limitation, costs associated with the enforcement of mortgage loans; (g) any additional fees payable to the Manager for performance of extraordinary services on behalf of the Corporation; (h) consulting fees including website maintenance costs and expenses associated with the preparation of tax filings; and (i) other administrative expenses of the Corporation. The Corporation will also be responsible for all taxes, commissions, brokerage commissions (including to related party brokers) and other costs of securities transactions, debt service, commitment fees and costs relating to any credit facilities, insurance premiums and any extraordinary expenses that the Manager may incur or that may be incurred on the Manager's behalf by the Manager's agent or contractor from time to time, as applicable.
Redemptions:	Redemptions shall be permitted on a quarterly basis, provided that the request for redemption is submitted at least ninety (90) days prior to such Redemption Date. Redemptions shall be funded by the fifteenth (15^{th}) day of the month following the

	Redemption Date. A detailed summary of the redemption process and fees are outlined under *"Redemptions" under "The Corporation"* section of this document. Quarterly cash redemptions will be limited to the greater of $500,000 or five percent (5%) of the total capital of the issued and outstanding Shares determined at the beginning of such calendar quarter (the "**Preferred Share Redemption Limit**"). Any cutbacks will be on a proportionate basis with respect to the aggregate number of Shares represented by redemption notices. Any redemption notices (or portions thereof) which are not honoured shall be honoured at the next following Redemption Date, with the Corporation redeeming the cutback redemption requests from the oldest to the newest before redeeming any Shares for the current quarter. Redemptions are subject in all cases to the Corporation's right to suspend redemptions. Payment of the redemption amount to any Shareholders may be deferred by up to ninety (90) days. Such deferral may take place if, in the sole judgment of the Manager, extra time is warranted to facilitate the orderly liquidation of Portfolio security positions to meet such redemption requests. REDEMPTION OF ANY PREFERRED SHARES OF THE CORPORATION IS AT THE OPTION OF THE CORPORATION IN ITS SOLE DISCRETION AND NOTWITHSTANDING THE TERMS OF ANY POLICY (INCLUDING THE MANAGEMENT POLICY) IN PLACE FROM TIME TO TIME. REQUESTS BY SHAREHOLDERS WILL BE CONSIDERED HAVING REGARD TO THE LEGISLATIVE REQUIREMENTS, CURRENT FINANCIAL CONDITIONS AND OTHER RELEVANT CIRCUMSTANCES.
Risk Factors and Conflicts of Interest:	The Corporation is subject to various risk factors and conflicts of interest. An investment in the Corporation is not guaranteed and is not intended as a complete investment program. A subscription for Shares should be considered only by persons financially able to maintain their investment and who can bear the risk of loss associated with an investment in the Corporation. Investors should review closely the investment objective, strategies and restrictions to be utilized by the Corporation as outlined herein to familiarize themselves with the risks associated with an investment in the Corporation. Investment in the Corporation is also subject to certain other risks. Certain directors, officers and employees of the Manager and/or its affiliates and associates may purchase and hold Shares and may also participate in the mortgages on a syndicated basis from time to time. See "*Interest of Management and Others in Material Transactions*". Some officers and directors of the Corporation are also officers and directors of the Management company (Admore Capital Group Manager Inc.), the Mortgage Administrator (2593799 Ontario Inc.) and the Mortgage Brokerage (Admore Financial Services Inc.). Through these various related companies, fees and compensation will be received from transactions related to the Corporation, and as such, there is a very real potential for conflicts of interest. More specifically, many investment opportunities for the Corporation will be generated through the Mortgage Brokerage, resulting in fees and commissions to the Mortgage Brokerage. Furthermore, the management and administration of the

	Corporation will result in fees and compensation to the officers and directors of the Corporation as outlined in the Management Agreement (as defined herein). These risk factors are described under "*Risk Factors*".
Transfer or Resale:	Each transfer or resale of Shares shall be subject to compliance with applicable securities laws. See "*Restrictions on Resale*".
Reporting:	Shareholders will receive income tax information, and annual audited financial statements, and unaudited quarterly statements of capital position upon request.
Year-End:	December 31
Auditors to the Corporation:	Baker Tilly WM LLP
Legal Counsel to the Corporation:	Cassels Brock & Blackwell LLP Toronto, Ontario
Further Summary Information:	Refer to the Form NI 45-106 for the offering by the Corporation using the Section 29 offering memorandum exemption.

ADMORE CAPITAL GROUP MIC LTD.

DETAILED CONTENT

OFFERING MEMORANDUM

Section 2 THE CORPORATION

(1) General

The Corporation intends to qualify as a MIC (within the meaning of the Tax Act), and carry on the business of investing in mortgages granted as security for loans.

Governance policies restrict the Corporation from making any investment or conducting any activity that would result in the Corporation failing to qualify as a MIC. Generally, the Corporation will fund mortgages secured by residential real property located in Ontario with a focus on the Greater Toronto Area. The Corporation's focus is on freehold and condominium single family properties, with an emphasis on owner occupied homes.

As a MIC, the Corporation is allowed to deduct dividends that are paid from the income to reduce corporate income tax. The Corporation intends to pay out all of net income and net realized capital gains as dividends with the result that no income tax shall be owed. In order to reduce the Corporation's tax owing to zero, the Corporation may pay surplus dividends to Shareholders at the end of the fiscal year. Taxable dividends, other than capital gains dividends, are treated as interest income to Shareholders for Canadian federal income tax purposes.

The Corporation's objectives are as follows:

- (i) preserve the invested capital;
- (ii) acquire a diversified Portfolio of mortgages that will provide the Shareholders with stable dividends in real estate secured investments; and
- (iii) maximize dividends paid and Shareholders' equity through the origination and effective management of the mortgage investments. See Summary - "*Investment Objectives*" and "*Investment Strategies*".

(2) Qualification as a Mortgage Investment Corporation

The Corporation intends to operate as a MIC. See "*Description of Share Capital –Restriction on the Business of the Corporation*", "*Description of Share Capital – Limitation on Ownership*" and "*Dividends – Dividend Strategy*". In order to qualify as a MIC in a taxation year, the Corporation must continually meet all of the criteria enumerated in subsection 130.1(6) of the Tax Act throughout such taxation year, including the following requirements:

A. *Canadian Corporation.* The Corporation must be a "Canadian corporation", as defined in the Tax Act, which generally means a corporation incorporated or resident in Canada;

B. *Undertaking.* The Corporation's only undertaking was the investing of the Corporation's funds. The Corporation cannot manage or develop any real or immovable property;

C. *Prohibited Foreign Investment.* None of the property of the Corporation consisted of debts owing to the Corporation secured on real or immovable property situated outside Canada, debts owing to the Corporation by non-resident persons unless such debts were secured on real or immovable property situated in Canada, shares of the capital stock of corporations not resident in Canada, or real or immovable property situated outside of Canada or any leasehold interest in such property;

D. *Shareholder Requirements.* The Corporation had at least twenty (20) Shareholders. In addition, no Shareholder (together with Related Persons (as defined below) of the Corporation at any time in the year owned, directly or indirectly, more than twenty-five percent (25%) of the issued shares of any class of the Corporation. Special rules apply for the purposes of counting Shareholders that are registered pension plans or DDSPs;

E. *Preferred Shareholders.* Holders of preferred shares (as defined in the Tax Act) (if any) of the Corporation had the right, after payment to them of their preferred dividends and payment of dividends in a like amount per share to the holders of common shares of the Corporation, to participate *pari passu* (equally) with the holders of the common shares in any further payment of dividends;

F. *50% Asset Test.* The cost amount for purposes of the Tax Act to the Corporation of its property in the form of or as a combination of money, debts secured on certain specified residential properties, and funds on deposit with a bank or other corporation any of whose deposits are insured by the Canada Deposit Insurance Corporation or the Régie de l'assurance-dépôts du Québec or a credit union (such debts and deposits referred to as "**Required Property**") constituted at least fifty percent (50%) of the cost amount to the Corporation of all of its property;

G. *25% Asset Test.* The cost amount for tax purposes to the Corporation of its property in the form of interests in real or immovable property (including leasehold interests in such property but excepting real or immovable property acquired by foreclosure or otherwise after default by the mortgagor) did not exceed twenty-five percent (25%) of the cost amount to the Corporation of all of its property; and

H. *Debt to Equity Ratio.* Where at any time in the year the cost amount to the Corporation for purposes of the Tax Act of its money and Required Property represented less than two-thirds of the aggregate cost amount to the Corporation of all of its property, our liabilities may not exceed three (3) times the amount by which the cost amount to the Corporation of all its property exceeded its liabilities. Where, however, at any time in the year the cost amount to the Corporation of its money and Required Property represented two-thirds or more of the aggregate cost amount to the Corporation of all of its property, its liabilities may not exceed five (5) times the amount by which the cost amount to the Corporation of all its property exceeded its liabilities.

With respect to requirement D *Shareholder Requirements* above regarding "…that no Shareholder (together with Related Persons (as defined below))…" may own more than twenty-five percent (25%) of the shares of any class of the Corporation, for these purposes "**Related Persons**" has the meaning ascribed to that term in subsection 251(2) of the Tax Act as modified by paragraph 130.1(6)(d) of the Tax Act and generally includes, but is not limited to a corporation and the person or persons that control the corporation, a parent corporation and its subsidiary corporation(s) and corporations that are part of the same corporate group, and an individual and that individual's spouse, common-law partner or child under eighteen (18) years of age. The rules in the Tax Act defining "Related Persons" are complex and Shareholders should consult with their own tax advisors in this regard. For the purposes of the fifty percent (50%) asset test noted above, the requirement is that the Corporation's investments must comprise the specified minimum amount of debts that are secured by mortgages, hypothecs or in any other manner, on "houses", as defined in the *National Housing Act* (Canada) ("**NHA**"), or on property included within a "housing project", as defined in the NHA as it read on June 16, 1999. Generally, a "house" includes all or part of a building or moveable structure that is intended for human habitation containing not more than two (2) family housing units. The NHA defined "housing project", as at June 16, 1999, as "a project consisting of one or more houses, one or more multiple-family dwellings, housing accommodation of the hostel or dormitory type, one or more condominium units or any combination thereof, together with any public space, recreational facilities, commercial space and other buildings appropriate to the project, but does not include a hotel."

(3) Licensing and Legislative Regime

The mortgage broker industry in the Province of Ontario is governed by the Mortgage Brokerages, Lenders and Administrators Act ("**MBLAA**"). The MBLAA is administered through the Financial Services Regulatory Authority of Ontario ("**FSRA**") and regulates mortgage brokerages, brokers, agents and administrators.

Under the MBLAA, corporations, partnerships and sole proprietorships that carry on the business of dealing in or trading in mortgages in Ontario, or carry on business as a mortgage lender in Ontario, are required to hold a valid brokerage license. A person or entity is a mortgage lender when he, she or it lends money in Ontario on the security of real property. An individual who deals in mortgages or trades in mortgages in Ontario is required to be licensed as a mortgage broker or a mortgage agent. A mortgage broker or mortgage agent can only act on behalf of one specified mortgage brokerage and every brokerage must appoint a principal broker who is licensed as a mortgage broker. Corporations, partnerships and sole proprietorships that carry on the business of administering mortgages in Ontario are required to hold a valid mortgage administrator's license.

The Corporation is not and will not be licensed under the MBLAA, and therefore cannot engage directly in the business of lending money on the security of real property or administering mortgages, and must therefore conduct mortgage lending activities under contract with a licensed mortgage brokerage and a licensed mortgage administrator. The brokerage used may be a related party to the Corporation and the Manager. A mortgage brokerage and its principal broker must obtain a brokerage and a broker license, respectively, issued by the Superintendent of Financial Services (the "**Superintendent**") who is the chief executive officer of FSRA (formerly FSCO).. Licenses are issued for a two (2) year term and are subject to a fee established by the Minister of Finance (Ontario). The Manager (either directly or through a related company), expects to perform mortgage brokerage, servicing and administration services on the Corporation's behalf pursuant to the Management Agreement between the Corporation and the Manager dated January 23, 2023 (the "**Management Agreement**") or additional brokerage agreements entered into from time to time. The Manager expects a related company to also be registered under MBLAA as a mortgage administrator.

The details of registration are:

Manager	Admore Capital Group Manager Inc.	
Mortgage Administrator	2593799 Ontario Inc.	FSRA registration number 12950
Mortgage Brokerage	Admore Financial Services Inc.	FSRA registration number 10463

The Superintendent has wide authoritative power over the mortgage brokerage and administrator industry, including the power to grant or renew licenses, the power to revoke licenses, the power to attach conditions to licenses, and the power to investigate complaints made regarding the conduct of registered mortgage brokerages, brokers, agents and administrators. Under the MBLAA, there are several requirements a mortgage brokerage, broker, agent or administrator must meet in order to obtain or renew a license. The MBLAA also imposes a continuing obligation on registered mortgage brokers to remain in compliance with the MBLAA, failing which the Superintendent may revoke the license.

Generally, a mortgage brokerage or administrator will not be granted a license or a renewal of a license if, having regard to the financial position of the mortgage brokerage or administrator, it could not reasonably be expected that the mortgage brokerage or administrator would be financially responsible in the conduct of its business. In addition, a license will not be granted or renewed if the past conduct of the applicant is such that it provides reasonable grounds for the Superintendent to believe that the mortgage brokerage or administrator will not conduct business legally and with integrity and honesty. In the case of a corporate mortgage brokerage or administrator, the Superintendent will look to the past conduct of the directors and officers of the corporation.

Section 3 DESCRIPTION OF SHARE CAPITAL

Authorized Capital

The authorized capital consists of an unlimited number of common shares (the "**Common Shares**") and an unlimited number of preferred shares, issuable in series (the "**Preferred Shares**").

Common Shares

Holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings. Each Share has the right to one vote in person or by proxy at all Shareholders meetings. Holders of the Common Shares are entitled to receive dividends as and when declared by the Board from time to time in its absolute discretion out of the Corporation's moneys properly applicable to the payment of dividends, and subject to the prior rights of the holders of the Preferred Shares. Dividends may be paid on either the Common Shares as a class, the Preferred Shares as a class or on all of such shares.

Holders of the Common Shares are entitled to receive, after payment on the Preferred Shares, the remaining property of the Corporation upon the Corporation's liquidation, dissolution or winding up, or other distribution of the Corporation's assets among its Shareholders by way of repayment of capital, whether voluntary or involuntary.

Preferred Shares

The offered shares consist of Series C Preferred Shares. The Shares will be entitled to distributions as described as "*Dividends*". The Preferred Shares have the following characteristics:

Limited Voting Rights

Holders of the Preferred Shares are entitled to receive notice of, attend and vote only at Shareholder's meetings where a limited list of Shareholder matters are to be considered. Meetings will be called and held with the non-voting preference Shares having a vote for the consideration of the following matters :

(i) a sale of all or substantially all of the assets of the Corporation;

(ii) those matters requiring a class vote by section 170 of the OBCA except a), b) and e) (creating a new class of shares) even if the shares are otherwise non-voting;

(iii) a reorganization with, or transfer of assets to, another entity, if:

a. the Corporation ceases to continue after the reorganization or transfer of assets; and

b. the transaction results in holders of Common Shares becoming securityholders in the other entity; and

(iv) a reorganization with, or acquisition of assets to, another entity, if:

c. the Corporation continues after the reorganization or acquisition of assets; and

d. the transaction results in securityholders of the other entity holding a majority of the total number of outstanding securities of the Corporation.

(1) Restriction on the Business of the Corporation

The Corporation's governance policies provide that the Corporation may not make any investment or conduct any activity that would result in failing to qualify as a MIC.

Limitation on Ownership

In order to maintain status as a MIC, the Corporation's governance policies provide that no Shareholder may hold at any time, directly or indirectly, either alone or together with a Related Person (within the meaning of the Tax Act), more than twenty-five percent (25%) of any class or series of the issued shares of the Corporation. The Manager will monitor the foregoing limitation on ownership and advise the Board of any potential circumstances in which this limitation may be exceeded.

In the event that, as determined by the Board in its sole discretion, any transaction affecting the Corporation's shares (each a "**Triggering Transaction**"), if completed, would cause any Shareholder(s) (each an "**Automatic Repurchase Shareholder**"), either alone or together with Related Persons (within the meaning of the Tax Act), to hold more than twenty-five percent (25%) of any class or series of the Corporation's issued shares, that portion of the shares held by each Automatic Repurchase Shareholder which constitutes in excess of twenty-five percent (25%) of the issued shares of any class or series of shares (the "**Repurchased Shares**") will, immediately prior to the completion of a Triggering Transaction, automatically be repurchased and cancelled by the Corporation (an "**Automatic Repurchase**") without any further action by the Corporation or the Automatic Repurchase Shareholder. The purchase price for any Repurchased Shares will be equal to: (a) if such shares are listed for trading on an exchange or market, the volume weighted average trading price of the particular class or series of shares for the five (5) consecutive trading days ending immediately preceding the date of the Triggering Transaction; or (b) if such shares are not listed for trading on an exchange or market, such price as determined by the Board acting reasonably and in good faith. The proceeds of any Automatic Repurchase will be remitted to each applicable Automatic Repurchase Shareholder at the time of the Automatic Repurchase.

Redemptions

The last day of each quarter based on the calendar year will be a Redemption Date ("**Redemption Date**"). In order to tender shares (including the Shares) for redemption, a Shareholder must deliver to the Manager, a duly completed and properly executed redemption notice requiring the Manager to redeem the shares. Redemption notices will only be accepted by the Manager when the Manager is fully satisfied as to the identity, capacity and/or authority of the person giving such notice. Proof may be required. The redemption notice must be received by the Manager at least [ninety (90) days] before the Redemption Date for a redemption to be considered for such Redemption Date. If the notice is not received by the Manager at least [ninety (90) days] before the Redemption Date, the Manager will not be required to consider redeeming the shares until the next Redemption Date. Management shall be entitled, in their sole discretion, to accelerate a Redemption Date specified by a Shareholder in a notice. Further details are as follows:

(a) With regard to penalties and clawbacks for redemptions (Redemption Cost):

1) With respect to a redemption of shares that are held by a shareholder for at least 24 months, there is no discount or penalty that applies to a redemption.
2) With respect to a redemption of shares that are held by a shareholder for less than 24 months, a 5% discount or penalty (Redemption Cost) applies to the value of said shares.

In processing redemptions of the Corporation's Preferred Shares within each individual account, the Corporation will redeem Preferred Shares in the following order: i) outstanding Preferred Shares purchased through DRIP where Preferred shares issued at the earliest date under the DRIP are redeemed in priority to subsequent issuances under the DRIP, and ii) all other outstanding Preferred Shares where Preferred Shares issued at earliest date are redeemed in priority to subsequent issuances.

(b) A Satisfactory Redemption Notice must be provided to the Corporation a minimum of 90 days prior to the Redemption Date. The Preferred Shares shall be considered to be tendered for redemption on the date the Corporation has, to the satisfaction of the Directors, received a Redemption Notice (the "Tendered Preferred Shares"). If 90 days' notice is not given, the Corporation may, in its sole discretion, defer the request to the next Redemption Date. All Redemption Notices received by the Corporation shall be time and date stamped on receipt.

(c) The total number of Tendered Preferred Shares on any given Redemption Date shall not exceed 5% of the total number Preferred Shares outstanding on such Redemption Date. The Corporation, in its sole discretion, may at any time, whether or not the said 5% is exceeded, implement one of the following measures:

(1) Prorated Redemptions – The Corporation may give notice to Tendering Preferred Shareholders that their Tendered Preferred Shares shall be redeemed at the Redemption Date in a quantity prorated over the total of all Class C Preferred Shares for which a properly tendered Redemption Notice was received with the intention that not more that 5% of the total number of Class C Preferred Shares outstanding on the said Redemption Date are Redeemed on this date. Under this measure the unredeemed portion of Tendered Preferred Shares shall, at the option of the Preferred Shareholder, either (i) maintain their order of priority for the next subsequent Redemption Date until such date as all such Preferred Shares have been redeemed; or (ii) have the redemption request retracted;
(2) Temporary Suspension of Redemptions – The Corporation may give notice to all Preferred Shareholders that normal course redemptions under the Management Policy are suspended. Issuance of a suspension notice by the Corporation will have the effect of canceling all pending redemption requests. At the end of the suspension period normal course redemptions will resume; or
(3) Redeem all properly Tendered Preferred Shares.

Cash redemptions offered quarterly will be limited in the event that redemption requests exceed the greater of $500,000 and five percent (5%) of the total capital of the issued and outstanding Shares determined at the beginning of the applicable calendar quarter (the "**Preferred Share Redemption Limit**"). Any cutbacks in excess of the Preferred Share Redemption Limit will be on a proportionate basis with respect to the aggregate number of Shares represented by redemption notices.

The Corporation may also: (i) defer payment of the redemption amount to a Shareholder if, in the sole judgment of the Manager, extra time is warranted to facilitate the orderly liquidation of Portfolio security positions to meet such redemption requests or to otherwise obtain required liquidity, (ii) suspend redemptions of its Shares in order to comply with restrictions imposed by any applicable regulatory authority; (iii) satisfy the redemption by way of an in specie distribution of property of the Corporation or (iv) suspend redemptions when in the discretion of the Corporation, there is insufficient liquidity or the redemptions are harmful to the financial health of the Corporation. Any redemption not honoured in a quarter will be deferred to the next quarter, with the Corporation redeeming any cutback redemption requests pursuant to the Preferred Share Redemption Limit from the oldest to the newest before redeeming any Shares for the current quarter, subject in all cases to the Corporation's right to suspend redemptions.

Upon approval of a redemption request the Shareholder is entitled to receive for each Share, the lesser of the subscription purchase price or the Net Asset Value Per Share calculated as of the close of business on the Redemption Date, less a penalty not exceeding 5% (Redemption Cost – see penalties and clawback provision outlined above) multiplied by the number of Shares the Shareholder has asked to redeem. The amount payable to a Shareholder for each Share redeemed will be an amount equal to the Redemption Price redeemed on the Redemption Date, less any applicable Redemption Cost, together with the proportionate share attributable to such Shares of any distribution which has been declared and not paid, less any withholding or other taxes required to be deducted.

Redemptions will be funded on or by the fifteenth (15^{th}) day of the month following the Redemption Date. In the event the (15^{th}) day of the month does not fall on a Business Day then the redemption will be funded on the next succeeding Business Day.

Any payment, unless not honoured, will discharge the Corporation and the Manager from all liability to the Shareholder in respect of the amount thereof and in respect of the Shares redeemed.

(2) Calculation of Net Asset Value Per Share

The Net Asset Value Per Share shall be determined on the Valuation Date. The "**Valuation Date**" shall be the last Business Day in each quarter and, in any event, December 31 in each calendar year and any such other day or days as agreed from time to time by the Manager. The Net Asset Value Per Share is obtained by dividing the aggregate value of the total assets of the Corporation by the total number of Shares *less* the aggregate amount of the total liabilities of the Corporation divided by the total number of Shares, in each case, outstanding at the time the calculation is made on the Valuation Date and adjusting the result to a maximum of four (4) decimal places (rounded down) (the "**Net Asset Value Per Share**").

The Net Asset Value Per Share will be determined as of 4:00 p.m. (Toronto time) on each Valuation Date by the Manager or such third party as the Manager may appoint in accordance with the provisions set out in the Management Agreement.

(3) Valuation Principles

The fair market value of the assets and the amount of the liabilities of the Corporation will be calculated in such manner as the Manager in its sole discretion may determine from time to time, it being acknowledged that the principal asset of the Corporation is the Portfolio.

Section 4 MANAGEMENT OF THE CORPORATION

(1) General

The Manager is responsible for originating, underwriting, servicing and syndicating the Corporation's mortgage investments pursuant to the Management Agreement. The Manager is also responsible for ensuring compliance with the investment policies of the Corporation. See "*Management Agreement*" and Summary - "*Investment Objectives*" and "*Investment Strategies*".

(2) Directors and Officers of the Manager

The name, municipality of residence and position(s) with the Manager, and the principal occupation of the directors and senior officers of the Manager are as follows:

Name and Municipality of Residence	Position with the Manager	Principal Occupation
Geoff Carnevale, Toronto ON	President	Mortgage broker and manager with Manager
John Cocomile, Toronto ON	Chief Executive Officer	Mortgage broker and manager with Manager

Set out below are the particulars of the professional experience of the directors and senior officers of the Manager:

Section 5 DIRECTORS AND OFFICERS OF THE CORPORATION

(1) Directors and Executive Officers

The Articles of Incorporation provide that the Corporation may have a minimum of one and a maximum of ten directors. The directors are responsible for supervising the management of the business and affairs of the Corporation. The Board is empowered to determine and fix from time to time, by ordinary resolution, the number of directors of the Corporation within the minimum and maximum numbers provided for in the Articles of Incorporation of the Corporation.

The following table sets forth the names and municipalities of residence of the Corporation's directors and officers, their current positions or offices, the date when they first became a director and/or executive officer, the number and type of securities in the capital of the Corporation beneficially owned, directly or indirectly, or under their direction or control and profiles of the nature and extent of their experience in the mortgage and real estate industries:

Name and Municipality of Resident	Position with Corporation	Director/Executive Officer Since	Number and type of securities held	Principal Occupation
John Cocomile, Toronto, ON	Director and Chief Executive Officer	December 23, 2021	250 Common Shares	Mortgage broker and manager with Manager
Geoff Carnevale, Toronto, ON	Director and President	December 23, 2021	250 Common Shares	Mortgage broker and manager with Manager
Frank Carnevale, Toronto, ON	Director	November 21, 2022	250 Common Shares	Mortgage Broker
Terrence Reiber, Toronto, ON	Director	December 23, 2021	250 Common Shares	Lawyer

The Board consists of the four (4) directors as shown in the table above. Each director holds office until the next annual meeting, or until his successor is duly elected or appointed, unless: (i) his office is earlier vacated in accordance with the Corporation's articles and by-laws; or (ii) he becomes disqualified to act as a director.

(2) Biographies

The following are profiles of the Corporation's directors and executive officers including the nature and extent of their experience in the mortgage and real estate industries.

Geoff Carnevale

Geoff Carnevale is one of the founders and owners of the Admore Capital Group. He began working with his father, Frank, the founder of Admore Financial Services Inc. in 2007. Geoff holds a Bachelor of Arts degree in economics from Ryerson

University. Geoff's experience includes alternative and private markets, syndicated mortgages and capital raising for funds, individual and syndicated mortgages. Geoff has experience in a diverse range of financings including residential, commercial, construction financing and land development for first, second and third mortgages. Geoff has built a strong reputation in the industry over the past fifteen (15) years and served as President of the Canadian Mortgage Brokers Association, Ontario for three (3) years and sat on the board for an additional three (3) years. Geoff is a strong leader in the administration and management of a high growth mortgage portfolio.

John Cocomile

John Cocomile is one of the founders and owners of the Admore Capital Group. He is a licensed mortgage broker with almost twenty (20) years of mortgage brokerage experience having arranged close to $2 billion in mortgages. John is a member of the Law Society of Ontario and holds a law degree from Osgoode Hall Law School as well as a Bachelor of Arts in economics from the University of Western Ontario. John's diverse range of business and legal experience includes five (5) years of private practice and as in house counsel and board member for a small public company, which became listed on the both the Toronto and New York stock exchanges. John has been involved in many aspects of the mortgage business, including but not limited to real estate brokerage and the development of creative mortgage products that cater to the needs of investors and borrowers. He has experience in a diverse range of financings including residential, commercial, construction financing for first and second and mortgages and has experience in enforcement proceedings.

Frank Carnevale

Frank Carnevale has been in the banking and mortgage business since the mid 1970s. Frank founded Admore Financial Services Inc., (the "**Mortgage Brokerage**"), in 1978 and has been in the private mortgage business for almost fifty (50) years. Frank's experience and exposure to every part of the mortgage business provides strong guidance, direction and foundation.

Terrence Reiber

Terrence Reiber is a member of the Law Society of Ontario – called to the bar in 1983. Terry has arranged thousands of real estate transactions and private mortgages. His knowledge and understanding of real estate law and transactions, and other issues including title insurance, provides an incredible source of direction for the MIC.

Conflicts of Interest

General

Conflicts of interest may exist, and others may arise, between investors and the directors and officers of the Manager and the Corporation and their associates and affiliates.

There is no assurance that any conflicts of interest that may arise will be resolved in a manner most favourable to investors. Persons considering a purchase of Shares must rely on the judgment and good faith of the directors, officers and employees of the Manager and the Corporation in resolving such conflicts of interest as may arise. See "*Risk Factors – Potential Conflicts of Interest*".

The Manager

The Corporation and the Shareholders are dependent in large part upon the experience and good faith of the Manager, which is entitled to earn fees for providing services to the Corporation. Officers and directors of the Manager may also serve from time to time as directors and officers of the Corporation.

The Manager and its associates are entitled to act in a similar capacity for other companies with investment criteria similar to those of the Corporation. As such, there is a risk the Manager will not be able to originate sufficient suitable investment opportunities to keep the Corporation's funds fully invested. Also, one or more members of the Board and the Manager may be employed by, or act in other capacities for, other companies involved in mortgage and lending activities.

Lack of Separate Legal Counsel

The investors, as a group, have not been represented by separate counsel. Neither counsel for the Corporation nor counsel for the Manager have acted, or are acting, for the investors nor have conducted any investigation or review on their behalf.

Section 6 MANAGEMENT AGREEMENT

General

The Corporation's investment policies and objectives are subject to the control and direction of the Board. The Board is responsible for general oversight of the business and affairs. Certain responsibilities and activities have been delegated to the Manager. The Manager originates and underwrites all mortgage investments on behalf of the Corporation, services the Portfolio and supervises its day-to-day management and operations.

The Manager

The Corporation has retained the Manager to provide certain portfolio management, administrative and other services to the Corporation pursuant to the Management Agreement, as the same may be amended, restated or supplemented from time to time.

The Manager's registered and principal office is 718 Wilson Avenue, Suite 403, Toronto, Ontario, M3K 1E2. The Manager may also be contacted by telephone at 416 630-7554.

Under the Management Agreement, the Manager is responsible for investment management decisions of the Corporation and to render services under the Management Agreement honestly and in good faith and in the best interests of the Corporation and to exercise the degree of care, diligence and skill a reasonably prudent person would exercise in comparable circumstances. The Management Agreement may be assigned by the Manager to an affiliated entity at any time provided notice thereof is given to all Shareholders.

The Management Agreement provides that the Manager will not be liable in any way to the Corporation if it has satisfied the duties and the standard of care, diligence and skill set forth above. The Corporation has agreed to indemnify the Manager for any losses as a result of the performance of its duties under the Management Agreement. However, the Manager will incur liability in cases of willful misconduct, bad faith, negligence or disregard of its duties or standards of care, diligence and skill.

Duties and Services Provided by the Manager

Pursuant to the Management Agreement, the Manager has the authority to manage the affairs and day-to-day activities of the Corporation. The Manager may delegate certain of its powers to third parties, where, in the discretion of the Manager, it would be in the Corporation's best interests to do so. The Manager's duties and services include, but are not limited to:

(i) sourcing and structuring new mortgage opportunities and presenting such opportunities to the Board for review;

(ii) undertaking due diligence before issuing a formal commitment to lend;

(iii) providing mortgage servicing duties, including ongoing collection of principal and interest payments, regular assessment of the risk profile of each mortgage investment and active collection and pursuit of legal remedies in the event of default;

(iv) providing timely payments and reports to shareholders, including income tax documentation;

(v) carrying out all capital market activities;

(vi) authorizing the payment of operating expenses;

(vii) preparing the financial statements and financial and accounting information on behalf of the Corporation;

(viii) ensuring that the Corporation complies with applicable law and regulatory requirements, including regulatory and Shareholder reporting;

(ix) recommending to the Board the amount of dividends to be declared; and

(x) negotiating contracts with third-party providers of services, including auditors.

In performing its duties, the Manager must ensure that the Corporation qualifies, and maintains its status, as a MIC.

The Management Agreement provides that the Manager shall, in its capacity as manager, be subject to the overriding authority of the Board over management and affairs. Consequently, the Board has oversight mechanisms in place to enable the Board to satisfy itself that the Manager is properly performing its duties under the Management Agreement. Immediately following the end of each calendar quarter, the Board will conduct a detailed review of each mortgage in the Portfolio. During this review the Manager will identify all higher risk mortgage loans and provide the Board with a strategy to deal with them. The Corporation expects this detailed oversight to result in strong returns and minimization of loan losses.

Section 7 FEES AND EXPENSES

Management Fee

In consideration of the services provided to the Corporation by the Manager, the Manager will be paid a management fee equal to two percent (2%) per annum of the amount of cash that the Shareholders have contributed to the Corporation in exchange for the Shares (the "**Contributed Capital**"), calculated and paid quarterly on the last Business Day of each quarter, in arrears, plus applicable taxes. An additional fee will also be paid to the Manager by the Corporation, if the returns of the Corporation are greater than seven percent (7%) in a calendar year. Any returns above seven percent (7%) will be split on a 75/25 basis, with seventy-five percent (75%) payable to the Shareholders and twenty-five percent (25%) payable to the Manager.

Sales Commission

In addition to the services provided to the Corporation by the Manager, the Manager may retain the services of one or more licensed exempt market dealers ("**EMDs**") in order to facilitate the Offering of the Shares to subscribers. The maximum commission amount payable to an EMD in connection with the distribution of Shares is six and one-half percent (6.5%) of the gross proceeds received in connection with the sale of Shares and will be paid out of the proceeds attributable to the Shares sold under this Offering. See "*Plan of Distribution / Sales Commission*".

Initial Formation and Operating Expenses

The Corporation will pay or reimburse the Manager for ongoing operating expenses, obligations or other liabilities incurred or paid by the Manager and its affiliates including the expenses in establishing the Corporation, which are estimated to be $50,000, or in performing the obligations of the Manager to the Corporation or otherwise providing services to or for the benefit of the Corporation, including all legal, audit, accounting, trustee, reporting and communications, placement fees, taxes, fees and government charges, litigation expenses, liabilities and claims (if any), interest and costs of financial and other reports required to comply with applicable laws, excluding the overhead expenses of the Corporation, such as employee compensation.

Information and Reports

The Corporation will furnish to Shareholders within one-hundred twenty (120) days of each fiscal year end annual audited financial statements (for those who elect to receive the financial statements) and prescribed forms needed for the completion of Shareholders' tax returns under the Tax Act and equivalent provincial legislation. See also "*Financial Disclosure*".

Prior to each meeting of Shareholders, the Corporation will provide to each Shareholder, together with the notice of the meeting, a form of proxy which can be used by a Shareholder to appoint a proxy, who need not be a Shareholder, to attend and act at the meeting on behalf of the Shareholder, in the manner and to the extent authorized by the proxy and all information required by applicable law.

The Corporation will prepare and maintain, at its registered office or at such other place in Ontario designated by the Board such documents as required by law, including: (a) the articles and the by-laws and all amendments thereto; (b) minutes of meetings and resolutions of Shareholders; (c) a register of directors in which are set out the names and residence addresses, while directors, including the street and number, if any, of all persons who are or have been directors of the Corporation with the several dates on which each became or ceased to be a director; and (d) a securities register. Registered Shareholders may examine the records listed in preceding paragraphs (a) to (d) above during the usual business hours of the Corporation, and may take extracts from those records, free of charge.

In addition to the records described above, the Corporation will prepare and maintain (a) adequate accounting records; and (b) records containing minutes of meetings and resolutions of the directors and any committee thereof.

Section 8 RESTRICTIONS ON RESALE

The Shares offered hereby 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 Shares unless you comply with an exemption from the prospectus requirements under applicable securities legislation. Unless permitted under applicable securities legislation, you cannot trade the securities before the date that is four (4) months and a day after the Corporation becomes a reporting issuer in any province or territory. The Corporation does not currently intend to file a prospectus or otherwise become a reporting issuer pursuant to applicable securities laws.

Restriction on Ownership of Shares and Automatic Repurchases

No Shareholder is permitted to hold at any time, directly or indirectly, together with any Related Persons (within the meaning of the Tax Act), more than twenty-five percent (25%) of the issued shares of any class of the capital stock of the Corporation, or otherwise be a "specified shareholder" of the Corporation (as defined in subsection 248(1) of the Tax Act as modified by paragraph 130.1(6)(d) of the Tax Act).

In the event of a Triggering Transaction (as defined below), the Shares of any Shareholder that is subject to an Automatic Repurchase (as defined below) (each such Shareholder, an "**Automatic Repurchase Shareholder**") shall be deemed to be Shares that are repurchased by the Corporation (the "**Repurchased Shares**") and such Repurchased Shares will, immediately prior to the completion of the Triggering Transaction, be repurchased by the Corporation (such repurchase, an "**Automatic Repurchase**") without any further action required by the Corporation or such Automatic Repurchase Shareholder.

"**Triggering Transaction**" is any transaction or series of transactions including, without limitation: (i) the exercise by any Shareholder of his, her or its redemption right; or (ii) any other transaction affecting any Shares, in each case, which would if completed, cause any Shareholder, together with any Related Persons, to hold more than twenty-five percent (25%) of the issued shares of any class of the capital stock of the Corporation, or otherwise cause any Shareholder to be a "specified shareholder" of the Corporation (as defined in subsection 248(1) of the Tax Act as modified by paragraph 130.1(6)(d) of the Tax Act).

The purchase price for any Repurchased Shares will be equal to the Redemption Price per Share for such Shares in effect on the date of the Triggering Transaction, less the expected costs associated with the purchase, as determined by the Board, acting reasonably. The proceeds of any Automatic Repurchase will be remitted to each applicable Automatic Repurchase Shareholder within sixty (60) days following the date of the Triggering Transaction.

Pre-emptive Rights

Except as otherwise required by law, the Shareholders are not entitled as such to subscribe for, purchase, or receive any part of any issue of shares, bonds, debentures or other securities of the Corporation.

Liquidation, Dissolution or Winding Up

In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or in the event of any other distribution of assets of the Corporation among its Shareholders for the purpose of winding up its affairs, the Corporation will distribute the assets of the Corporation to the Shareholders, an amount equal to the amount paid up thereon together with all dividends declared thereon and unpaid.

If there are insufficient amounts to pay to the Shareholders the full amount which they are entitled to receive on the distribution of the assets of the Corporation, all such holders shall share in the distribution on a pro rata basis in proportion to the aggregate amount due to each of them.

Section 9 DIVIDENDS

Dividend Strategy

The Corporation intends to continue, at all times, to qualify as a MIC. As a MIC, it is entitled to deduct (in computing income) all taxable dividends (other than capital gains dividends) paid to Shareholders in the year or within ninety (90) days after the end of the year, provided that such dividends are not deductible by the Corporation in the immediately preceding taxation year. As a result, a MIC generally operates as a flow-through entity so that a Shareholder of a MIC is in a similar position from an income tax perspective as if the investments made by the MIC had been made directly by the Shareholder.

It is the intention of the Corporation to make distributions to the extent necessary to reduce its taxable income each year to nil so that no tax is payable under Part I of the Tax Act. To the extent that capital gain are realized by the Corporation in a year (in excess of applicable capital losses), the Corporation intends to elect to have dividends to be capital gains dividends to the maximum extent allowable.

The Board has adopted a dividend strategy, pursuant to which at the discretion of management, the Corporation intends to declare quarterly dividends to holders of Shares of record at the close of business on the last Business Day of each calendar month. Each declared quarterly dividend will be paid within twenty (20) days after the dividend record date.

Should the Corporation be in a position of excess taxable income, the strategy will be to declare a surplus (fifth (5^{th})) dividend referred to as a "special dividend", to be paid to all Shareholders throughout the calendar year, whether or not they were holders of Shares as at December 31. If declared, said special dividend will be paid on the basis of the proportionate share of each Shareholder's Contributed Capital during the calendar year.

The special dividend will be paid within ninety (90) days of the dividend record date. The special dividend each year ending December 31, would be equal to taxable income for that fiscal year and capital gains for that fiscal year, less dividends previously declared for that fiscal year and any profits allocated to the Manager. The general dividend strategy of the Board is to pay dividends to the Shareholders of record on the dividend record date, subject to available profit, of seven percent (7%) per annum on the capital invested by the series plus seventy-five percent (75%) of the profit attributable to the series capital that is greater than seven percent (7%). The remaining twenty-five percent (25%) of profit that is greater than seven percent (7%) will flow to the Manager. See "*Fees and Expenses".*

Notwithstanding the above, the Corporation has the right to determine a record date that is other than the last Business Day of each quarter. The dividend strategy includes the discretion of the Board to declare dividends from time to time as determined by the Board and the amount paid may vary depending on, among other things, the earnings of the Corporation, the financial requirements, the satisfaction of solvency tests imposed by the OBCA for the declaration of dividends and other conditions existing at such future time. See "*Risk Factors – Fluctuations in Dividends*".

However, holders of the Shares have a right, after payment to them of their preferred dividends, and payment of dividends in a like amount per share to the holders of the Common Shares, to participate *pari passu* with the holders of the Common Shares in any further payment of dividends.

Dividend Reinvestment Plan

The Corporation, subject to maintaining its status as a MIC under the Tax Act and applicable securities laws, may in the future provide a dividend reinvestment plan (the "**DRIP**" or the **"Plan**"). If and when offered, under the DRIP, holders of shares of the Corporation from time to time can reinvest dividends in additional shares of the Corporation. The Corporation or the Manager will administer all aspects of the DRIP. Once the DRIP is offered notice of the commencement and an enrolment form will be provided, together with a copy of the Plan.

Eligibility (Once Offered)

Participation in the DRIP will be restricted to holders of Shares who are residents in Canada for the purposes of the Tax Act. Eligible Shareholders may participate in the DRIP by completing an enrolment form and returning it to the Corporation (the "**Registered Participants**"). Shareholders may enroll all or a portion of their Shares in the DRIP.

Section 10 DETAILS OF THE OFFERING

Shares are being offered by the Corporation on a continuous basis to an unlimited number of subscribers who are qualified to purchase without prospectus under NI 45-106 and are prepared to invest a sufficient amount to meet the minimum initial subscription requirements or who are otherwise qualified investors. Additional classes or series of shares may be offered in the future.

As at the date of this Offering Memorandum, the minimum initial subscription amount for institutional investors is $50,000 of Shares and individual investors (including any corporation through which individual investors elect to hold their interest) is $50,000 of Shares. The Corporation reserves the right to waive the minimum investment requirement in certain circumstances subject to compliance with regulatory requirements.

Shares will initially be offered at $1.00 per Share and, thereafter at a price equal to the Net Asset Value Per Share on each Valuation Date. See "*Description of Share Capital*".

Shares are being offered to investors pursuant to exemptions from the prospectus requirements, including under section 2.3 (accredited investor exemption), section 2.6 (friends and family) and section 2.10 (minimum amount investment exemption) under NI 45-106 and, where applicable, the registration requirements under National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("**NI 31-103**").

Purchasers will be required to make certain representations in the subscription form, and the Manager and the Corporation will be entitled to rely on such representations, to establish the availability of the exemptions under NI 45-106 and NI 31-103. No subscription will be accepted unless the Manager is satisfied that the subscription is in compliance with applicable securities legislation. Investors other than individuals that are "accredited investors" (as defined under applicable securities legislation) must also represent to the Manager (and may be required to provide additional evidence at the request of the Manager to establish) that such investor was not formed solely in order to make private placement investments which may not have otherwise been available to any persons holding an interest in such investor.

Section 11 PLAN OF DISTRIBUTION / SALES COMMISSION

The Corporation is offering Shares to a limited number of investors in reliance on the private issuer exemption under NI 45-106 and may rely on the accredited investor, the $150,000 minimum amount investment exemption, family, friends and business associates and other available exemptions.

The Shares may also be sold by registered dealers authorized by the Corporation. In its discretion, the Corporation may pay a sales commission to registered dealers or, where permitted under applicable law, a referral fee to other persons ("finders") in an amount to be determined by the Corporation. The maximum sales commission payable is six and one-half percent (6.5%) of the subscription amount. Any such commissions may be paid in cash upon acceptance of the subscription or on other terms agreed to. Notwithstanding the foregoing, the Corporation will not pay a commission to its directors, officers or employees. In the event that the target Offering of $40,000,000 is achieved, the maximum commission payable by the Corporation would be $2,600,000.

The Corporation has retained an agent, Axcess Capital Advisors Inc. (the "**Agent**") to offer the Shares on a best efforts basis, subject to prior sale, if, as and when issued by the Corporation and accepted by the Agent in accordance with the conditions to be contained in an agency agreement between the Manager and the Agent (the "**Agency Agreement**").

Pursuant to the Agency Agreement, the Agent and any selling group member will be entitled to receive a sales commission of up to six and one-half percent (6.5%) of the gross proceeds of the Shares sold pursuant to the Offering.

The Agent has agreed to use its best efforts to sell the Shares offered hereby, but will not be obligated to purchase any of the Shares. The Shares generally are being offered for sale in each of the provinces and territories of Canada in reliance on certain exemptions from the prospectus requirements of applicable securities laws; but the offering to pursuant to the offering memorandum exemption under Section 2.9 of NI 45-106 is being made in each of the provinces of Canada except Quebec. Investors will only be permitted to purchase Shares if the purchase qualifies for one of these exemptions.

Under the terms of the Agency Agreement, the Agent may, at its discretion on the basis of their assessment of the state of the financial markets and upon the occurrence of certain stated events, terminate the Agency Agreement and withdraw all subscriptions for Shares on behalf of subscribers.

Section 12 LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no outstanding legal proceedings material to the Corporation to which it is a party or in respect of which any of its investments are subject, nor are there any such proceedings known to be contemplated. In addition, there were no other penalties or sanctions imposed by a court or regulatory body against the Corporation that would likely be considered important to a reasonable investor in making an investment decision.

Section 13 INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, officer or employee of the Corporation, nor any associate or affiliate of any of them, is or has been indebted to us at any time.

Section 14 INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Certain of the Corporation's mortgages can be shared with other investors, including members of the Board and/or officers of the Corporation. In every case, mortgage participation either ranks equally or in priority to other members of the syndicate as to receipt of principal and interest.

Section 15 FINANCIAL DISCLOSURE

Baker Tilly WM LLP, Chartered Professional Accountants, Toronto, Ontario, are the auditors of the Corporation.

Shareholders will receive income tax information and annual audited financial statements.

Annual audited financial statements of the Corporation, including a calculation of Net Asset Value Per Share will be sent to Shareholders one-hundred twenty (120) days after the end of each fiscal year. The Manager will forward to each Shareholder interim unaudited financial statements of the Corporation for the six (6) months following each fiscal year end (the "**Interim Period**") within sixty (60) days after the end of each such Interim Period upon request.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary, as of the date hereof, of the principal Canadian federal income tax consequences generally applicable to the acquisition, holding and disposition of Shares by an investor who acquires Shares pursuant to this Offering Memorandum. This summary only applies to an investor who deals at arm's length and is not affiliated with the Corporation and acquires and holds the Shares as capital property (a "**Holder**"). The Shares will generally be considered to constitute capital property to an investor unless the investor either holds or uses, or is deemed to hold or use, the Shares in the course of carrying on a business of trading or dealing in securities or has acquired the Shares in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder (i) that is a "specified financial institution" or a "financial institution" for purposes of the mark to market property rules, both as defined in the Tax Act; (ii) an interest in which constitutes a "tax shelter investment" within the meaning of the Tax Act; (iii) that reports its Canadian tax results in a currency other than Canadian currency; (iv) that has entered or will enter into a "derivative forward agreement" or "synthetic disposition arrangement" (both as defined in the Tax Act) with respect to the Shares; or (v) who has acquired the Shares upon the exercise of an employee stock option.

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the "**Regulations**"), all specific amendments to the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposals**"), the facts contained in this Offering Memorandum, and the current administrative practices and assessing policies of the Canada Revenue Agency that have been published in writing by it any change in law, whether by legislative, governmental or judicial decision or action prior to the date hereof. Except for the Proposals, this summary does not take into account or anticipate any changes in the administrative practices and assessing policies of the Canada Revenue Agency, nor does it take into account other federal or any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from the tax considerations described herein. No assurance can be given that the Proposals will be enacted in the form proposed or at all.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations and does not describe the income tax considerations relating to the deductibility of interest on money borrowed to acquire Shares. It is not intended to constitute tax advice to any Holder. The income tax consequences of acquiring, holding and disposing of Shares will vary depending on the Holder's particular circumstances, including the province in which the Holder resides or carries on business. Holder are urged to consult their own income tax advisers with respect to their particular circumstances.

Status of the Corporation

Classification Under the Tax Act

This summary is based upon the assumption that the Corporation will qualify as a MIC at all relevant times. The Corporation intends to meet all of the requirements under the Tax Act to qualify as a MIC throughout its current taxation year and for all of its future taxation years. If the Corporation were to not qualify as a MIC at any time, the income tax considerations would be materially different from those described below.

MIC Requirements

The following requirements must be met throughout a taxation year in order for the Corporation to qualify as a MIC for that taxation year:

A. *Canadian Corporation.* The Corporation must be a "**Canadian corporation**", as defined in the Tax Act, which generally means a corporation incorporated or resident in Canada;

B. *Undertaking.* The Corporation's only undertaking was the investing of its funds. The Corporation cannot manage or develop any real or immovable property;

C. *Prohibited Foreign Investment.* None of the property of the Corporation consisted of debts owing to the Corporation secured on real or immovable property situated outside Canada, debts owing to the Corporation by non-resident persons unless such debts were secured on real or immovable property situated in Canada, shares of the capital stock of corporations not resident in Canada, or real or immovable property situated outside of Canada or any leasehold interest in such property;

D. *Shareholder Requirements.* The Corporation had at least twenty (20) Shareholders. In addition, no Shareholder (together with Related Persons (as defined below)) of the Corporation at any time in the year owned, directly or indirectly, more than twenty-five percent (25%) of the issued shares of any class of the Corporation. Special rules apply for the purposes of counting Shareholders that are registered pension plans or DDSPs;

E. *Preferred Shareholders.* Holders of preferred shares (as defined in the Tax Act) (if any) of the Corporation had the right, after payment to them of their preferred dividends and payment of dividends in a like amount per share to the holders of common shares of the Corporation, to participate *pari passu* (equally) with the holders of the common shares in any further payment of dividends;

F. *50% Asset Test*. The cost amount for purposes of the Tax Act to the Corporation of its property in the form of or as a combination of money and Required Property constituted at least fifty percent (50%) of the cost amount to the Corporation of all of its property;

G. *25% Asset Test*. The cost amount for tax purposes to the Corporation of its property in the form of interests in real or immovable property (including leasehold interests in such property but excepting real or immovable property acquired by foreclosure or otherwise after default by the mortgagor) did not exceed twenty-five percent (25%) of the cost amount to the Corporation of all of its property; and

H. *Debt to Equity Ratio*. Where at any time in the year the cost amount to the Corporation for purposes of the Tax Act of its money and Required Property represented less than two-thirds of the aggregate cost amount to the Corporation of all of its property, the Corporation's liabilities may not exceed three (3) times the amount by which the cost amount to the Corporation of all its property exceeded its liabilities. Where, however, at any time in the year the cost amount to the Corporation of its money and Required Property represented two-thirds or more of the aggregate cost amount to the Corporation of all of its property, the Corporation's liabilities may not exceed five (5) times the amount by which the cost amount to the Corporation of all its property exceeded its liabilities. The Corporation currently may not exceed forty percent (40%) of the total assets of the Corporation without approval by the Board.

With respect to the requirement noted above that no Shareholder (together with Related Persons) may own more than 25% of the shares of any class of the Corporation, for these purposes "Related Persons" has the meaning ascribed to that term in subsection 251(2) of the Tax Act as modified by paragraph 130.1(6)(d) of the Tax Act and generally includes, but is not limited to, a corporation and the person or persons that control the corporation, a parent corporation and its subsidiary corporation(s) and corporations that are part of the same corporate group, and an individual and that individual's spouse, common law partner or child under 18 years of age. The rules in the Tax Act defining "Related Persons" are complex and Holders should consult with their own tax advisors in this regard.

For the purposes of the 50% asset test noted above, the requirement is that the Corporation's investments must comprise the specified minimum amount of debts that are secured by mortgages, hypothecs or in any other manner, on "houses", as defined in the NHA, or on property included within a "housing project", as defined in the NHA as it read on June 16, 1999. Generally, a "house" includes all or part of a building or moveable structure that is intended for human habitation containing not more than two family housing units. The NHA defined "housing project", as at June 16, 1999, as "a project consisting of one or more houses, one or more multiple-family dwellings, housing accommodation of the hostel or dormitory type, one or more condominium units or any combination thereof, together with any public space, recreational facilities, commercial space and other buildings appropriate to the project, but does not include a hotel."

Taxation of the Corporation

The Corporation is a "public corporation" for purposes of the Tax Act on the basis that it qualifies as a MIC. As a public corporation, the Corporation is subject to tax at the full general corporate income tax rates on its taxable income. However, provided the Corporation qualifies as a MIC throughout a taxation year, the Corporation may deduct in computing its income for such taxation year the amount of dividends paid to its Shareholders as follows:

(a) all taxable dividends, other than capital gains dividends, paid by the Corporation to its Shareholders during the year or within ninety (90) days after the end of the year (to the extent not deductible in computing the Corporation's income for the previous year); and

(a) one-half of all capital gains dividends paid by the Corporation to its Shareholders during the period commencing ninety-one (91) days after the commencement of the year and ending ninety (90) days after the end of the year.

The Corporation must elect to have a dividend qualify as a capital gains dividend. The Corporation may elect that dividends paid during the period commencing ninety-one (91) days after the commencement of a taxation year (throughout which the Corporation qualifies as a MIC) and ending ninety (90) days after the end of the year be capital gains dividends to the extent of the Corporation's capital gains for the year less any applicable capital losses. The election must be made in respect of the full amount of a dividend and can only be made if the Corporation qualifies as a MIC throughout the taxation year.

The Corporation intends to make distributions to the extent necessary to reduce its taxable income each year to nil so that no tax is payable by it under Part I of the Tax Act and to generally elect to have dividends treated as capital gains dividends to the maximum extent allowable. Any dividends deemed to be paid by the Corporation on the redemption of Shares will be deductible by the Corporation and may qualify for treatment as capital gains dividends on the same basis as other dividends.

Taxation of Holders

Holders Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, is, or is deemed to be, resident in Canada for the purposes of the Tax Act ("**Resident Holder**"). A Resident Holder whose Shares do not otherwise qualify as capital property may, in certain circumstances, make an irrevocable election to have their Shares and every other "Canadian security" (as defined in the Tax Act) owned by them deemed to be capital property.

<u>Dividends</u>

A Resident Holder is required to include in its income, as interest payable on a bond issued by the Corporation, any amount received by the Resident Holder from the Corporation as or on account of a taxable dividend (other than capital gains dividends), whether paid in cash or reinvested in Shares.

Capital gains dividends received by a holder of Shares (whether paid in cash or reinvested in Shares) will be treated as a capital gain of the Resident Holder from a disposition of capital property in the year in which the dividend is received. See "*Disposition of Shares*" below for the tax treatment of capital gains.

The provisions of the Tax Act providing for interest accrual, the gross-up and dividend tax credit in respect of taxable dividends received by individuals from a taxable Canadian corporation will not apply to dividends paid by the Corporation and Resident Holders that are corporations will not be eligible for the deduction that is generally available for taxable dividends received from taxable Canadian corporations. Similarly, the provisions of Part IV of the Tax Act will not be applicable to the receipt of taxable dividends on the Shares by a corporate Resident Holder.

The amount of a dividend reinvested in additional Shares will be the cost of such Shares and will be averaged with the cost of other Shares owned by the Resident Holder in determining the adjusted cost base of a Resident Holder's Shares.

Disposition of Shares

A disposition of a Share by a Resident Holder (other than to the Corporation), including a deemed disposition, will give rise to a capital gain (or capital loss) to the extent that the proceeds of disposition of the Share exceed (or are exceeded by) the Resident Holder's adjusted cost base of such Share and any reasonable disposition costs. For the purpose of determining the adjusted cost base to a Resident Holder of Shares, when a Share is acquired the cost of the newly-acquired Share will be averaged with the adjusted cost base of all of the Shares owned by the Resident Holder as capital property immediately before that acquisition. The adjusted cost base of a Share to a Resident Holder will be the cost to the Resident Holder for the Share, with certain adjustments.

In general, one-half of a capital gain ("**taxable capital gain**") realized in the year by a Resident Holder on the disposition of Shares will be included in the Resident Holder's income for the year, and one-half of a capital loss ("**allowable capital loss**") realized in the year on a disposition of Shares will be deducted from the Resident Holder's taxable capital gains, if any, realized in such year. Allowable capital losses in excess of taxable capital gains for a particular year may generally be carried back three (3) years or forward indefinitely and deducted against taxable capital gains realized in such years, subject to the detailed rules in the Tax Act.

On a redemption or acquisition of Shares by the Corporation, the Resident Holder generally will be deemed to have received, and the Corporation will be deemed to have paid, a dividend in an amount equal to the amount by which the redemption price exceeds the paid-up capital of the redeemed Shares. This deemed dividend will be treated in the same manner as other dividends received by the Resident Holder from the Corporation, and its treatment will depend on whether the Corporation elects that the entire dividend be a capital gains dividend (to the extent the Corporation has realized sufficient capital gains, net of any applicable capital losses, in the year). The balance of the redemption price will constitute proceeds of disposition of the Shares for purposes of the capital gains rules, as described above.

Other Taxes

In general terms, a capital gain realized by a Resident Holder (including capital gains dividends received on the Shares) who is an individual or trust (other than certain specified trusts) may increase the Resident Holder's liability for alternative minimum tax.

A "Canadian-controlled private corporation" (as defined in the Tax Act) or a "substantive CCPC" (as proposed to be defined in the Tax Act pursuant to Proposals released by the Minister of Finance (Canada) on August 9, 2022) may be liable to pay an additional tax (refundable in certain circumstances) on certain investment income for the year, including amounts in respect of dividends included in income as interest, as described above, and taxable capital gains.

Holders not Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act: (i) is not, and is not deemed to be, resident in Canada for the purposes of the Tax Act or any applicable income tax treaty or convention; and (ii) does not and will not use or hold, and is not and will not be deemed to hold, the Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). This portion of the summary does not apply to a Non-Resident Holder that carries on, or is deemed to carry on, an insurance business in Canada and elsewhere and such Non-Resident Holders should consult their own tax advisors with respect to an investment in Shares.

Provided the Corporation qualifies as a MIC under the Tax Act throughout the taxation year, any dividends, other than capital gains dividends, paid by the Corporation during a taxation year or within ninety (90) days thereafter to a Non-Resident Holder will be deemed to be payments of interest income for purposes of the Tax Act. Such deemed interest payments to a Non-Resident Holder may be considered to be "participating debt interest" (within the meaning of the Tax Act) and subject to Canadian withholding tax at the rate of twenty-five percent (25%) of the amount of the deemed interest payment, subject to any reduction in the rate of withholding to which the Non-Resident Holder is entitled under any applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident. Accordingly, the Corporation intends to withhold and remit such tax at the rate of twenty-five percent (25%) of the amount of such deemed interest payment to a Non-Resident Holder, subject to any such reduction in the rate of withholding under any applicable income tax treaty or convention. Non-Resident Holder should consult with their own tax advisors before acquiring Shares.

Capital gains dividends paid by the Corporation to a Non-Resident Holder should not be subject to non-resident withholding tax under the Tax Act.

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on a disposition or deemed disposition of a Share, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Share is, or is deemed to be, "taxable Canadian property" of the Non-Resident Holder for the purposes of the Tax Act and the Non-Resident Holder is not entitled to an exemption under an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident.

Shares generally will not constitute taxable Canadian property of a Non-Resident Holder, unless (a) at any time during the 60-month period immediately preceding the disposition or deemed disposition of the Shares more than fifty percent (50%) of the fair market value of the Shares was derived directly or indirectly from one or any combination of: (A) real or immovable property situated in Canada; (B) Canadian resource property (as defined in the Tax Act); (C) timber resource property (as defined in the Tax Act), or (D) options in respect of, or interests in, or for civil law rights in, property described in any of (A) through (C) above, whether or not such property exists; or (b) the Shares are otherwise deemed under the Tax Act to be taxable Canadian property. For the purposes of the Tax Act, an interest in real property does not include an interest as security only derived by virtue of a mortgage.

If the Shares are taxable Canadian property to a Non-Resident Holder, any capital gain realized on the disposition or deemed disposition of such Shares may not be subject to Canadian federal income tax pursuant to the terms of an applicable income tax treaty or convention between Canada and the country of residence of a Non-Resident Holder. A Non-Resident Holder's capital gain (or capital loss) in respect of Shares that constitute or are deemed to constitute taxable Canadian property (and are not "treaty-protected property" as defined in the Tax Act) will generally be computed in the manner described above under the headings "*Holders Resident in Canada — Disposition of Shares*". Such Non-Resident Holders should consult their own tax advisors.

On an acquisition of Shares by the Corporation, a Non-Resident Holder generally will be deemed to have received, and the Corporation will be deemed to have paid, a dividend in an amount equal to the amount by which the price paid by the Corporation exceeds the paid-up capital of the purchased Shares. This deemed dividend will be treated in the same manner as other dividends received by the Non-Resident Holder from the Corporation (i.e., as interest income, subject to non-resident withholding tax as described above, or a capital gain, depending on whether the Corporation elects that the entire dividend be a capital gains dividend). The balance of the purchase price, if any, will constitute proceeds of disposition of the Shares for purposes of the capital gains rules, as described above.

Eligibility for Investment

If issued on the date hereof, the Shares would be qualified investments under the Tax Act for a trust governed by an RRSP, an RRIF, an RDSP, a TFSA, an RESP, (collectively, "**Registered Plans**"), or a DPSP, at a particular time, provided that the Corporation qualifies as a MIC at such particular time and further provided that throughout the relevant calendar year in which the particular time occurs, the Corporation does not hold any indebtedness, whether by way of mortgage or otherwise, of a person who is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, the Plan, or of any other person who does not deal at arm's length with that person.

Notwithstanding that the Shares may be qualified investments for a trust governed by a Registered Plan, the holder or subscriber of, or an annuitant under, a Registered Plan, as the case may be, (the "**Controlling Individual**") will be subject to a penalty tax if the Shares held in the Registered Plan are a "prohibited investment" (as defined in the Tax Act) for the particular Registered Plan. The Shares will generally not be a "prohibited investment" for a Registered Plan unless the Controlling Individual (i) does not deal at arm's length with the Corporation for purposes of the Tax Act, or (ii) has a "significant interest", as defined in the Tax Act, in the Corporation. A "significant interest" of a Shareholder of the Corporation generally means ownership by the Shareholder, either alone or together with persons with which the Shareholder does not deal at arm's length for purposes of the Tax Act, of ten percent (10%) or more of the issued shares of any class of the capital of the Corporation (or of any related corporation). In addition, Shares will generally not be a "prohibited investment" if the Shares are "excluded property", as defined in the Tax Act, for the Registered Plan.

Investors should consult their own tax advisors with respect to whether Shares would be prohibited investments in their particular circumstances. .

Section 16 RISK FACTORS

Financial Risks

Fluctuations in Dividends

Although the Corporation intends to make distributions of its available cash to Shareholders in accordance with the dividend strategy as described herein, these cash distributions are not assured. The actual amount distributed to Shareholders will depend on numerous factors, including but not limited to the Corporation's financial performance, debt covenants and obligations, working capital requirements, the composition of the mortgage portfolio, the availability of mortgage loans and fluctuations in interest rates that affect the yield on the mortgage loans. The value of Shares may deteriorate if the Corporation are unable to meet its cash distribution targets in the future, and that deterioration may be material.

Potential Dilution

The Corporation is authorized to issue an unlimited number Shares for consideration and terms as established by the Board, in many cases without any requirement for explicit Shareholder approval. The Corporation may issue additional Shares in subsequent offerings (including through the sale of securities convertible into or exchangeable for Shares) and on the vesting of deferred share units, income deferred share units or other securities exchangeable or exercisable for common shares. The Corporation cannot predict the size of future issuances of Shares or the effect that future issuances and sales of Shares will have on the price of the Shares. With any additional issuance of Shares, investors will suffer dilution to their voting power and the Corporation may experience dilution in its earnings per share.

Limitations on Ownership and Repurchases of Shares

No Shareholder is permitted to hold at any time, directly or indirectly, either alone or together with a person "related" to the Shareholder (within the meaning of the Tax Act, a "Related Person"), more than twenty-five percent (25%) of any class or series of the Corporation's issued shares. Although the Manager will monitor the foregoing limitation on ownership and advise the Board of any potential circumstances in which this limitation may be exceeded, there is no assurance that the Corporation will be able to identify each particular circumstance prior to the limitation on ownership being exceeded. In the event that, as determined by the Board in its sole discretion, any transaction affecting the Corporation's shares, if completed, would cause any Shareholder, either alone or together with Related Persons, to hold more than twenty-five percent (25%) of any class or series of the issued shares, that portion of the shares held which constitutes in excess of twenty-five percent (25%) of the issued shares of any class or series of shares will, immediately prior to the completion of the subject transaction, automatically be repurchased and cancelled by the Corporation without any further action by us or the subject Shareholder. The Corporation's failure to maintain its status as a MIC would have a material adverse effect on its business, operations, financial condition and general business prospects. In addition, such repurchases of shares by the Corporation could be significant and, if so, it may be required to sell mortgages in order to satisfy purchase payment obligations, and may not be able to complete such mortgage sales on favourable terms or at all.

Risks Relating to the Redemption of Shares

The Corporation provides no assurance that any Shareholder will be able to redeem any or all of their Shares at any time. Redemption of the Shares is subject to the Corporation having access to sufficient excess cash, or other liquid assets, and being in compliance with applicable corporate and securities legislation, and is subject to the terms of the Corporation's articles as described in this Offering Memorandum, all as determined solely by the Board. Redemption of Shares is also subject to the requirement of the Board of Directors to act in the best interests of the Corporation.

The Corporation may suspend your right to redeem your Shares for a number of reasons including, for example, if the redemption would cause the Corporation to have a working capital deficiency or it would cause the Corporation to fail to qualify as a MIC under the Tax Act. The Board is entitled in its sole discretion to defer and/or temporarily suspending redemptions as described under "*Description of Share Capital – Redemptions*".

The Redemption Cost (as defined under "*Description of Share Capital — Redemptions*") will be paid by the redeeming Shareholder. The amount of any such Redemption Cost will depend on the circumstances at the time of the redemption, including the Net Asset Value Per Share, the number of Shares submitted for redemption, the Corporation's available cash, the interest rate under any loan facility, the fair market value of the mortgages in the Portfolio at the time of the redemption and the actual or estimated brokerage fees, commissions and other transaction costs described under "*Description of Share Capital — Redemptions*". As a result of the foregoing variables, the Redemption Cost payable by a Shareholder upon the redemption of Shares may vary from time to time.

Redemption Price

Shareholders will not know in advance of giving a notice of redemption the price at which the Shares will be redeemed. The Shares will be valued at the lessor of the purchase price per Share or the Net Asset Value Per Share and therefore the redemption amount which will be payable to the Shareholder may change substantially due to market movements. If holders of a substantial number of Shares exercise their redemption rights, the number of Shares outstanding and the Net Asset Value Per Share could be significantly reduced. The Corporation can suspend redemptions in certain circumstances. Shareholders are not entitled to withdraw a notice of redemption unless a suspension of redemptions or valuations has been declared. In various circumstances the redemption of Shares, the payment of redemption proceeds and/or the calculation of the Net Asset Value Per Share may be suspended.

The determination of the Net Asset Value Per Share requires the Manager to make judgments, assumptions and estimates that could affect the redemption proceeds received by a Shareholder. To the extent that critical estimates, assumptions and judgments are inaccurate, and given that Portfolio values are calculated quarterly on a lagging basis, the Net Asset Value Per Share in any given month may be overstated. There is a risk that redeeming Shareholders might, in effect, be overpaid if the actual fair value is lower than the Net Asset Value Per Share. The Corporation does not intend to adjust any Net Asset Value Per Share retroactively.

Risks Associated with an Investment in the Corporation

Speculative Investment

AN INVESTMENT IN THE CORPORATION MAY BE DEEMED SPECULATIVE AND IS NOT INTENDED AS A COMPLETE INVESTMENT PROGRAM. A SUBSCRIPTION FOR SHARES SHOULD BE CONSIDERED ONLY BY PERSONS FINANCIALLY ABLE TO MAINTAIN THEIR INVESTMENT AND WHO CAN BEAR THE RISK OF LOSS ASSOCIATED WITH AN INVESTMENT IN THE CORPORATION. INVESTORS SHOULD REVIEW CLOSELY THE INVESTMENT OBJECTIVE, STRATEGIES AND RESTRICTIONS TO BE UTILIZED BY THE CORPORATION AS OUTLINED HEREIN TO FAMILIARIZE THEMSELVES WITH THE RISKS ASSOCIATED WITH AN INVESTMENT IN THE CORPORATION.

Limited Operating History for the Corporation

Although all persons involved in the management and administration of the Corporation, including the service providers to the Corporation, have significant experience in their respective fields of specialization, the Corporation has a limited operating or performance history upon which prospective investors can evaluate the Corporation's likely performance. Notwithstanding the foregoing, prospective investors may wish to consider the Corporation's operating and performance history.

Shareholders not Entitled to Participate in Management

Certain directors, officers and employees of the Manager and/or its affiliates and associates may purchase and hold Shares and may also participate in the mortgages on a syndicated basis from time to time, but otherwise Shareholders are not entitled to participate in the management or control of the Corporation or its operations.

Dependence of the Manager on Key Personnel

The Manager will depend, to a great extent, on the services of a limited number of individuals in the management and administration of the Corporation's activities. The loss of one or more of such individuals for any reason could impair the ability of the Manager to perform its investment management activities on behalf of the Corporation.

Reliance on the Manager

The Corporation will be relying on the ability of the Manager to actively manage the assets of the Corporation. There can be no assurance that satisfactory replacements for the Manager will be available, if the Manager ceases to act as such. Termination of the Manager will not terminate the Corporation, but will expose investors to the risks involved in whatever new investment management arrangements the Corporation is able to negotiate.

Resale Restrictions

This offering of Shares is not qualified by way of prospectus and, consequently, the resale of Shares is subject to restrictions under applicable securities legislation. There is no formal market for the Shares and one is not expected to develop. In addition, Share transfers are subject to approval by the Manager. Accordingly, it is possible that Shareholders may not be able to resell their Shares other than by way of a redemption of their Shares on a Valuation Date, subject to the limitations described under "*Description of Share Capital – Redemptions*".

Shares Are Not Insured

The Corporation is not a member institution of the Canada Deposit Insurance Corporation and the Shares offered pursuant to this Offering Memorandum are not insured against loss through the Canada Deposit Insurance Corporation. The Shares are redeemable at the option of the holder, but only under certain circumstances.

Distributions

If the Corporation has taxable income for Canadian federal income tax purposes for a fiscal year, such income will be distributed to Shareholders as described under "*Dividends*" and will be required to be included in computing the Shareholder's income for tax purposes, irrespective of the fact that cash may not have been distributed to such Shareholders. Since Shares may be acquired or redeemed on a monthly or quarterly basis, as applicable, and distributions of income and losses of the Corporation to Shareholders are anticipated only to be made on an annual basis, such distributions to a particular Shareholder may not correspond to the economic gains and losses which such Shareholder may experience.

Lack of Independent Experts Representing Shareholders

The Corporation and the Manager have consulted with a single legal counsel regarding the formation and terms of the Corporation and the offering of the Shares. Shareholders have not, however, been independently represented. Therefore, to the extent that the Corporation, Shareholders or this Offering could benefit by further independent review, such benefit will not be available. Each prospective investor should consult his or her own legal, tax and financial advisors regarding the desirability of purchasing Shares and the suitability of investing in the Corporation.

Risks Related to the Novel Coronavirus Disease (COVID-19)

There has been and continues to be a global pandemic related to an outbreak of the novel coronavirus disease (COVID-19). This outbreak (and any future outbreaks) of COVID-19 has led (and may continue to lead) to disruptions in global economic activity, resulting in, among other things, a general decline in equity prices and lower interest rates. These circumstances are likely to have an adverse effect on levels of employment, which may adversely impact the ability of borrowers and other counterparties to make timely payments on their credit facilities, mortgages and other loans. An increase in delinquent payments by borrowers and other counterparties may negatively affect the Corporation's financial position. While governments are closely monitoring the rapidly evolving situation, no assurance can be made regarding the policies that may be adopted by the Bank of Canada, the Canadian federal, provincial or municipal governments, their agencies, or any foreign or sub-national government to address the effects of COVID-19 or any resulting market volatility. Following multiple interest rate hikes by the Bank of Canada beginning in March 2022, which hikes were announced in an attempt to curb the economic effects of inflation following COVID-19, it is possible that the Bank of Canada may make further interest rate hikes. Any such increases (or decreases) may occur at a faster rate than expected. To the extent that interest rates increase as a result of the Bank of Canada's actions or otherwise, the availability of refinancing alternatives for credit facilities, mortgage and other loans may be reduced. No assurance can be made regarding such matters or their effect on real estate markets generally and on the value and performance of mortgage loans. The Corporation actively monitors regulatory developments and will adjust to any regulatory changes that may arise as a result of the COVID-19 outbreak.

The COVID-19 outbreak may lead to disruptions of the Corporation's normal business activity and a sustained outbreak may have a negative impact on the Corporation and its financial performance. The Corporation has business continuity policies in place and is developing additional strategies to address potential disruptions in its operations. However, no assurance can be made that such strategies will successfully mitigate the adverse impacts related to the COVID-19 outbreak. A prolonged outbreak of COVID-19 could adversely impact the health of the Corporation's employees, borrowers, counterparties and other stakeholders.

The full extent of the duration and impact that COVID-19, including any regulatory responses to the outbreak, will have on the Canadian and global economies and the Corporation's business is highly uncertain and difficult to predict at this time.

Risks Associated with an Investment in the Corporation

Changes in Real Estate Values

The Corporation's investments in mortgage loans will be secured by real estate, the value of which can fluctuate. The value of real estate is affected by general economic conditions, local real estate markets, the attractiveness of the property to tenants where applicable, competition from other available properties, fluctuations in occupancy rates, operating expenses and other factors. The value of income-producing real property may also depend on the credit worthiness and financial stability of the borrowers and/or the tenants. Changes in market conditions may decrease the value of the secured property and reduce the cashflow from the property, thereby affecting the ability of the borrower to service the debt and/or repay the loan based on the property income.

A substantial decline in value of real property provided as security for a mortgage may cause the value of the property to be less than the outstanding principal amount of the mortgage loan. Foreclosure by the Corporation on any such mortgage loan might not provide the Corporation with proceeds sufficient to satisfy the outstanding principal amount of the mortgage loan.

While independent appraisals are generally required before the Corporation may make any mortgage investments, the appraised values provided, even where reported on an "as is" basis, are not necessarily reflective of the market value of the underlying real property, which may fluctuate. In addition, the appraised values reported in independent appraisals may be subject to certain conditions, including the completion of construction, rehabilitation, remediation or leasehold improvements on the real property providing security for the loan. There can be no assurance that these conditions will be satisfied and if, and to the extent they are not satisfied, the appraised value may not be achieved. Even if such conditions are satisfied, the appraised value may not necessarily reflect the market value of the real property at the time the conditions are satisfied.

Concentration and Composition of the Portfolio

The Portfolio will be invested in mortgages, although the Corporation also may hold some cash and cash equivalents. Due to the concentration of the Corporation's exposure to mortgages, the Corporation may be more susceptible to adverse economic or regulatory occurrences affecting real property when compared to a mortgage investment entity that holds a diversified portfolio of securities. Investments in mortgages are relatively illiquid. Such illiquidity will tend to limit the Corporation's ability to vary the Portfolio promptly in response to changing economic or investment conditions.

The investment objectives and investment restrictions of the Corporation permit the assets of the Corporation to be invested in a variety of mortgages. Therefore, the composition of the Portfolio may vary from time to time, subject to the investment objectives and investment restrictions of the Corporation. The Portfolio will be invested and concentrated by location of the properties, type of property, or other factors resulting in the Portfolio being less diversified than at other times. As a result, the returns generated by the Portfolio may change as its composition changes.

No Market

There is no market for the Shares and a market for the Shares is not expected to develop. The Shares are not transferable and securities requirements may prohibit or restrict transferability of Shares. See "Restrictions on Resale".

Investments Not Guaranteed or Insured

There can be no assurance that mortgage loans of the Corporation will result in a guaranteed rate of return or any return to Shareholders or that losses will not be suffered on one or more mortgage loans. Moreover, at any point in time, the interest rates being charged for mortgages are reflective of the general level of interest rates and, as interest rates fluctuate, it is expected that the aggregate yield on mortgage investments will also change.

A mortgage borrower's obligations to the Corporation or any other person are not guaranteed by the Government of Canada, the government of any province or any agency thereof nor are they insured under the *National Housing Act* (Canada). In the event that additional security is given by the borrower or a third party or that a private guarantor guarantees the Mortgage borrower's obligations, there is no assurance that such additional security or guarantee will be sufficient to make the Corporation whole if and when resort is to be had thereto. Further, Shares are not "deposits" within the meaning of the *Canadian Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of that Act or any other legislation.

Lack of Liquidity

An impairment of liquidity within the financial markets could affect the ability of the Corporation's borrowers to refinance and pay out the mortgages in the Portfolio when due and which may require that the Corporation suspend the redemption of its Shares.

Sensitivity to Interest Rates

It is anticipated that the market price for the Shares and the value of the Portfolio at any given time may be affected by the level of interest rates prevailing at such time. The Corporation's income will consist primarily of interest payments on the mortgages comprising the Portfolio. If there is a decline in interest rates (as measured by the indices upon which the interest rates of the Corporation's mortgages are based), the Corporation may find it difficult to purchase additional mortgages bearing rates sufficient to achieve the targeted payment of distributions on the Shares. There can be no assurance that an interest rate environment in which there is a significant decline in interest rates would not adversely affect the Corporation's ability to maintain distributions on the Shares at a consistent level. As well, if interest rates increase, the value of the Corporation's Portfolio may be negatively affected.

Foreclosure and Related Costs

One or more borrowers could fail to make payments according to the terms of their loans, and the Corporation could therefore be forced to exercise its rights as mortgagee. The recovery of a portion of the Corporation's assets may not be possible for an extended period of time during this process and there are circumstances where there may be complications in the enforcement of the Corporation's rights as mortgagee. Legal fees and expenses and other costs incurred by the Corporation in enforcing its rights as mortgagee against a defaulting borrower are usually recoverable from the borrower directly or through the sale of the mortgaged property by power of sale or otherwise, although there is no assurance that they will actually be recovered. In the event that these expenses are not recoverable they will be borne by the Corporation.

Furthermore, certain significant expenditures, including property taxes, capital repair and replacement costs, maintenance costs, mortgage payments, insurance costs and related charges must be made through the period of ownership of real property regardless of whether the property is producing income or whether mortgage payments are being made. The Corporation may therefore be required to incur such expenditures to protect its investment, even if the borrower is not honouring its contractual obligations.

Reliance on the Manager

The Corporation will be highly dependent upon the expertise and abilities of the Manager. The loss of services of key personnel of the Manager could adversely affect the Corporation. Shareholders have no right to take part in the management of the Corporation.

Potential Conflicts of Interest

The Manager is required to satisfy a standard of care in exercising its duties with respect to the Corporation. However, neither the Manager nor its officers, directors, or employees are required to devote all or any specified portion of their time to their responsibilities relating to the Corporation. The Manager and its officers, employees and affiliates may undertake financial, investment or professional activities which give rise to conflicts of interest with respect to the Corporation.

Certain inherent conflicts of interest arise from the fact that the Manager may carry on investment activities for other clients (including other mortgage investment entities managed by the Manager) or on a proprietary basis in which the Corporation will have no interest. Future investment activities by the Manager, including the establishment of other mortgage investment entities, may give rise to additional conflicts of interest.

The Manager also may engage in the promotion, management or investment management or other services in relation to other investment products, vehicles or any other fund or Corporation. These competing vehicles may have investment policies similar to those of the Corporation or entities through which they make investment allocations and the Manager may be compensated in a different manner in respect of those vehicles.

The officers and directors of the Corporation are also owners and operators of the Manager (Admore Capital Group Manager Inc.), the Mortgage Administrator (2593799 Ontario Inc.) and the Mortgage Brokerage (Admore Financial Services Inc.).

Through these various related companies, fees and compensation will be received from transactions related to the Corporation, and as such, there is a very real potential for conflicts of interest.

More specifically, many investment opportunities for the Corporation will be generated through the Mortgage Brokerage, resulting in fees and commissions to the Mortgage Brokerage. Furthermore, the management and administration of the Corporation will result in fees and compensation to the officers and directors of the Corporation as outlined in the Management Agreement. The Manager will follow procedures designed to ensure an appropriate allocation of available investment opportunities among the Corporation and competing vehicles.

The Corporation may invest on a co-owned basis with the Admore Capital Group Limited Partnership or may invest in the limited partnership units of the Admore Capital Group Limited Partnership. This limited partnership is controlled by its general partner, which is affiliated with the Manager.

Availability of Investments

The ability of the Corporation to make investments in accordance with the objectives of the Corporation will depend upon the availability of suitable investments. The Corporation will compete with individuals, trusts and institutions for the investment in the financing of real properties. Many of these competitors have greater resources than the Corporation or operate with greater flexibility.

Fees and Transaction Costs

The Corporation will be subject to the payment of various fees, including those of the Manager. See information within the section entitled "*Fees and Expenses*".

Section 17 INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Certain directors, officers and employees of the Manager and/or its affiliates and associates may purchase and hold Shares and may also participate in the mortgages on a syndicated basis from time to time.

The Manager, in its role as Manager, will receive compensation and/or reimbursement of expenses from the Corporation as described under "*Management of the Corporation*" and "*Fees and Expenses – Management Fee*".

Section 18 MATERIAL CONTRACTS

The only material contract of the Corporation is the Management Agreement as described under "*Management Agreement*".

Section 19 PROCEEDS OF CRIME (MONEY LAUNDERING) LEGISLATION

In order to comply with federal legislation aimed at the prevention of money laundering, the Corporation may require additional information concerning each Shareholder.

If, as a result of any information or other matter which comes to the Manager's attention, any director, partner, officer or employee of the Manager, or their respective professional advisors, knows or suspects that an investor is engaged in money laundering, such person is required to report such information or other matter to the Financial Transactions and Reports Analysis Centre of Canada and such report shall not be treated as a breach of any restriction upon the disclosure of confidential information imposed by law or otherwise.

Section 20 PURCHASERS' RIGHTS OF ACTION FOR DAMAGES OR RESCISSION

Securities laws in certain jurisdictions of Canada provide purchasers, in addition to any other rights they may have at law, with rights of action for damages or rescission if an offering memorandum, such as this Offering Memorandum, or any amendment to it and, in certain cases, advertising and sales literature used in connection therewith, contains a misrepresentation. However, these rights must be exercised by the purchaser within the time limits prescribed by the applicable securities laws. Each purchaser should refer to the provisions of the applicable securities laws for a complete text of these rights and/or consult with a legal advisor.

The following is a summary of the statutory rights of action for damages or rescission available to purchasers resident in Ontario. The summary is subject to the express provisions of the applicable securities laws of such jurisdictions and the regulations, rules and policy statements thereunder, and reference is made thereto for the complete texts of such provisions. The rights of action described below are in addition to, and without derogation from, any other right or remedy that a purchaser may have under applicable laws.

Statutory Rights of Action

Purchasers Resident in Ontario

Securities laws of Ontario provide that, subject to the following paragraph, a purchaser resident in Ontario shall have, in addition to any other rights the purchaser may have at law, a right of action for damages or rescission against the Corporation and a selling security holder on whose behalf the distribution is made if an offering memorandum, such as this Offering Memorandum, contains a "misrepresentation" (for the purposes of this section, as defined in the *Securities Act* (Ontario)) (the "**OSA**"), without regard to whether the purchaser relied on the misrepresentation. Purchasers should refer to the applicable provisions of the Ontario securities laws for particulars of these rights or consult with a lawyer.

OSC Rule 45-501 *Ontario Prospectus and Registration Exemptions* provides that, when an offering memorandum is delivered to a prospective purchaser in connection with a distribution made in reliance on the "accredited investor" prospectus exemption in section 2.3 of NI 45-106, the rights of action referred to in section 130.1 of the OSA ("**Section 130.1**") will apply in respect of the offering memorandum unless the prospective purchaser is:

(a) a Canadian financial institution, meaning either:

(i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or

(ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services corporation, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

(b) a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);

(c) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or

(d) a subsidiary of any person referred to in paragraphs (a), (b) and (c), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary.

Subject to the foregoing, Section 130.1 provides a purchaser who purchases Shares offered by this Offering Memorandum during the period of distribution with a statutory right of action for damages or rescission against the Corporation and a selling security holder on whose behalf the distribution is made in the event that the Offering Memorandum or any amendment to it contains a "misrepresentation", without regard to whether the purchaser relied on the misrepresentation. A "misrepresentation" is defined in the OSA as an untrue statement of material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it is made. A "material fact", when used in relation to securities issued or proposed to be issued, is defined in the OSA as a fact that would be reasonably expected to have a significant effect on the market price or value of the securities. In the event that this Offering Memorandum, together with any amendment to it, is delivered to a purchaser of Shares and this Offering Memorandum contains a misrepresentation which was a misrepresentation at the time of purchase of the Shares, the purchaser will have statutory right of action for damages against the Corporation and a selling security holder on whose behalf the distribution is made or, while still the owner of the Shares, for rescission against the Corporation and a selling security holder on whose behalf the distribution is made, in which case, if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages against the Corporation and a selling security holder on whose behalf the distribution is made, provided that:

(a) no action shall be commenced more than, in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or, in the case of any action other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of the transaction that gave rise to the cause of action;

(b) no person or company will be liable if he, she or it proves that the purchaser purchased the Shares with knowledge of the misrepresentation;

(c) in an action for damages, the defendant will not be liable for all or any portion of the damages that the defendant proves do not represent the depreciation in value of the Shares as a result of the misrepresentation relied upon;

(d) no person or company will be liable for a misrepresentation in "forward-looking information" (as defined in the OSA) if he, she or it proves that:

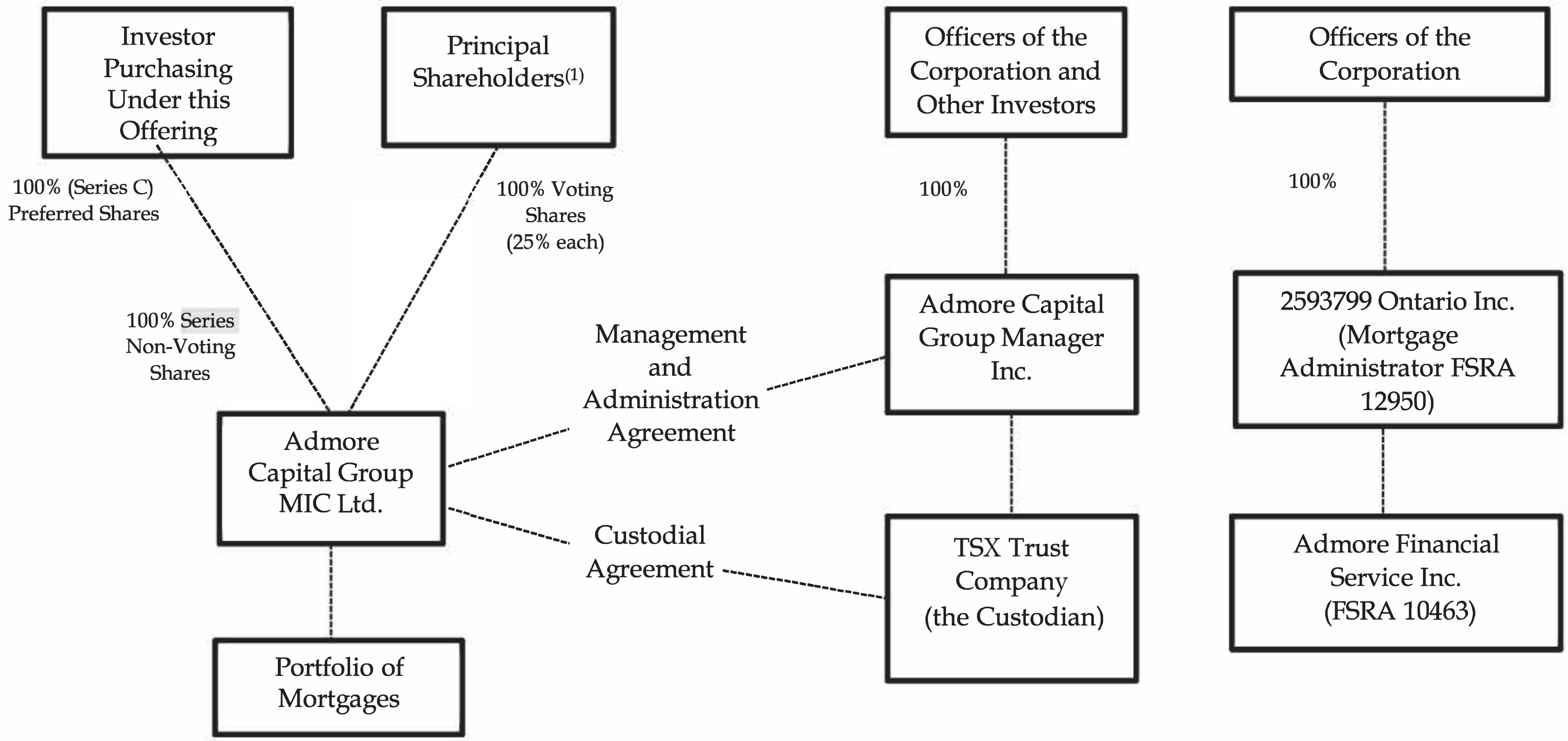
(i) the Offering Memorandum contains, proximate to the forward-looking information, reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection set out in the forward-looking information, and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and

(ii) it had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information;

(e) in no case will the amount recoverable exceed the price at which the Shares were offered to the purchaser; and

(f) the right of action for damages or rescission is in addition to, and does not derogate from, any other right or remedy the purchaser may have at law.

SCHEDULE A
STRUCTURE CHART



(1) See Item 3.1 "Interests of Directors, Management, Promoters and Principal Holders – Compensation and Securities Held" for the principal holders and their ownership percentage.