

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

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, (the “U.S. Securities Act”) and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state laws or an exemption from such registration is available. See “Plan of Distribution” below.

PROSPECTUS

INITIAL PUBLIC OFFERING

March 4, 2024

REKTRON GROUP INC.



Type of Securities	Number of Securities	Price per Security
Units	7,500,000	USD\$2.00
2,595,917 Common Shares issuable on deemed exercise of 2,595,917 Special Warrants	2,595,917	USD\$1.58

This prospectus (the “**Prospectus**”) qualifies for the distribution on a commercially reasonable efforts basis (the “**Offering**”) with the securities regulatory authorities in the provinces of British Columbia, Alberta, and Ontario (collectively, the “**Selling Provinces**”), through Research Capital Corporation (the “**Agent**”), of 7,500,000 units (the “**Units**”) of Rektron Group Inc. (the “**Issuer**”) at a price of USD\$2.00 per Unit (the “**Offering Price**”) for aggregate

gross proceeds of USD\$15,000,000. Each Unit consists of one common share of the Issuer (a “**Common Share**”) and one Common Share purchase warrant (a “**Warrant**”). Each Warrant shall entitle the holder thereof to purchase one Common Share (a “**Warrant Share**”) at an exercise price equal to USD\$3.00 per Warrant Share, for a period of thirty-six (36) months following the closing of the Offering. The Warrants will be governed by a warrant indenture to be entered into on or prior to the closing date between the Issuer and Odyssey Trust Company (the “**Warrant Agent**”), as warrant agent. The Common Shares and Warrant Shares comprising the Units will separate immediately upon closing of the Offering. This Prospectus also qualifies the distribution of Compensation Options (as defined herein). See “*Description of Securities Distributed*” below. The Offering Price was determined by negotiation between the Issuer and the Agent.

This Prospectus also seeks to qualify the distribution of 2,595,917 Common Shares, issuable for no additional consideration upon the exercise or deemed exercise of 2,595,917 special warrants (the “**Special Warrants**”) of the Issuer for a value of USD\$4,101,548.86 in exchange for services. The Special Warrants were issued by the Issuer on January 29, 2024, at an issue price of USD\$1.58 per Special Warrant (the “**Special Warrants Issue Price**”) to MidAtlantic Capital Associates Ltd., a consultant to the Issuer on a private placement basis pursuant to prospectus exemptions under applicable securities legislation (the “**Special Warrants Private Placement**”).

The Special Warrants are not available for purchase pursuant to this Prospectus and no additional funds are to be received by the Issuer from the distribution of the Common Shares upon the exercise or deemed exercise of the Special Warrants. The Agent has not and will not receive any compensation pursuant to the Special Warrants Private Placement.

Each Special Warrant entitles the holder to acquire, for no additional consideration, one Common Share on the date the Issuer receives a receipt by the regulatory authorities for the filing of this Prospectus. See “*Description of Securities Distributed*” and “*Plan of Distribution*”.

Securities being offered pursuant to the Offering

	Price to the Public	Agent’s Commission ⁽¹⁾	Net Proceeds to the Issuer ⁽²⁾⁽³⁾
Per Unit	USD\$2.00	USD\$0.18	USD\$1.82
Total	USD\$15,000,000	USD\$1,350,000	USD\$13,650,000

Notes:

- (1) Pursuant to the terms and conditions of an agency agreement (the “**Agency Agreement**”) to be entered into between the Issuer and the Agent, the Issuer has agreed to pay to the Agent a cash commission (the “**Agent’s Commission**”) equal to 9% of the gross proceeds of the Offering, including in respect of any additional Units (the “**Additional Units**”) that may be issued upon the exercise of the Over-Allotment Option (as defined herein). The Agent will also be paid a corporate

finance fee of USD\$75,000.00 plus GST (the “**Corporate Finance Fee**”). The Agent will be issued that number of non-transferable compensation options (the “**Compensation Options**”) equal to 9% of the number of Units sold under the Offering, including the amount subscribed for pursuant to the exercise of the Over-Allotment Option, where any such exercise occurs. Each Compensation Option will be exercisable at an exercise price of USD\$2.00 per Compensation Option to purchase one Unit for a period of twenty-four (24) months following the Closing Date. The Units are exercisable under the same terms as the Offering. The distribution of the Compensation Options shall be qualified by the Prospectus. The Agent will also be reimbursed by the Issuer for the costs and expenses of the Agent (the “**Agent’s Expenses**”) relating to the Offering, the legal expense portion of which is estimated to be USD\$75,000 plus applicable taxes. See “*Plan of Distribution*”.

- (2) After deducting the Agent’s Commission, but before deduction of the expenses of the Offering which, together with the Agent’s Commission, will be paid from the proceeds of the Offering.
- (3) The Issuer has granted to the Agent an option (the “**Over-Allotment Option**”), exercisable, subject to regulatory requirements, in whole or in part by the Agent at any time up to 30 days following the Closing Date (as defined herein) to sell up to an additional 15% of the number of Units sold pursuant to the Offering at the Offering Price. If the Offering is fully subscribed and the Over-Allotment Option is exercised in full, the total price to the public will be USD\$17,250,000, the total Agent’s Compensation will be USD\$1,552,500, and the total net proceeds to the Issuer will be USD\$15,697,500 (in each case before deduction of the expenses of the Offering (see note 2 above)). This Prospectus qualifies the distribution of the Over-Allotment Option and the distribution of the Additional Units. Unless the context otherwise requires, references herein to the Offering and the Units shall include the Additional Units. A purchaser who acquires securities forming part of the Agent’s over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “*Plan of Distribution*”.

The following table sets out the number of securities that may be issued by the Issuer pursuant to the Over-Allotment Option:

Agent’s Position	Maximum Size or Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option	Option to acquire up to 1,125,000 Additional Units	Any time up to 30 days following the Closing Date	USD\$2.00 per Additional Unit
Compensation Options ⁽¹⁾	776,250 Units ⁽¹⁾	Exercisable for a period of 24 months following the Closing Date	USD\$2.00 per Compensation Option

Notes:

- (1) Assuming the Over-Allotment Option is exercised in full. This Prospectus qualifies the distribution of the Over-Allotment Option and the Compensation Options in full. The Units are exercisable under the same terms as the Offering. See “*Plan of Distribution*”.

There is no market through which the securities of the Issuer may be sold and holders of the Issuer’s securities may not be able to resell any such securities. This may affect the pricing of the Issuer’s securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of Issuer regulation. See “*Risk Factors*” and “*Caution Regarding Forward-Looking Statements*”.

While there is currently no market through which the Common Shares or Warrants may be sold, the Issuer has received conditional approval to list the Common Shares, including the Warrant Shares and the Common Shares issuable upon the exercise of the Over-Allotment Option, the Warrants including the Warrants issuable upon the exercise of the Over-Allotment Option, and the securities to be issued upon the exercise of the Compensation Options on the Canadian Securities Exchange (the “**Exchange**” or the “**CSE**”). Listing will be subject to the Issuer fulfilling all of the requirements of the CSE. There is no guarantee that the Issuer’s application for listing of the Common Shares, including the Warrant Shares and the Common Shares issuable upon the exercise of the Over-Allotment Option, the Warrants including the Warrants issuable upon the exercise of the Over-Allotment Option will be approved and purchasers may not be able to resell securities purchased under the Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See “*Risk Factors*”. The CSE has not approved the listing of the Common Shares nor of the Warrants. Neither the listing nor the intended timing of the listing can be guaranteed. The listing of the Common Shares and the Warrants will be subject to the Issuer fulfilling all of the listing requirements of the Exchange, which cannot be guaranteed.

As of the date of this Prospectus, the Issuer does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

An investment in the securities of the Issuer is subject to a number of risks. Prospective purchasers should carefully consider the risk factors described under heading “*Risk Factors*” before purchasing any securities of the Issuer.

The Agent, as exclusive agent of the Issuer for the purposes of the Offering, conditionally offers the Units for sale on a commercially reasonable efforts basis and subject to prior sale, if, as and when issued by the Issuer, in accordance with the conditions contained in the Agency Agreement referred to under “*Plan of Distribution*” and subject to the approval of certain Canadian legal matters by Lebeuf Legal Inc. on behalf of the Issuer and by Vantage Law Corporation on behalf of the Agent.

The Issuer is not a related or connected issuer (as such terms are defined in National Instrument 33-105 –Underwriting Conflicts) to the Agent.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing of the Offering will take place on a date as may be agreed upon by the Issuer and the Agent, but in no event later than 90 days after the receipt is obtained from the British Columbia Securities Commission (the “**Principal Regulator**”), as principal regulator, for

the final long form prospectus filed in connection with this Offering, or if a receipt has been issued for an amendment to the final long form prospectus, within 90 days of issuance of such receipt and in any event no later than 180 days from the date of receipt of the final long form prospectus. At the closing, it is expected that the Common Shares, Warrants and the Warrant Shares comprising the Units to be distributed under this Prospectus will be available for delivery in electronic book-entry form through the non-certificated inventory system of CDS Clearing and Depository Services Inc. (“CDS”) or, its nominee. Purchasers of Units will receive only a customer confirmation from the Agent as to the number of Units subscribed for. Certificates representing the Common Shares and Warrants in registered and definitive form will be issued in certain limited circumstances. See “*Plan of Distribution*”.

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

Unless otherwise noted, all currency amounts in this Prospectus are stated in American dollars. Exchange rates used in this Prospectus are as follows: 1 USD = 1.357 CAD.

Ricardo Phielix, Moises Michan Portillo and Trevor Turner reside outside of Canada and the Issuer’s auditor Goldwyns, Chartered Accountants & Business Advisors is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction. They have appointed Mr. Michel Lebeuf, 1435, rue Saint-Alexandre, #300, Montreal, Quebec, H3A 2G4 as agent for service of process in Canada.

Purchasers are advised that it may not be possible for prospective purchasers to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process. See “*Enforcement of Judgements Against Foreign Persons*”.

Due to the nature of the Issuer’s business, an investment in any securities of the Issuer is speculative and involves a high degree of risk that should be considered by prospective purchasers. In reviewing this Prospectus, prospective purchasers should carefully consider the matters described under the heading “*Risk Factors*” of this Prospectus.

Prospective purchasers are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of the Issuer’s securities, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires the Issuer’s securities.

Prospective purchasers should rely only on the information contained in or incorporated by reference into this

Prospectus. The Issuer has not, and the Agent has not, authorized anyone to provide prospective purchasers with different information. Information contained on or available through the Issuer's website shall not be deemed to be a part of this Prospectus or incorporated by reference herein and should not be relied upon by prospective purchasers for the purpose of determining whether to invest in the Units. Neither the Issuer nor the Agent are making an offer of these securities in any jurisdiction where the offer or sale is not permitted. Prospective purchasers should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the face page of this Prospectus. The Issuer's business, operating results, financial condition and prospects may have changed since that date; however, if, after a receipt for this Prospectus is issued but before the completion of the distribution under the Prospectus, a material change (as such term is defined under applicable Canadian securities laws) occurs in the business, operations or capital of the Issuer, the Issuer must file an amendment to the Prospectus as soon as practicable but in any event within ten days after the day the material change occurs.

The Issuer's head office and registered office are located at Suite 406, 5307 Victoria Drive, Vancouver, British Columbia V5P 3V6, Canada.

AGENT:

RESEARCH CAPITAL CORPORATION

1075 West Georgia Street, Suite 1920,

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus are forward-looking statements or information (collectively “**forward-looking statements**”). The Issuer is hereby providing cautionary statements identifying important factors that could cause the actual results of the Issuer to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as “may”, “is expected to”, “anticipates”, “estimates”, “intends”, “plans”, “projection”, “could”, “vision”, “goals”, “objective” and “outlook”) are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Issuer that could influence actual results include, but are not limited to:

- Approval of the Exchange to list the Common Shares and the Warrants;
- Volatility of commodity prices;
- Government or regulatory policy;
- Climate change and emissions;
- Competition;
- Access to capital and liquidity;
- Credit risk;
- Margin risk;
- Holdings company risk;
- Sale of substantial amounts of Units may have an adverse effect on the market price of such securities;
- Investors may lose their entire investment;
- Volatile market price for the Issuer’s Common Shares;
- Evolving business strategy;
- Discretion in the available funds;
- Future acquisitions or dispositions;
- Dilution from equity financing could negatively impact holders of Common Shares;
- Management of debt dependent on cash flow;
- Management and directors;
- The possibility of conflict of interest arising for certain of the director and officers;
- The possibility of litigation;
- Conflicts of interest;
- No issuance of dividends; and
- Epidemics and pandemics.

Such forward-looking information is necessarily based upon a number of factors and assumptions that, while considered reasonable by the Issuer as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Although the Issuer believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and the Issuer cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the

Issuer's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "Risk *Factors*".

If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward-looking statements, which could have a material adverse effect on the business, financial condition and results of operations of the Issuer.

Information contained in forward-looking statements in this Prospectus is provided as of the date of this Prospectus, and the Issuer disclaims any obligation to update any forward-looking statements, whether as a result of new information or future events or results, except to the extent required by applicable securities laws. Accordingly, potential investors should not place undue reliance on forward-looking statements or the information contained in those statements.

Any graphs, tables or other information demonstrating the historical performance or current or historical attributes of the Issuer or any other entity contained in this Prospectus are intended only to illustrate historical performance or current or historical attributes of the Issuer or such entities and are not necessarily indicative of future performance of the Issuer or such entities.

This Prospectus includes summary descriptions of certain material agreements of the Issuer. See section entitled "*Material Contracts*" in this Prospectus. The summary descriptions disclose provisions that the Issuer considers to be material, but are not complete and are qualified by reference to the terms of the material agreements, which will be filed with the Canadian securities regulatory authorities and will be available under the Issuer's profile on SEDAR+ at www.sedarplus.ca. Prospective Purchasers are encouraged to read the full text of such material agreements.

Conventions

Certain terms used herein are defined in the "Glossary of Terms". Unless otherwise indicated, references to "\$" or "USD\$" are to American dollars, references to "C\$" are to Canadian dollars and references to "£\$" are to pounds sterling. All financial information with respect to the Issuer have been presented in American dollars in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretation Committee.

NOTE TO INVESTORS

An investor should rely only on the information contained in this Prospectus. The Issuer has not, and the Agent has not, authorized anyone to provide investors with additional, different or inconsistent information. If anyone provides investors with additional, different or inconsistent information, including information or statements in media articles about the Issuer, investors should not rely on it.

The information contained in this Prospectus is accurate only as of the date of this Prospectus or the date indicated, regardless of the time of delivery of this Prospectus or any sale of the Units. The Issuer and the Group's business, financial condition, operating results and prospects may have changed since the date of this Prospectus.

The Issuer and the Agent are not offering to sell the Units in any jurisdiction where the offer or sale of such securities is not permitted. For investors outside the provinces of British Columbia, Alberta and Ontario, neither the Issuer nor the Agent has done anything that would permit the Offering or possession or distribution of this Prospectus in any jurisdiction other than in the Selling Provinces. Investors are required to inform themselves about, and to observe any restrictions relating to, the Offering and the possession or distribution of this Prospectus.

MARKETING MATERIALS

The template version of a corporate presentation dated March 4, 2024 (the “**Corporate Presentation**”) has been filed with the securities commission in the Selling Provinces and is specifically incorporated by reference into this Prospectus. The Corporate Presentation is not part of this Prospectus to the extent that the contents of the Corporate Presentation have been modified or superseded by a statement contained in this Prospectus.

Any template version of any marketing materials filed on SEDAR+ (www.sedarplus.ca) after the date of this Prospectus and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, the Corporate Presentation or any other template version of any marketing materials) is deemed to be incorporated by reference into this Prospectus.

GLOSSARY

The following is a glossary of certain defined terms used throughout this Prospectus. This is not an exhaustive list of defined terms used in this Prospectus and additional terms are defined throughout. Terms and abbreviations used in the financial statements of the Issuer are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

“**Affiliate**” means a company that is affiliated with another company as described below:

A company is an “**Affiliate**” of another company if:

- (a) one of them is the subsidiary of the other; or
- (b) each of them is controlled by the same Person;

A company is “**controlled**” by a Person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person; and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company;

A Person beneficially owns securities that are beneficially owned by:

- (a) a Company controlled by that Person, or
- (b) an Affiliate of that Person, or
- (c) an Affiliate of any Company controlled by that Person;

“**Agency Agreement**” means the agency agreement to be entered into between the Issuer and the Agent;

“**Agent**” means Research Capital Corporation;

“**Agent’s Commission**” means the commission payable to the Agent in respect of the completion of the Offering pursuant to the Agency Agreement, as more fully described under “*Plan of Distribution*”;

“**Agent’s Expenses**” means the Agent’s expenses in connection with the Offering which, pursuant to the Agency Agreement, the Issuer has agreed to repay to the Agent, including legal fees and disbursements as well as the Agent’s reasonable out-of-pocket expenses;

“**A Non-Voting Ordinary Shares**” means A Non-Voting Ordinary Shares of US\$1 each in the share capital of Rekrtron AQ UK, converted into US\$1 Ordinary Shares on June 16, 2022;

“**Applicable Securities Laws**” means applicable securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders having the force of law, in force from time to time;

“**Associate**” means when used to indicate a relationship with a person or company, means:

- (a) an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer;
- (b) any partner of the person or company;

- (c) any trust or estate in which the person or company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity;
- (d) in the case of a person, a relative of that person, including:
 - 1. that person's spouse or child; or
 - 2. any relative of the person or of his spouse who has the same residence as that person; but

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

“**Audit Committee**” means the Audit Committee of the Issuer;

“**B Non-Voting Ordinary Shares**” means B Non-Voting Ordinary Shares in the share capital of Rektron AQ UK, converted into US\$1 Ordinary Shares on June 16, 2022;

“**Board of Directors**” or “**Board**” means the Issuer's board of directors;

“**Bylaws**” means the bylaws of the Issuer;

“**CEO**” means Chief Executive Officer;

“**CFO**” means Chief Financial Officer;

“**COO**” means Chief Operating Officer

“**CIO**” means Chief Investment Officer;

“**Common Shares**” means the unlimited number common shares of the Issuer without par value;

“**Compensation Committee**” means the Compensation Committee created by the Board of the Issuer;

“**Companies Act**” means the Companies Act 2006 (c 46) enacted by Parliament of the United Kingdom;

“**Closing**” means the satisfaction of all conditions, and the completion of all steps and documents as required or contracted in order to effect the completion of the Offering;

“**Closing Date**” means the date on which the Closing occurs, as mutually determined by the Issuer and the Agent;

“**Compensation Options**” means the compensation options to be issued by the Issuer to the Agent on completion of the Offering wherein the Agent will have the right to purchase 9% of the number of Units sold pursuant to the Offering exercisable at the Offering Price to acquire one Common Share, expiring 24 months from the Closing Date;

“**Corporate Finance Fee**” means the \$75,000 (plus GST) payable by the Issuer to the Agent, pursuant to the Agency Agreement.

“**CSE**” or “**Exchange**” means the Canadian Securities Exchange;

“**DL Hudson**” means DL Hudson Limited, Rektron AQ UK's wholly owned subsidiary incorporated on April 29, 2016 under the Companies Act;

“**DLH Germany**” means DL Hudson Germany GmbH, DL Hudson's subsidiary incorporated on April 15, 2020, pursuant

to laws of the Federal Republic of Germany;

“**DLH Dunes**” means D L HUDSON DUNES GENERAL TRADING L.L.C, DL Hudson’s subsidiary incorporated on March 25, 2014, pursuant to United Arab Emirates laws;

“**DLH-RB**” means DLH Istros Limited, a subsidiary of DLH Germany incorporated on July 12, 2019, under the Companies Act;

“**Engagement Letter**” means the engagement letter between the Issuer and the Agent dated January 1, 2023, in respect of the Offering, which is superseded in its entirety by the Agency Agreement;

“**Escrow Agent**” means Odyssey Trust Company;

“**Escrow Agreement**” means the escrow agreement dated March 4, 2024, 2024 among the Issuer, the Escrow Agent pursuant to which the Escrowed Securities will be held in escrow;

“**Escrowed Securities**” has the meaning ascribed thereto under the heading “*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*”;

“**Final Prospectus**” means the final prospectus of the Issuer, prepared in accordance with NI 41-101;

“**Final Receipt**” means the receipt issued by the Principal Regulator, evidencing that a receipt has been, or has been deemed to be, issued for the Prospectus in British Columbia, Alberta and Ontario;

“**Group**” means the Issuer and all of its subsidiaries.

“**GST**” means the Canadian Goods and Services Tax;

“**Initial Public Offering**” or “**IPO**” means a transaction that involves an issuer issuing securities from its treasury pursuant to its first prospectus that has received a Final Receipt from the applicable regulatory authorities;

“**Issuer**” or “**Rektron**” means Rektron Group Inc., a company incorporated under the Business Corporations Act (*British Columbia*);

“**Listing Date**” means the date the Common Shares are listed for trading on the Exchange;

“**LME**” means the London Metal Exchange, a commodities exchange that deals in metals futures and options;

“**London HQ**” means the headquarters of the Issuer, located at 120 New Cavendish Street, London, England W1W 6XX;

“**NI 33-105**” means National Instrument 33-105 – Underwriting Conflicts;

“**NI 41-101**” means National Instrument 41-101 – General Prospectus Requirements of the Canadian Securities Administrators;

“**NI 52-110**” means National Instrument 52-110 – Audit Committees of the Canadian Securities Administrators;

“**Offering**” means the offering of Units in accordance with the terms of this Prospectus;

“**Offering Price**” means the \$2.00 per Unit price at which the Units are being offered for sale under this Prospectus;

“**Person**” unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

“**Preference Shares**” means the preference shares, a class of shares of issued share capital of Rektron AQ UK converted into US\$1 Ordinary Shares on July 22, 2020;

“**Principal Regulator**” means the British Columbia Securities Commission;

“**Prospectus**” means this final prospectus of the Issuer, prepared in accordance with NI 41-101;

“**Rektron AQ UK**” means Rektron AQ Limited, a company incorporated under the Companies Act 2006 (UK);

“**Rektron AQ UK Warrants**” means the warrants issued by Rektron AQ UK on June 16, 2022, to subscribe for 748 US\$1 Ordinary Shares

“**SEDAR+**” means the Canadian Securities Administrators’ national system that all market participants will use for filings, disclosure, payments and information searching in Canada’s capital markets, accessible through the internet at www.sedarplus.ca;

“**Selling Provinces**” means British Columbia, Alberta and Ontario in which the Units will be offered for sale;

“**Share Exchange Agreement**” means the share exchange agreement entered into between the Issuer and Callan Partners Limited and Nile Flow Limited on May 5, 2023;

“**Shareholders**” means the holders of Common Shares;

“**Special Warrants**” means non-transferable special warrants of the Issuer, each of which is convertible into a Common Share on the date the Issuer receives a receipt by the regulatory authorities for the filing of the Prospectus, subject to the terms and conditions set forth in the certificates representing such Special Warrant;

“**Special Warrants Issue Price**” means the price of USD\$1.58 per Special Warrant;

“**Special Warrants Private Placement**” means the private placement where 2,595,917 Special Warrants were issued in favour of MidAtlantic Capital Associates Ltd. at an issue price of USD\$1.58 per Special Warrant of the Issuer for a value of USD\$4,101,548.86 in exchange for services;

“**Stock Option Plan**” means the stock option plan approved by the Board of Directors of the Issuer on May 4, 2023, providing for the granting of incentive stock options to the Issuer's directors, officers, employees and consultants;

“**Stock Options**” means the stock options issued pursuant to the Stock Option Plan;

“**Transfer Agent**” means the transfer agent and registrar of the Issuer, being Odyssey Trust Company;

“**UK£1 Ordinary Shares**” means the former ordinary shares in Rektron AQ UK of £1 each converted into ordinary shares of US\$1.2008 and immediately subdivided into Common Shares on January 4, 2023;

“**US\$1 Ordinary Shares**” means the former ordinary shares in Rektron AQ UK of US\$1 each subdivided into US\$0.002 Ordinary on January 20, 2023;

“**US\$0.002 Ordinary Shares**” means ordinary shares in Rektron AQ UK of US\$0.002;

“**Units**” means units of the Issuer, with each Unit comprised of one Common Share and one Warrant, of which the Warrants comprise a part;

“**Warrant**” means the Common Share purchase warrants of the Issuer;

“**Warrant Indenture**” means the warrant indenture to be entered into by the Issuer, as issuer, with Odyssey Trust Company as trustee, pursuant to which the terms, including issuance, exercise and expiry, of the Warrants are set out; and

“**Warrant Share**” means following adjustment, each of the Common Shares issuable on the exercise of the Warrants.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. This summary does not contain all of the information you should consider before purchasing the Units. You should read the entirety of this Prospectus carefully, especially the “Risk Factors” section of this Prospectus and the financial statements and the notes thereto appearing elsewhere in this Prospectus, before making an investment decision.

The Issuer

The Issuer was incorporated under the name “Rektron Group Inc.” under the laws of the province of British Columbia pursuant to the *Business Corporations Act* (British Columbia) on March 22, 2023.

The issuer’s head office is located at and has its registered office at Suite 406, 5307 Victoria Drive, Vancouver, British Columbia V5P 3V6, Canada.

The Issuer is a parent company of its wholly owned subsidiary Rektron AQ UK, which in turns owns 100% of DL Hudson. The Issuer’s assets are solely the interest in Rektron AQ UK, and the only business of the Issuer is the business of its subsidiaries. DL Hudson is a commodity trading firm that operates from its headquarters in London (United Kingdom) that has entrenched relationships with both suppliers and clients who have a requirement for ferrous and nonferrous metals, crude oil and refined oil products. DL Hudson has metal and oil traders and supporting operators based out of its London HQ and Switzerland. DL Hudson has metal traders on the ground in Thailand, Singapore, and China, and a back office in Germany to provide coverage to the Issuer’s primary markets. See “*Intercompany relationships*” for more information on the Issuer’s subsidiary and its subsidiaries.

The Issuer’s Business

The Issuer’s subsidiary, Rektron AQ UK, primarily invests in operating enterprises in the commodities sector. The Group’s trading expertise includes primarily energy and metals products. In particular, the primary products traded are ferrous and nonferrous metals, crude oil and refined oil products. Rektron AQ UK works to optimize its balance sheet to support the trading activities of its subsidiaries (in oils, metals and other commodities), aiming to enhance its ability to transact competitively and efficiently. See “*Description of the Business*” below.

Management, Directors and Officers

Ricardo Phielix – Director and Chief Executive Officer

Manny Bettencourt – Director and Chief Financial Officer and Corporate Secretary

Moises Michan Portillo– Director

Michael Stier – Independent Director

Trevor Turner – Independent Director

See “*Directors and Officers*” below.

The Offering

Offering:	7,500,000 Units. Each Unit consists of one Common Share and one Warrant. Each Warrant is exercisable into one Common Share for \$3.00 for a period of thirty-six (36) months from the Closing Date.
Offering Price:	USD\$2.00 per Unit.
Offering Size:	USD\$15,000,000 subject to the exercise of the Over-Allotment Option, before Agent's Commission, fees and Expenses of the Offering. See " <i>Plan of Distribution</i> ".
Agent's Commission:	Pursuant to the terms and conditions of the Agency Agreement to be entered into between the Issuer and the Agent, the Issuer has agreed to pay to the Agent the Agent's Commission equal to 9% of the gross proceeds of the Offering, including in respect of the Additional Units issued upon exercise of the Over-Allotment Option. The Agent will also be paid the Corporate Finance Fee of USD\$75,000.00 plus GST. The Agent will be issued that number of Compensation Options equal to 9% of the number of Units sold under the Offering, including the amount subscribed for pursuant to the exercise of the Over-Allotment Option, where any such exercise occurs. Each Compensation Option will be exercisable at an exercise price of USD\$2.00 per Compensation Option to purchase one Unit for a period of twenty-four (24) months following the Closing Date. The Units are exercisable under the same terms as the Offering. The distribution of the Compensation Options shall be qualified by the Prospectus. The Agent will also be reimbursed by the Issuer for the Agent's Expenses, the legal expenses portion of which is anticipated to be USD\$75,000 plus applicable taxes.

Use of Proceeds

The Issuer intends to fund its trading activities, to increase the metals and energy books. The funds will also be used to expand the teams, systems and organization in order to facilitate this growth. See "*Use of Proceeds*" below.

It is estimated that the net proceeds to be received by the Issuer from the Offering, after deduction of the remaining Offering expenses, the Agent's Commission and the Agent's Expenses, will be approximately \$13,487,250, assuming no exercise of the Over-Allotment Option. If the Over-Allotment Option is exercised in full, the estimated net proceeds will be approximately \$15,534,750. The net proceeds of the Offering are currently intended to be used by the Issuer as follows:

Principal Purpose	Allocated Amount	Allocated Amount if the Over-Allotment Option is exercised in full
	\$	
Scale up of metals trading activities	\$4,487,250	\$5,534,750
Scale up of energy trading activities	\$8,000,000	\$9,000,000
General Administration and Sales	\$ 1,000,000	\$ 1,000,000
TOTAL:	\$13,487,250⁽¹⁾	\$15,534,750⁽¹⁾

Notes:

- (1) See “*Use of Proceeds*” below. The Issuer intends to spend the net proceeds as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary.

As at February 29, 2024, the Issuer had an estimated working capital of \$81,017,000 of which it is estimated that 15% to 25% is at any time used as cash collateral and the remaining part (75% - 85%) is used to finance accounts receivable transactions from customers.

The General Administration and Sales is broken down as follows for the purposes set out in the table below during the 12-month period following the date of this Prospectus:

Item	Allocated Amount
	\$
Listing Expenses ⁽¹⁾	\$300,000
Executive Compensation ⁽²⁾	\$532,000
Insurance	\$55,000
Software ⁽²⁾	\$108,000
Other	\$5,000
Total :	\$1,000,000

Notes:

- (1) Comprised of legal fees (\$90,000), audit fees (\$120,000), listing fees (\$45,000), and filing fees (\$45,000).
- (2) Comprised of the executive compensation. See subsection “Proposed Compensation” in section “Statement of Executive Compensation” below.
- (3) Comprised of software (subscriptions) to be identified and potentially to be developed in order to enhance the efficiency and effectiveness of the Group’s departments. It may include (among other) improvements to the accounting, reporting and financial planning software, as well as human resources, support for the legal department and commodity and trade management software.

The Issuer intends to utilise part of its available funds as set out in this Prospectus. However, there may be situations

where, due to changes in the Issuer's circumstances, business outlook, and/or for other reasons, that a reallocation of funds is necessary in order for the Issuer to achieve its overall business objectives.

Summary of Financial Information

The following selected financial information is subject to the detailed information contained in the audited financial statements of Rektron AQ UK and its subsidiaries and notes thereto appearing elsewhere in this Prospectus. The selected financial information is derived from the audited financial statements of Rektron AQ UK for the fiscal years ended July 31, 2023, July 31, 2022, and July 31, 2021 and Rektron Group Inc.'s unaudited interim financial statements for the three months ended October 31, 2023. The Issuer and Rektron AQ UK have established July 31 as its financial year end.

In USD 1,000	Three months Period ended October 31, 2023 (Unaudited)	Year ended July 31, 2023 (Audited)	Year ended July 31, 2022 (Audited)	Year ended July 31, 2021 (Audited)
Total revenues	629,183	2,027,529	1,593,955	901,168
Costs of Sales	621,696	2,003,932	1,575,716	891,184
Gross Profit	7,487	23,597	18,239	9,984
Total Operating Expenses	2,797	10,741	8,214	3,736
Total Financing Income, expenses and other	(1,074)	609	16,026	(883)
Income Taxes ⁽¹⁾	0	201	232	102
Net income	3,616	13,264	25,819	5,263

Current Assets	255,450	211,714	199,368	91,269
Total Assets	292,475	249,169	238,868	132,316
Current Liabilities	179,312	139,196	144,441	63,242
Total Liabilities	180,949	141,129	144,441	63,290
Shareholders' Equity	105,160	101,630	87,758	62,137
Total Group Equity	111,526	108,040	94,427	69,027

Notes:

- (1) The income taxation is calculated for the Group's global operations and in accordance with each relevant jurisdiction on an annual basis.

The following selected financial information is subject to the detailed information contained in the audited financial statements of the Issuer notes thereto appearing elsewhere in this Prospectus. The selected financial information is derived from the audited financial statements of the Issuer for the period from incorporation to July 31, 2023.

<u>In CDN</u>	From incorporation to July 31, 2023 (Audited)
Total revenues	-
Costs of Sales	-
Gross Profit	-
Total Operating Expenses	8,738
Total Financing Income, expenses and other	-
Income Taxes	-
Net income (loss)	(8,738)

Current Assets	80
Total Assets	80
Current Liabilities	(8,816)
Total Liabilities	8,816
Shareholders' Equity	(8,736)

Risk Factors

An investment in the securities of the Issuer is speculative and involves a high degree of risk due to the nature of the business of the Issuer. The risks, uncertainties, and other factors, many of which are beyond the control of the Issuer. The Issuer cannot give assurances that it will successfully address any or all of these risks. Readers should carefully consider the information set out under “*Risk Factors*” and the other information in this Prospectus.

Currency

Unless otherwise indicated, all currency amounts herein are stated in American Dollars.

CORPORATE STRUCTURE

Name and Incorporation

The Issuer was incorporated pursuant to the *Business Corporations Act* (British Columbia) on March 22, 2023, under the name “Rektron Group Inc.”

The Issuer’s head office and registered and records office are located at Suite 406, 5307 Victoria Drive, Vancouver, British Columbia V5P 3V6, Canada.

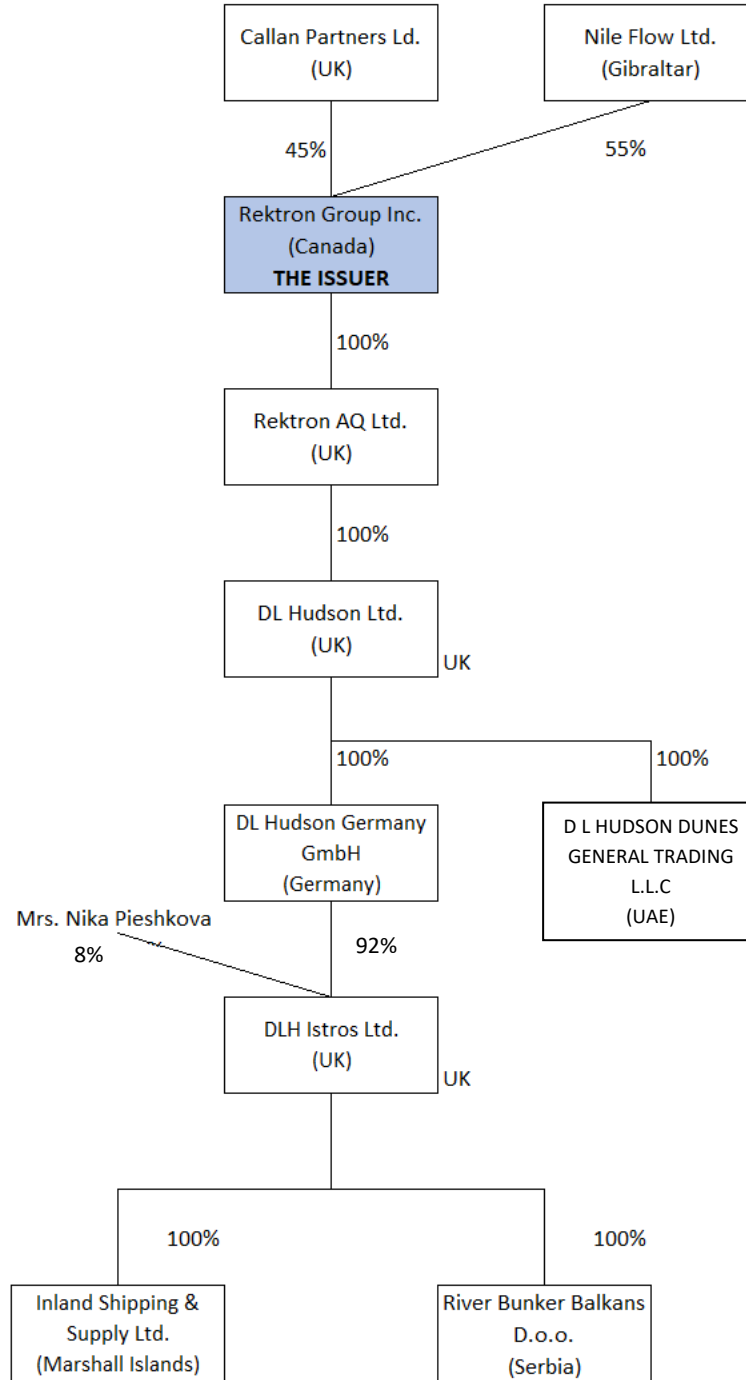
The Issuer is the overall parent company of the Group, which consists of companies listed under “*Intercorporate Relationships*”. The Issuer’s assets currently consist solely of interests in its wholly owned subsidiary, Rektron AQ UK, and the only business of the Issuer is the business of its subsidiaries.

Intercorporate Relationships

The founders of the Issuer are Callan Partners Limited and Nile Flow Limited. Callan Partners Limited holds 45% of the issued and outstanding Common Shares of the Issuer and Nile Flow Limited holds 55% of the issued and outstanding Common Shares of the Issuer. Callan Partners Limited is a corporation and Nile Flow Limited is a Gibraltar Limited Company, which is directly owned by a discretionary trust which has multiple beneficiaries of the family of Mr. Swapnil Mokashi and the holding depends on the date of beneficial interest being materialised.

The original founders of Rektron AQ UK are Kerdos Holdings Limited and Callan Partners Limited. Kerdos Holdings Limited is wholly owned by Mr. Swapnil Mokashi. Callan Partners Limited is wholly owned by Mr. Sanjeev Shah Tolia.

The corporate structure is as follows:



- Rektron AQ UK, incorporated in the United Kingdom, is the Issuer's wholly owned subsidiary, a holding company which primarily invests in operating enterprises in the commodities sector.
- DL Hudson Ltd., incorporated in the United Kingdom, is a global commodity trading firm that has entrenched relationships with both suppliers and clients that have a requirement for the ferrous and nonferrous metals, crude oil and refined oil products. DL Hudson has traders based out of its London HQ and operators on the ground in the company's primary markets.

- DLH Germany GmbH is a wholly owned subsidiary of DL Hudson, incorporated pursuant to the corporate laws of Germany. DLH Germany's primary objective is distribution of fuel products, lubricants, and metals in the German region.
- D L HUDSON DUNES GENERAL TRADING L.L.C is a subsidiary of DL Hudson, incorporated pursuant to the corporate laws of the UAE and has a Dubai-based setup, sourcing raw materials and securing offtakes in the Middle East. They also assist the trading activities of the wider Group. DLH Dunes profits would be declared as dividends only as agreed by the board and only for those holding ordinary shares - i.e. DL Hudson, its parent company. As per the acquisition of DLH Dunes, the seller of DLH Dunes was issued a preference share in DL Hudson. This preference share is held by Mr. Anand Kumar Bedi. The terms of this preference share are that DL Hudson will pay a preferential cash non-cumulative dividend of 2% of available profits for a relevant financial year. The right is solely within the rights of DL Hudson. The preference share expires on December 31, 2032. To date no profits or dividends have been declared for either the ordinary or preference shares.
- DLH Istros Ltd. (DLH-RB), incorporated in the United Kingdom, is the Group's physical asset-holding company, registered in the United Kingdom as a limited company. It owns fuel storage facilities along the Danube River in Europe through Inland Shipping & Supply Ltd. and River Bunker Balkans D.o.o., companies registered as limited liability companies in the Marshall Islands and Serbia, respectively. Inland Shipping & Supply Ltd. was incorporated on August 23, 2012 and River Bunker Balkans D.o.o. was incorporated on November 1, 2012. Profits would be declared as dividends only as agreed by the board and only for those holding ordinary shares - i.e. DL Hudson, its parent company. As per the acquisition of Inland Shipping and RB Balkans, the seller was issued ordinary shares initially and then as per the transfer to DLH Germany, Ms. Nika Pieshkova was issued with 10 preference shares in DLH Istros Limited. This preference shares are held by Ms. Pieshkova. On January 31, 2022, the 10 preference shares were transferred to DLH Germany. As a result, Ms. Pieshkova holds 13 ordinary shares and DLH Germany holds 150 ordinary shares and 10 preference shares. The terms of this preference share are that DL Hudson will pay a preferential cash non-cumulative dividend of 2% of available profits for a relevant financial year. The right is solely within the rights of DL Hudson. The preference share expires on December 31, 2030. To date no profits or dividends have been declared for either the ordinary or preference shares.

DESCRIPTION OF THE BUSINESS

Business of the Issuer

General

The Issuer is the holding and parent company of Rektron AQ UK, which is the holding and parent company of DL Hudson. DL Hudson is the trading arm of a group of companies, of which there are several subsidiaries that support the Group's global commodity trading operations. The Issuer is headquartered in Vancouver, BC, while Rektron AQ UK is headquartered in London, UK. The Issuer's business strategy entails growth over the bottom-line through proficient trading practices, and adding value to clients whilst maintaining relations with both suppliers and clients. The Issuer focuses on maintaining an experienced team of management and traders, extensive geographical and product diversification, trading and logistical expertise, and financial and risk management. The team at the Group is

composed of energy and metals traders, City of London and Wall Street bankers. The trading expertise includes principal energy and metals products, particularly ferrous and nonferrous metals, Energy Transition Commodities (“ETC”), recycled metals and crude and Euro VI-compliant refined oil products. The Issuer transacts across all compliant markets following the international trade regulations and guidelines.

Services

The Group views itself as a service provider to companies that are involved in the production and trading in metal and energy commodities. In the metals trading space, the Group is primarily involved in non-ferrous metals and in particular, aluminium, copper, lead, nickel and zinc, but also transacts in galvanised steel and iron ore. In terms of energy commodities, the Group trades crude oil and petroleum products that include gasoline, diesel fuel, heating oil and lubricants.

The Group operates in global markets. Purchases are made from one particular geographical area, and the Group arranges the transport and logistics and sells the product to a buyer in another geographical region. All transactions adhere to the risk management policies outlined by the Group. Typically, the product is transported between different countries and often across continents.

The services that the Group provides to its client companies consist of the following:

Working capital

As at October 31, 2023, the Issuer has an amount of USD\$378 million of uncommitted working capital finance lines in place. These lines comprise of framework agreements with reputable banks and similar institutions that can accept transactions on a deal-by-deal basis but are not obliged to do so. This type of financing is perceived as “self-liquidating.” These facilities finance the purchase of commodities at a point in the supply chain of commodities and these are repaid through the payment from the customer. Securities taken by the financing institutions comprise of the underlying material, transport, and credit insurances only to the extent that it is related to the transaction itself. The facilities provided by these institutions are letter of credit lines, transactional lines, bill of lading financing, receivables financing and warrants purchase financing. As at October 31, 2023, an amount of USD\$38,971,000 is utilized and reflected in the balance sheet under “Current Liabilities” on the Issuer’s financial statements for the three months ended October 31, 2023.

- **Letter of Credit Lines:** Letter of credit lines are usually utilised for the energy trading business where a buyer would be required to issue a documentary letter of credit to DL Hudson. The financing institution would, in turn, use this letter of credit from the client to issue a letter of credit to DL Hudson’s supplier. This is generally termed as a back-to-back letter of credit transaction. Furthermore, there are two types of letters of credit : stand-by letters of credit and documentary letters of credit. Stand-by letters of credit are a bank’s unconditional commitment to pay, while documentary letters of credit are conditional on the approval of cargo documents, inspection reports, etc. In our energy business, we only operate with documentary letter of credit, as that ensures that all documents are in order and inspected which massively reduces the risk of releasing payment for products that may not meet the specifications required.
- **Transactional Lines:** In transactional lines, the financier assumes the direct risk of DL Hudson’s buyer. In particular, when the buyer is a large, reputed company, or state-owned or has a good credit rating, the financier would issue a letter of credit to DL Hudson’s supplier without any security from the buyer. The contract between the reputed buyer and DL Hudson is sufficient for the financing party.
- **Bill of Lading Financing:** This is usually a working capital solution for metals trading. DL Hudson generally pays the supplier for the product at the loading port, and, against payment, the supplier provides DL Hudson the cargo documents including the bill of lading document, which is a document that describes what is being shipped, how much of it there is and where it is going. DL Hudson then transports the product to the destination port which could take 15 to 60 days depending on the location. In the case of bill of lading financing, the financing institution provides funds against the bill of lading document saving DL Hudson for waiting for the voyage to be complete to receive the payment from the buyer.

- **Receivables Financing:** This is generally used for the metals business. DL Hudson provides credit to a maximum of 90 days. The credit is contingent on getting insurance coverage on the buyer, and if insurance limits are provided, DL Hudson would sell to clients on credit. A receivables financier would provide cash against these credit insured receivables.
- **Warrant Purchase Financing:** Metals traded on the London Metals Exchange (“LME”) are traded as warrants. DL Hudson, through its brokers, buys warrants at certain geographical locations. These warrants are then converted to warehouse receipts at which point DL Hudson is in control of the physical product while the title of the product is still held by the financier as security. The metals are then shipped to the end buyer. A warrant financier would finance the purchase of the warrant to the point where they are converted to warehouse receipts, the transport and until it arrives at the destination warehouse. The buyer would then pay for the goods for the financier to authorise the release of the product to them.

However, these working capital facilities are used to purchase metals and energy commodities from suppliers and provide flexibility to the buyer. DL Hudson’s ability to attract these financing lines is a value addition. With these facility lines, DL Hudson hopes to continue scaling its business as the terms offered to buyers through the facility lines provides them additional cashflow. All purchases are based on Incoterms 2020 (as published by the international chamber of commerce and available on <http://iccwbo.org>). By purchasing at the port of discharge, the supplier does not need to finance the transport, customs, taxes, delivery and manage the logistics for the goods to be delivered to the end user. This is an advantage for the supplier as it indirectly provides them with working capital. This additional working capital enables the supplier to increase its activities.

When selling to the customer, the Group is able to deliver the materials at various points in the supply chain including delivery at the production or storage location of the customer (based on Incoterms 2020). In addition, the Group can provide payment terms of up to 90 days. This gives the customer time to process the materials and even provide payment terms to their customer. That financial capacity gives the Group’s customer the ability to increase its business activity.

Logistics solutions

The Group provides logistics solutions, by arranging the transport of the materials by sea and/or by land (DL Hudson has not yet transported materials by air) as well as storage and dispatch from storage facilities. These solutions are provided through third-party service providers such as forwarders, shipping and storage companies. Although the physical operation is outsourced, it does require time, coordination and meticulous management to monitor these operations. The operations team is instrumental in ensuring that the processes and paperwork are in order, as minor errors could have a cost. This activity is not only performed, but also financed by the Group. The Group collaborates with parties such as Access World, PGS and Steinweg for storage and the large shipping liners such as MSC, Maersk, etc. for transport.

Risk management

Risk management means the mitigation of price risks and currency risks. With regards to price risk, commodities are subject to frequent price fluctuations as they are exchange traded (such as the London Metal Exchange for Metals or Intercontinental Exchange for Energy) or their reliance on daily pricing mechanisms that are published in daily updates such as Platts. The Group has margin lines with brokers that execute futures and derivatives on behalf of DL Hudson to mitigate price risk. To be able to perform this activity, the Group tries to employ a specialized, qualified and dedicated trading team. Furthermore, not all companies qualify to have these lines or are not granted sufficient margin lines to transact in larger physical trades.

With regards to currency risk, the commodity prices are denominated in US Dollars. Suppliers that have operating costs in a different currency have an exposure to the fluctuation of the exchange rate between this local currency and the US Dollar. The same can apply to the buyer who may require the products to be sold to them in their local currency. The Group uses its brokerage lines to hedge these risks by trading currency, futures or derivatives.

Global network

Not all suppliers have access to customers in other countries or regions. The Group employs traders, which have relations with suppliers and customers across the globe. The trading business relies heavily on personal relationships that are developed over the years. The Group employs nine traders that are based in London UK, Geneva Switzerland, Dubai United Arab Emirates, Singapore, Thailand and China. These traders have international contacts and travel frequently to ensure that these relationships are maintained. These parties are in regular contact with our traders to understand the supply and demand along with the trends in the market they operate in. This regular contact with the suppliers and buyers provides the traders insight into the needs of the buyers and suppliers, which often evolve into opportunities to trade with them. The Group also has contacts with independent agents that offer deals to the traders. These agents are usually compensated on a commission basis for deals that are successfully completed and payment fully collected.

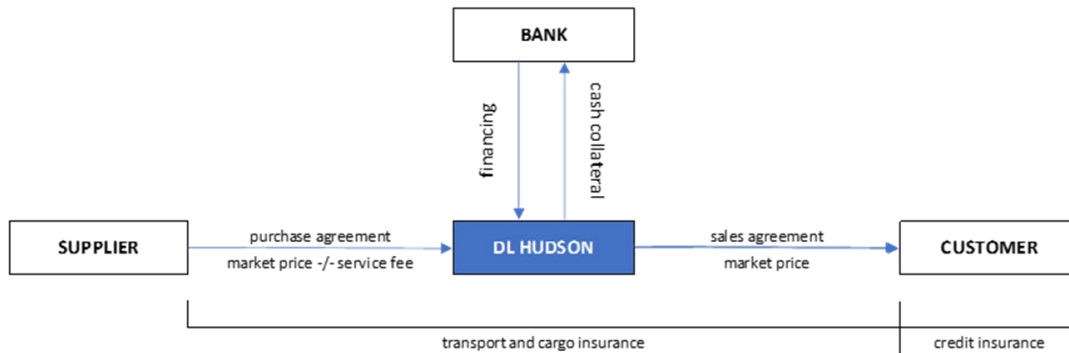
Some customers impose a registration, which means that the supplier is acceptable to selling to and/or buying from them, and large suppliers have a similar process to ensure that the buyers are competent and able to buy from them. These registrations are based on their internal criteria but with large companies, this process is onerous and time-consuming. A common criterion required by some customers is the ability of the Group to perform shipments and their financial strength. As mentioned, registration processes, particularly with major companies are lengthy and many companies do not qualify. This is perceived as an entry barrier in the market. The Group has registrations with various companies such as Petroineos Trading Limited, Aramco, British Petroleum, Trafigura, Baowu Steel Group Corp., Ouyeel, Jiangxi Copper Corporation etc., and Bharat Petroleum Corporation Limited. For crude oil related registrations, the criteria are even more burdensome, and select few companies qualify to trade with the majors. The Group’s oil traders duties include exploring opportunities and starting the process of registration with a company when there is mutual interest.

Transport operations in some circumstances require local presence to ensure that shipments are performed in an efficient and timely manner. In addition, having local presence could support the trading activity and ensure the quality of materials is acceptable. For instance, in transactions that involve scrap metals, it is important to have local presence to inspect the material before it is purchased. Furthermore, the loading operations and custom clearance of materials requires a local presence too. This local presence usually is established by collaborating with agents with whom the Group has developed a relationship over the years or by employees of the Group. The agents are compensated on a case-by-case basis, and we have a network of agents in the following locations:

1. Manzanillo, Mexico	2. Baltimore, USA	3. Barranquilla, Colombia	4. Santiago, Chile
5. Santos, Brazil	6. Rotterdam, the Netherlands	7. Felixstowe, the United Kingdom	8. Istanbul, Turkey
9. Dubai, United Arab Emirates	10. Durban, South Africa	11. Mundra, India	12. Mumbai, India
13. Port Klang, Malaysia	14. Muara, Brunei	15. Kaohsiung, Taiwan	16. Singapore
17. Incheon, Korea	18. Busan, Korea	19. Tianjin, China	20. Qingdao, China
21. Shanghai, China	22. Ningbo, China	23. Hong Kong, China	24. Barcelona, Spain
25. Vienna, Austria	26. Genoa, Italy	27. Houston, USA	28. Hamburg, Germany
29. Tblisi, Georgia		30. Venice, Italy	

Business model

The following diagram outlines the business model demonstrating the operational steps and profit generation.



The process starts with our trader matching supply and demand for a specific product of a particular grade and quantity with a counterparty. In other words, when demand is established, the trader simultaneously locks in the supply side. As part of DL Hudson’s risk policy, the traders are required to ensure both sides of the transaction are firm and secured.

The prices of commodities are denominated by market prices on exchanges such as the London Metal Exchange, Intercontinental Exchange or daily publication such as Platts. That means that the commodities can always be traded based on the quoted prices on these exchanges or publications. The prices quoted by suppliers are based on the printed prices on the exchanges or publications. These prices are usually on a per metric ton or per barrel basis. The supplier will quote DL Hudson the printed exchange price plus or minus a premium or discount along with the Incoterms. DL Hudson then adds its margin (service fee) based on the price and Incoterms offered to the buyer. For example, if DL Hudson conducts the transport and logistics, it takes the quoted price plus or minus the premium or discount, adds the transport cost calculated on a per metric or per barrel, hedging and finance cost and sells to the customer at a price accounting for the aforementioned costs.

The transport, logistics and storage (if applicable) are provided by the Group’s network of third party providers.

Before DL Hudson commits to a trade, the Group requires its traders to prepare a detailed proposal that outlines the supplier, the buyer, underlying product and its specification, quantity, purchase price, purchase Incoterms, buyer incoterms, shipping and logistics costs (if required), hedge costs (if required), delivery dates, purchase date, breakdown of the pricing formula, finance cost, etc. Each proposal is supported by a pre-calculation that shows the expected margin to be made on the deal. This proposal is presented to the CEO, CIO and CFO of DL Hudson. Upon approval the trade is executed.

The trader then confirms the trade with the counterparties, and the trade details are sent to the operations team of the Group.

The operations team then liaises with the counterparties’ back office to draft the sales contract and purchase contracts. These contracts are then reviewed by our in-house legal team and are sent to the management team for signoffs. Then, the margin (or service fee) is locked in. All contracts are prepared on the basis of Incoterms 2020 so that the transfer of risk in relation to the underlying material is clearly defined.

Upon signing of the contracts, the supplier sends an invoice. This invoice is presented to the bank (or similar finance institution) with whom DL Hudson has working capital facilities. These working capital facilities are based on framework contracts that are in place with the finance providers and these outline the type of transaction that can be placed along with the security(ies) required by the bank. The bank finances 100% of the purchase value, either by cash or by means of a Letter of Credit and takes the underlying material as a security. The bank also often requires a cash collateral of 10% to 20% by DL Hudson.

The Group has transport and cargo insurances in place and in accordance with the above-mentioned framework agreements where the bank or financial institution is assigned as loss payee on the policy.

Once the material is delivered to the customer, DL Hudson sends an invoice. At this stage, the covenants of the Letter of Credit applies and can be drawn down upon or in case of credit offered to the customer, it becomes a receivable. In case of an outstanding receivable, the bank and/or financing institution requires a credit insurance to be in place that covers the exposure. These banks and/or financing institutions are assigned to the policy as loss payee.

For that purpose, the CFO of DL Hudson in collaboration with the CEO and the traders of DL Hudson are in touch with credit insurance companies on a quarterly basis to ensure that adequate insurance policies and limits against customers are in place. Before a trade proposal is approved, the credit limit from the credit insurer is checked by DL Hudson's back office.

The back office comprises of seven people who prepare the purchase and sales contracts, handle the purchase and sales invoices, negotiate the Letters of Credit, deal with the banks/financing institutions, take care of logistics, shipping in collaboration with agents or employees on the ground and are in charge of payment collections.

Role of subsidiaries

DL Hudson is the principal contracting party for purchases and sales except for the scrap metals and ores concentrates from the Middle East that DLH Dunes handles. DL Hudson employs twelve people located in London that are comprised of three directors, three traders, two accountants and four back-office employees. The operations and execution, risk, credit and finance are centralised at the London headquarters. The rest of the staff, of which there are four: one person is located in Shanghai, another at Ningbo Port, China and two people are stationed in Bangkok, Thailand.

DLH Dunes' primary area of trading is in scrap metals and ores concentrates from the Middle East. It has three employees that are involved in the operations that include logistics, inspections and shipping. The duties of its other five employees are to source raw materials (scrap, ores and concentrates). The acquisition of DLH Dunes was as a cashless transaction. DLH Dunes had been successfully trading in the past but had limited cashflow and was not able to continue to trade. Without new credit lines, it would have not been able to continue. As such, DL Hudson acquired DLH Dunes, took on the existing relationships and trades and introduced new credit lines from DL Hudson's existing banking relationships. The seller of DLH Dune was issued a preference share in DL Hudson. This preference share is held by Mr. Anand Kumar Bedi. This acquisition was at a commercial arm's length and not a related party transaction as defined under international accounting standards.

DL Hudson Germany GmbH is mainly in place to access financing from German banks and German financial institutions. Currently, no facility is in place yet, but discussions are ongoing to obtain these lines of credit. There is one back-office employee who is working on establishing these facilities.

The categories that account for 15% or more of total revenue as of October 31, 2023 are Aluminum (33.62%), Minerals (23.33%) and Zinc (19.37%). See Section "*Products and Services*" below for the product portfolio of the Group.

Regulatory Framework

A physical commodity trading business in the United Kingdom is not subject to any specific regulation as a standalone business activity. However, various aspects of commodity trading may be regulated depending on the nature of the commodities involved and the geographies traded to and from. An example of a commodity trading that is subject to regulation is the trade of Uranium, as well as certain grains or meats. An example of trade regulations relating to geographies is the sanctioning of Russian and Iranian commodities. The Issuer does not trade in any commodities that require regulation or are subject to sanctions.

However, commodity trading businesses are required to comply with anti-money laundering regulations of the Financial Conduct Authority in the United Kingdom to prevent money laundering and terrorist financing. The Issuer's trading arm and subsidiary, DL Hudson, has a anti-money laundering policy to aid in its efforts to comply with these regulations.

The Issuer and its subsidiaries are also subject to certain general data protection regulations. Since the Issuer's subsidiary, DL Hudson, has operations in the UK and Germany, the Group has a general data protection regulations policy which encapsulates the European Union General Data Protection Regulation and the UK General Data Protection Regulation.

The Issuer and its subsidiaries do not operate in the trade of any controlled substances or substances that are considered as hazardous materials by the Health and Safety Executive in the United Kingdom. Thus the Issuer and its subsidiaries are not required to have any licensing or permits to that effect. Also, competition and antitrust regulations of the Competition and Markets Authority in the United Kingdom may apply if the Issuer were to have a significant market share or engaged in anti-competitive behaviour. However, the Issuer does not have a significant market share or a monopolistic share in any sector.

Business Objectives

The Group currently operates in two areas: metals and energy products. In addition to these desks, the Group plans to add a desk that trades agricultural commodities. For each field, the Group has defined objectives:

Scaling Up of Metals Trading Activity

1) Expansion of the existing book:

The current business involves the trading of non-ferrous metals such as aluminium, copper, lead and zinc. The Group currently has a pipeline of potential trades in Europe and Asia. The traders of the Group have already identified available supply as well as customers that are willing to purchase these materials. The IPO will lead to additional cash that will be made available as cash collateral for the working capital facilities that are required to execute this additional business. At the moment, sufficient working capital facilities and insurance coverage is in place to expand the business, cash collateral is the element that the IPO would bring to enable this growth.

The pipeline consists of industries in Europe that use the mentioned non-ferrous metals in their principal business activities to whom the Company would sell. The supply would come from identified producers in Asia, the Middle East, South America, and Europe that produce the mentioned metals.

2) Development of the trading of sustainable metals and building an asset base:

The Group is currently engaged in the development of its Environmental, Social and Governance ("ESG") Strategy and has a pipeline of metal recycling assets. These assets are short of working capital and are willing to collaborate with us on both the side of supply as well as the sales. Therefore, DL Hudson intends to buy the scrap from the original suppliers and transport them to the recycling facilities where the recycling facility essentially becomes the customer. And once the scrap is processed (for which the recycling facility charges a fixed fee per ton of processing), DL Hudson intends to purchase the recycled metals. In this manner, DL Hudson would become the buyer and the recycling facility the seller. DL Hudson would then sell the processed material to its customer base. The traders have identified these

recycling facilities that have the supply and capability to process the materials that DL Hudson anticipates trading. On the sales side, the traders are in continuous discussion with customers and the demand is much higher than the material that we can offer. Therefore, at this point, the Issuer expects this to be a highly scalable business. Furthermore, recycled material trades at a decent discount to the LME registered metal, making it more attractive for buyers.

Some of these recycling facilities have indicated that they want to sell a controlling part of the business to us. In the event that the terms are amenable, the Group is interested in progressing on these acquisitions. The Group anticipates that these acquisitions will increase the Group's core trading activity, and that the addition of non-current assets will strengthen the balance sheet of the Group, which the Group hopes will improve its position when transacting with banks and financing institutions. This, in turn, can lead to an increase in working capital facilities made available. Note that investments are only made in line with the investment policies described in this Prospectus. As of the date of this Prospectus, there are no agreements entered into nor is there any definitive project/opportunity at this moment.

3) Diversification into steel:

At present, the traders have identified various opportunities to expand into steel trading as well as iron ore and similar raw materials. Currently, the know-how within the back office and trading desk is limited. The Group plans to hire experienced steel traders and back-office staff to expand into this area. With the additional working capital, the Group will actively pursue this expansion.

The Offering is anticipating a lead to an increase in available cash. Some of this cash will be used as collateral for banks, which is anticipated to lead to the ability to utilize the existing lines to a larger extent. New banks and financial institutions will most likely offer facilities to the Group helping grow the business further. The back office and the traders currently have sufficient capacity to execute these additional deals. If required, additional staff will be hired in London. The back-office operations can be further streamlined by the use of technology. Higher activity would justify such investments.

There is currently no preference for one of the three described areas of growth. The Group will actively consider the most profitable and strategic mix of opportunities after the IPO. By raising the available cash, sufficient cash collateral can be provided to the trade finance bank. In terms of acquiring assets, a part of the proceeds may be used to finance the acquisition(s) in accordance with the investment policies described in this Prospectus. As of the date of this Prospectus, there are no agreements entered into nor is there any definitive project/opportunity at this moment.

Scaling up of Energy Trading Activity

(i) Expansion of the crude oil book:

The Group has registrations with various companies to supply crude oil on a global scale. The size, scale and capabilities of these supplies enable us to increase the revenue of our energy book. As previously discussed in this section, transactions can be sold either on the basis of letters of credit or on the basis of credit insured receivables. For the crude oil business, the purchases as well as the sales are usually covered by letters of credit. The Group, however, is developing solutions with its credit insurance companies to be able to sell on the basis of receivables. This is another

advantage that is generally not provided to buyers. Our buyers have indicated interest as credit terms would lead to additional demand and gives us a strategic advantage. Similar to the expansion of the metals book, the IPO will lead to additional cash that will be made available as cash collateral for the working capital facilities that are required to execute this additional business. At the moment, sufficient working capital facilities and insurance coverage is in place to expand the business, cash collateral is the element that the IPO would bring to enable this growth. The pipeline mainly consists of Middle East and South American producers and customers in Asia.

(ii) Balkans, Mediterranean and Central Asia:

The Balkans region is becoming a strategic area where our group is developing a solid network mainly for oil products such as fuel and liquefied petroleum gas (“LPG”). This network also covers the Mediterranean area as well as Central Asia. The Issuer intends to develop this network by adding traders with experienced product know-how, as well as developing relationships on both the sourcing and sales side. The main objective is to develop continuous trading activities in oil products such as fuel and LPG to meet the rising demand in the Balkans.

(iii) ESG initiatives and development of an asset base:

For the development of its ESG strategy, the Group plans to diversify into biofuels and renewable energy. Currently, there are no ongoing discussions, but the Group is keen on seeking viable opportunities. From our presence in the market, we have identified that there is a need for biofuels which, if an opportunity arises would be a primary focus followed by renewable energy. As the Group scales, it will look to engage an external consultant(s) in renewable energy to advise on strategy, opportunity and analysis. The Group plans to be active in these areas within the next 36 months.

Development of an Agricultural Trading desk

In order to diversify the trading activities, the Group has broad plans to develop an Agricultural Trading desk. The Group is looking for products that yield a higher return than the trading activities in grains and maize (corn). The Group has been presented a few projects in various jurisdictions through various business relations of the Group. The profitability and feasibility are being assessed at a high level at present. After the Offering, the Group plans to assess two opportunities actively and assess the viability of these opportunities. Subsequently, the Group will recruit experts with adequate operational knowledge to manage and oversee these operations from London.

Financial Liquidity

The Issuer’s financial summary in terms of working capital and liquidity is as follows:

- Working Capital position – USD\$76.1M as of October 31, 2023 (current assets -/- current liabilities)

Products and Services

The product portfolio that the Group trades in tabulated below:

Products	Three months Period ended October 31, 2023 (Unaudited)		Year ended July 31, 2023 (Audited)	
	Net Revenue in \$ 1,000	In % of total Net revenue	Net Revenue in \$ 1,000	In % of total Net revenue
Aluminum	211,557	33.62%	665,232	32.81%
Copper	67,572	10.74%	532,256	26.25%
Lead	79,895	12.70%	100,075	4.94%
Minerals	146,802	23.33%	477,124	23.53%
Zinc	121,890	19.37%	149,692	7.38%
Other Metals	1,235	0.20%	11,489	0.57%
Oil and other products	233	0.037%	91,661	4.52%
Total	629,183	100%	2,027,529	100%

The net revenue shows the accumulated amount of products invoiced to customers exclusive of VAT and/or Sales Tax. This amount reconciles with the Net Revenue line in the Consolidated Statement of Income as presented in the audited financial statements of Rekrtron AQ UK for the year ended July 31, 2023 as well as in the unaudited interim financial statements of the Issuer for the three months period ended October 31, 2023.

All the Group's products are transported by sea and land. The commodities are sourced from countries across the world and sold to customers who are also globally located. It is important to note that the Group does not mine nor produce these commodities, but sources them in the form that they will be sold in.

The Group's terms and conditions with various buyers and suppliers vary but all its transactions are back-to-back i.e., it would only purchase from a supplier against a confirmed and secure order, and, typically, the terms with its buyer are matched with those of its supplier as self-liquidating trades and reducing Rekrtron AQ UK's risk exposure. To alleviate price volatility in commodities, the Group, along with its internal expertise, has hedging lines and implements hedging modalities to mitigate these risks. Additionally, this team is actively involved in strategies to source commodities from exchanges within pre-defined pricing limits that are considered low risk, in an attempt to enhance the trading returns and to address potential extreme market conditions or force majeure events as set out in the "Risk Factors" section of this Prospectus. To emphasise, always, the Group's trading strategies and exposure are actively monitored, and proactive measures are in place to ensure that the positions are well within our internal risk matrices. Notwithstanding this, if market forces and events make it impossible to maintain a position, the traders and team would close a position(s).

Rekrtron AQ UK operates in a competitive market (examples of some global commodity trading firms are Trafigura, Glencore, and Bunge), and changes in global macro-economic conditions, including trade tariffs, volatility in global

markets, supply chain constraints, and increased price competition can influence commodity prices. Crude oil prices and metals can remain under pressure for a prolonged period. This could subsequently result in market access constraints, regional and international supply shortages, reduced utilization and demand imbalances. These transactions are complex and the Group has traders in place that are industry experts. As described, any trade proposal is reviewed by the board of directors of DL Hudson.

Rektron AQ UK's transaction timelines are relatively short from anywhere between one week to a maximum of 180 days, but 90 days is the most common tenor. All of the Group's contracts are trade-related and on occasions it enters a long-term contract with a maximum tenor of 12 months. Rektron AQ UK's client book is diversified and within different geographies, varied corporate characteristics and products to reduce its dependency on any singular exposure. In certain circumstances, excess cash levels might exist due to the timing between transactions. In those cases, the Group utilizes the liquidity in treasury activities so that a return may be generated so as to compensate for the cost of capital. As with all trades, there could be a level of risk involved. However, the Group strives to maintain low-risk levels while ensuring cash buffers are available. At all times, the position(s) are sized in a manner to adhere to the guidelines set by the Issuer.

Specialized Skills and Knowledge

The Issuer and Rektron AQ UK believe that its success is dependent on the performance of its management, employees and partners. The Board and management of Rektron AQ UK all have significant experience in the commodities trading sector. Rektron AQ UK believes it has adequate personnel with the specialized skills required to successfully carry out its operations.

In order to provide more detail on the experience within the Group:

The members of the board of directors of DL Hudson that oversees the trading activities across the Group have extensive experience in financing and risk management. Their backgrounds are from some of the world's most reputable companies, including Citibank, Goldman Sachs, Morgan Stanley, Merrill Lynch and BNP Paribas. The directors have worked in London and New York and come with a wealth of experience.

The physical commodity traders are well-experienced in their area of expertise as well. All the traders of the Group have entrenched relations with the suppliers and buyers, relations with all third-party providers and have an intrinsic knowledge of the commodity(ies) they trade. Most traders, particularly on the sales side, focus on a particular geography. Currently our metals trading team's area of expertise is Europe, China and South-East Asia. Our Energy traders sell the oil product flows mainly to the Mediterranean, while crude oil supplies are sold to India and Western Europe at present. The Group recently hired an oil trading team that has traded in the Balkans region for the past 18 years. One of the Group's long-term goal is to establish itself as a reputed supplier in the Balkans market.

Cycles

The products and services that comprise Rektron AQ UK's business are not considered to be cyclical or seasonal.

Human Resources

Rektron AQ UK and its subsidiaries employ 46 full time office staff, 108 part-time or temporary staff, and 6 external consultants.

Their office locations are in:

- Rektron Group Inc. in Vancouver, British Columbia;
- Rektron AQ UK in London, UK;
- DL Hudson in London, UK;
- DL Hudson Germany in Karlsruhe, Germany;
- DLH Istros in Vienna, Austria;
- DL Hudson Representative Office in Sofia, Bulgaria;
- DL Hudson Representative Office in Bangkok, Thailand;
- DL Hudson Office in Singapore; and
- D L HUDSON DUNES GENERAL TRADING L.L.C in UAE.

Rektron AQ UK ensures the full safety and wellbeing of its staff. In case of any unforeseen circumstances, calamities, war, pandemic etc., it has contingencies in place to relocate staff members to a safer jurisdiction.

Material Restructuring Transactions

In April 2019, the Rektron AQ UK bought two metals companies, namely PP Metal Recycling Limited (“**PPMR**”) and Metallurgy International Limited (“**MIL**”) in consideration of the issue of an aggregate of 20 Preference Shares. Following the acquisition, the issued share capital of Rektron AQ UK was 300 US\$1 Ordinary Shares of which 255 ordinary shares were held by Kerdos Holdings Limited (“**Kerdos**”) and 45 ordinary shares were held by Callan Partners Limited (“**Callan**”) and 20 Preference Shares held by the vendor of PPMR and MIL, Mr. Prateek Pali.

Subsequently, it was agreed with the vendor of PPMR and MIL to reverse the transactions and in July 2020 of PPMR and MIL were transferred back to the vendor, the Preference Shares were transferred to Kerdos and Callan as per their respective shareholding proportions without any trailing liabilities, termination obligations, or other consequences.

On July 31, 2020, the ultimate beneficial owner of Kerdos having decided to take a less active management role and concentrate of other business areas and to recognise the greater responsibility of Callan, there was an initial restructuring of Rektron AQ UK’s equity. Under this restructuring of the Preference Shares were, first, converted into US\$1 Ordinary Shares and, second, 224 US\$1 Ordinary Shares and 60 B Non-Voting Ordinary Shares were issued to Callan so that the equity of Rektron AQ UK was held 55% by Callan and 45% by Kerdos. In addition, Rektron AQ UK granted to Kerdos warrants to subscribe for 979 A Non-Voting Ordinary Shares (the “**2020 Warrants**”).

On June 16, 2021, the equity of Rektron AQ UK was further restructured so that Callan acquired from Kerdos its 272 US\$1 Ordinary Shares, and the B Non-Voting Ordinary Shares held by Callan were converted into US\$1 Ordinary Shares so that Callan was the holder of the whole of the share capital of Rektron AQ UK which was denominated as US\$1 Ordinary Shares. At the same time, the 2020 Warrants were surrendered, and Kerdos was issued with warrants

(the “**Rektron AQ UK Warrants**”) of Rektron AQ UK, having the right to subscribe at par for 748 US\$1 Ordinary Shares representing 55% of the ordinary share capital as diluted by the issue of such US\$1 Ordinary Share, expiring in October 2072.

On October 12, 2022, the Rektron AQ UK Warrants were transferred by Kerdos to Nile Flow Limited (“**Nile Flow**”). The transfer price was a par value of \$1 per share for total proceeds of \$748. This transaction is a related party transaction pursuant to international accounting standards as the holding changed from a sole ownership of Mr. Swapnil Mokashi at Kerdos to a family holding at Nile Flow Limited for the beneficiaries of the Mokashi family. Although Swapnil Mokashi himself is not a beneficiary, it is still considered a related party transaction as direct family members are the beneficiary of the trust.

It was originally contemplated that the Offering would be by way of the offer of securities in Rektron AQ UK which required that it be registered as a public limited company. Accordingly, on January 4, 2023, to satisfy the capital requirements of the Companies Act to enable Rektron AQ UK to be re-registered as a public limited company, Rektron AQ UK capitalised £55,080 of its reserves which sum was applied to the allotment and issue as a bonus issue to Callan of 55,080 UK£1 Ordinary Shares. On January 20, 2023, Rektron AQ UK was re-registered as a public limited company and the UK£1 Ordinary Shares were re-dominated as US\$1.2008 ordinary shares and then, together with the issued US\$1 Ordinary Shares subdivided into US\$0.002 Ordinary Share resulting in Callan holding 33,376,077 US\$0.002 Ordinary Shares.

The terms of Rektron AQ UK Warrants provided for the adjustment of the number of shares and the exercise price for each warrant upon an “Adjustment Event” which included any sub-division, capitalisation or bonus issue. In order to adjust the right of the Rektron AQ UK Warrants to reflect the bonus issue to Callan of the 55,080 UK£1 Ordinary Shares, a resolution was passed to capitalise up to £67,320 of Rektron AQ UK’s reserves to be applied to the allotment and issue of ordinary shares to the holders of the Rektron AQ UK Warrants. As adjusted to take account of the redenomination and sub-division, the Rektron AQ UK Warrants, accordingly, represented the rights to acquire 40,792,983 US\$0.002 Ordinary Shares.

It was then determined that the Offering would be made by the Issuer and, accordingly, there was no need for Rektron AQ UK to remain as a public limited company. Accordingly, on March 28, 2023, Rektron AQ UK was re-registered as a private limited company.

Nile Flow exercised the Rektron AQ UK Warrants in full on May 4, 2023. Following the exercise of the Rektron AQ UK Warrants and the bonus issue to the holders of the Rektron AQ UK Warrants a total of 74,169,060 Ordinary Shares in Rektron AQ UK are issued and outstanding, as follows: 33,376,077 US\$0.002 Ordinary Shares (45%) were held by Callan and 40,792,983 US\$0.002 Ordinary Shares (55%) were held by Nile Flow.

Share Exchange Agreement

The Issuer was incorporated on March 22, 2023. Subsequently, the Issuer entered into a Share Exchange Agreement with Callan and Nile Flow on May 5, 2023, whereby Callan and Nile Flow agreed to transfer an aggregate of their 74,168,960 US\$0.002 Ordinary Shares to the Issuer and the Issuer issued in consideration 33,376,032 Common Shares to Callan and 40,792,928 Common Shares to Nile Flow for a deemed price of USD\$0.01 per Common Share. The

consideration was rounded to the nearest cent from the existing par value of the US\$0.002 Ordinary Shares as part of the corporate reorganization. In addition, the Issuer had 100 incorporation Common Shares which were held as 55 by Nile Flow and 45 by Callan. These Common Shares were added to the shares of the Share Exchange Agreement. Thereby, following the share exchange and adding the founders' Common Shares, the full outstanding and issued share capital of the Issuer is 33,376,077 held by Callan and 40,792,983 held by Nile Flow as of May 5, 2023. All in all, the beneficial ownership transferred to the Issuer on May 5, 2023. Subsequently, the Issuer applied to the UK Authority, HM Revenue Customs (the "HMRC"), for relief from stamp duty in order to be exempt from paying any transaction fee on the Share Exchange Agreement structure. On October 16, 2023, the HMRC granted a relief from stamp duty, which means that legal ownership transferred to the Issue and the transaction closed on that date.

Investment Process and Policies

Each subsidiary has its own investment committee that determines the risk factors of transactions proposed to them. These sub-committees would subsequently propose transactions to the CIO. Finally, the CIO would seek approval from the Group-Level Investment Committee. The processes are adhered to for both physical commodity trading and paper trading. Major considerations are evaluated by the Group Investment Committee, including the following:

- Market risks arising from changes in the premium / discount and prices of Rektron AQ UK's commodity holdings ("physical" and "paper") which may have an adverse effect on Rektron AQ UK's financial condition;
- Market liquidity risk which determines the challenges to exit the market at fair price.

An overall trading policy, including a list of appropriate trading limits, should be clearly established at the outset to govern the trading activities of the Group. All approved trading limits must be adhered to. When a breach of trading limit occurs, designated directors and traders are required to take active and prompt corrective measures to bring its exposure down below the approved limits, unless ad-hoc approval is put forth and approved by the Investment Committee.

The Group undertakes the following evaluation of credit risk of the counterparty(ies):

- Liquidity risk management to ensure there are no cashflow mismatches, ample liquidity funding, margin calls, etc.;
- Operational, jurisdictional and logistics risk;
- Risk to on the ground staff;
- Environmental considerations; and
- Legal and reputational risk.

The members of the Investment Committees of the Group

DL Hudson Limited	Sanjeev Shah Tolia, CEO Ricardo Phielix, CEO of Rektron Group and CFO of DL Hudson Markos Petrocheilos, CIO
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D L HUDSON DUNES GENERAL TRADING L.L.C	Sanjeev Shah Tolia, CEO Ross Friedman, Senior Metals Trader Jennifer Wang, Head of Metals, China Markos Petrocheilos, CIO
DLH Istros	Moises Michan Portillo, COO Saeid Mohseni, Head of Energy Markos Petrocheilos, CIO
DL HUDSON Germany GmbH	Ricardo Phielix, CEO of Rektron Group and CFO of DL Hudson Markos Petrocheilos, CIO Moises Michan Portillo, COO

Social and Environmental Policies

Rektron AQ UK is focused on sustainability to contribute in the efforts to reduce the emission of greenhouse gases. ETCs, including copper and nickel, are fundamental commodities required for global economies to transition towards more renewable energy sources. This basket of commodities is anticipated to be under sustained and consistent demand over the coming decade as economies struggle to ensure stable supply-chains and supply volumes to meet its energy-transition requirements, as stipulated in the Paris Agreement¹. These commodities can only be sourced from specific geographic locations due to mineral deposits, and so ensuring strong relationships, established mining and trading partners, and long-term supply arrangements to industry, which also must be diversified for redundancy, is a minimum requirement.

Bankruptcy and Similar Procedures

There are no bankruptcies, receiverships or similar proceedings against the Issuer and Rektron AQ UK nor is the Issuer or Rektron AQ UK aware of any such pending or threatened proceedings. There has not been any voluntary bankruptcy, receivership or similar proceeding by the Issuer and Rektron AQ UK since its incorporation.

History

On June 15, 2018, the UK£1 Ordinary Shares of Rektron AQ UK were redenominated from £1 to \$1.34. The reason for the redenomination was because Rektron had just been incorporated and the initial partners had agreed an equity share and all other companies were denominated in US dollars. Immediately following the redenomination, the 100 ordinary shares of \$1.34 each were, first, consolidated into one ordinary share with a nominal value of \$134 which was then subdivided into 134 US\$1 Ordinary Shares.

On April 26, 2019, Rektron AQ UK's share capital increased to 300 US\$1 Ordinary Shares and 20 Preference Shares. Kerdos held 255 US\$1 Ordinary Shares, Callan held 45 US\$1 Ordinary Shares and Mr. Pali held 20 Preference Shares. Mr. Pali was the owner of MIL and PPMR, which had been acquired by Rektron AQ UK, pursuant to which Rektron AQ UK issued 20 Preference Shares to Mr. Pali as part of the consideration. The transaction was unwound, because Mr. Pali had decided to reverse retirement decisions and the Preference Shares were sold back by Mr. Pali on January

¹ The Paris Agreement is a **legally binding international treaty on climate change**. It was adopted by 196 Parties at the UN Climate Change Conference (COP21) in Paris, France, on 12 December 2015. It entered into force on 4 November 2016.

7, 2020 (see below). Both transactions were at arm's length.

On August 13, 2019, DLH-RB has entered into an arm's length agreement (and not a related party transaction as defined under international accounting standards) with respect to the acquisition of two companies:

- First, the share sale and purchase agreement with Mr. Yuriy Peshkov (the “**Seller**”) whereas the Seller has agreed to sell and DLH-RB has agreed to buy the issued share capital of Inland Shipping and Supply Ltd. (“**Inland**”) of 50,000 ordinary shares free from all encumbrances and together with all rights, title and interest, which includes fuel storage facilities along the Danube River therein for consideration shares of six (6) ordinary shares in the capital of DLH-RB. Inland is a company registered on the Marshall Islands and incorporated in accordance with the laws of the Marshall Islands.
- Second, the share sale and purchase agreement with the Seller where the Seller has agreed to sell and DLH-RB has agreed to buy the issued share capital of River Bunker Balkans D.O.O. (“**RBB**”) of 50,000 ordinary shares free from all encumbrances and together with all rights, title and interest, which includes fuel storage facilities along the Danube River therein for consideration shares of seven (7) ordinary shares in the capital of DLH-RB. RBB is registered in Serbia and incorporated in accordance with Serbian law.

On February 25, 2020, DL Hudson has entered into a trading facility letter to Sucden Financial Limited (“**Sucden**”) according to the terms set out therein. There were a variety of different facilities within the overall set up and on an ongoing basis. The facility was guaranteed by Rektron AQ UK. These facilities included:

- futures and options trading with call facility of \$50,000,000 and having an initial limit of \$6,000,000 with initial margin of \$3,000,000 and variation margin of \$1,000,000;
- LME warrant financing facility with a financing amount of \$20,000,000 on a rolling basis to a maximum of three month;
- Standalone OTC FX facility with a net exposure limit of \$2,000,000 and a spot tenor;
- Non deliverable forward facility with a net exposure limit of \$12,000,000 and a spot an/or forward six months from contract date tenor;

On April 7, 2020, Rektron AQ UK has entered a deed of guarantee (the “**Deed of Guarantee**”) as guarantor in connection with obligations arising under transactions between Sucden as beneficiary and DL Hudson as obligor, under the terms of business provided by Sucden. Sucden provides DL Hudson a trading facility, as well as the following:

- Futures & Options Facility (Trading Limit: \$6 million);
- LME Warrant Financing (Financing Amount: \$40 million); and
- FX Spot Credit Line (Net Exposure: \$2 million).

On January 7, 2020, Mr. Pali has transferred his 20 Preference Shares in the following manner: 17 Preference Shares to Kerdos and 3 Preference Shares to Callan.

On July 31, 2020, Rektron AQ UK converted and redesignated the Preference Shares as US\$1 Ordinary Shares. Also,

Rektron AQ UK issued 224 US\$1 Ordinary Shares and 60 B Non-Voting Ordinary Shares to Callan and issued the 2020 Warrants to subscribe to Kerdos to subscribe for 979 A Non-Voting Ordinary Shares.

On January 15, 2021, Rektron AQ UK acted as guarantor in a facility agreement (the “**Facility Agreement**”) between DL Hudson acting as borrower and Artis Loanco 1 PLC (“**Artis**”) acted as lender initially up to a maximum of \$10,000,000 but with an ability to increase in tranches of USD10,000,000 to a maximum of USD40,000,000 (i.e. tranche A, tranche B, tranche C and tranche D). Each tranche was on a time released basis so tranche B would be drawn after three months from the date of the Agreement, tranche C after six month and tranche D after 9 months. Each trade finance had to be pre-approved, and insurance covered from buyer/seller and product. The facility was governed under usual and standard loan facility terms was part of an overall lending programme as managed by Artis so all terms to all borrowers were identical. On the same date, the parties entered into an English Law security assignment (the “**Security Assignment Deed**”) pursuant to which, among other things, the DL Hudson granted certain security in favour of Artis. The entire facility was guaranteed by Rektron AQ UK.

On March 2, 2021, the Facility Agreement and the Security Assignment Deed were amended by the parties in a supplemental document, the deed of amendment (the “**Deed of Amendment**”), regarding the accepted bill of exchange and the form of notice of assignment set out therein.

On June 16, 2022, Kerdos transferred to Callan the 272 US\$1 Ordinary Shares held by it, the 60 B Non-Voting Ordinary Shares and Callan subscribed for 8 US\$1 Ordinary Shares so that Rektron AQ UK’s issued share capital comprised of 612 US\$1 Ordinary Shares all of which were held by Callan. On the same day Kerdos surrendered the 2020 Warrants and were issued with the Rektron AQ UK Warrants being warrants to subscribe for 748 US\$1 Ordinary Shares.

On July 21, 2022, Rektron AQ UK has executed an engagement letter with MidAtlantic Capital Associates Ltd. (“**MidAtlantic**”) (the “**MACA Engagement Letter**”) to provide services as a consultant with connection to the IPO and subsequent listing on a stock exchange in Canada and to facilitate the introduction of agents for the IPO. On May 26, 2023, this agreement has been amended (the “**MACA Amending Agreement**”). On January 29, 2024 the MACA Amending Agreement was further amended into a second amending agreement (the “**MACA Second Amending Agreement**”). As consideration, MidAtlantic has received 2,595,917 Special Warrants as part of the Special Warrants Private Placement. For the 12 months following the listing on the CSE, the Issuer will give a valid mandate to MidAtlantic to search for an investor relations firm who shall promote the affairs of the Issuer for recognition on social media and with various and recognized broker dealers. The following table provides a breakdown of securities issued and issuable to MidAtlantic:

Securities Issued or to be Issued	Number of securities issued	Value (\$)	Nature of the Consideration
Special Warrants	2,595,917	4,101,548.86	Services

Notes:

- (2) The Special Warrants will be deemed to be exercised on the date the Issuer receives the receipt issued by the securities regulators for this Prospectus, at which time each Special Warrant shall be automatically exercised into

one Common Share. This Prospectus also seeks to qualify the distribution of 2,595,917 Common Shares, issuable for no additional consideration upon the exercise or deemed exercise of 2,595,917 special warrants (the “**Special Warrants**”) of the Issuer for a value of USD\$4,101,548.86 in exchange for services. See “Plan of Distribution” below.

On October 12, 2022 Kerdos transferred all its rights in the Rektron AQ UK Warrants to Nile Flow.

On May 5, 2023, the Issuer has entered into the Share Exchange Agreement with Callan and Nile Flow, whereby Callan and Nile Flow agreed to exchange their US\$0.002 Ordinary Shares to the Issuer and the Issuer has issued in consideration 33,376,077 Common shares to Callan and 40,792,983 Common shares to Nile Flow for a deemed price of \$0.01 per Common Share. As such, the beneficial ownership transferred to the Issuer on May 5, 2023.

On August 1, 2023, the Issuer applied for relief from stamp duty with the HMRC in order in order to be exempt from paying any transaction fee on the Share Exchange Agreement structure.

On October 16, 2023, the HMRC has granted relief from stamp duty, which means that legal ownership transferred to the Issuer and the transaction closed on that date.

Rektron AQ UK has consolidated various business lines in their main trading company, DL Hudson, which enabled Rektron AQ UK to scale its business and negotiate better pricing, better payment terms from Rektron AQ UK’s suppliers PPMR and MIL which were previously separate entities held under Rektron AQ Limited. In July 2020, the management decided to transfer the more attractive parts of PPMR and MIL to DL Hudson, which comprised trading business with a focus in Asia focus, because DL Hudson was mainly focused on Europe at the time. The Issuer believes that this consolidation enabled Rektron AQ UK to better manage its exposures, risk and controls.

Over the past two years, Rektron AQ UK has hired a team based out of Singapore and China to scale its recycling book of business. Furthermore, over the past year two highly experienced traders in base metals have been recruited to source metal globally to cater to off takers in Europe. Over the past few months, an expert in steel scrap has been hired by Rektron AQ UK. Rektron AQ UK is expanding its trading team to cover more extensive geography along with setting up a highly experienced hedging team to better optimise their pricing. The related employment and consulting agreements are based on prevailing terms in the market. The tenors of each consulting contract are either an initial of two or three years and can roll over as determined. Salaries and bonuses are individually agreed per consultant but are all within usual terms agreed for trading personnel. All contracts have a notice period of one month.

USE OF PROCEEDS

Proceeds

The Issuer intends to fund DL Hudson’s trading activities, in particular to maintain and increase nickel and cobalt inventories. The funds will also be used to expand the team of traders with the purpose of becoming a larger player in the ETC space. Lastly, the funds will also be used to finance any increases in Rektron AQ UK’s operational costs. The Issuer’s assets currently consist solely of interests in its wholly-owned subsidiary, Rektron AQ UK, and the only

business of the Issuer is the business of its subsidiaries. As such, the proceeds will be utilized by Rektron AQ UK and its subsidiaries directly.

The proceeds from the Offering will be primarily utilized for DL Hudson’s trading activities. In particular to maintain and increase nickel and cobalt inventories. The utilization of these funds is specifically based on current demand, future, purchase orders and demand forecasts. Furthermore, this would enable the business to further entrench its relationship with multinational clients without increasing financial leverage. The funds will also be used to expand the team of traders with the purpose of becoming a larger player in the ETC space. Lastly, the funds will also be used to finance any increases in Rektron AQ UK’s operational costs. See “*Stated Business Objectives and Attaining Objectives*” below.

It is estimated that the net proceeds to be received by the Issuer from the Offering, after deduction of the remaining Offering and Agent’s Commission and Agent’s Expenses, will be approximately \$13,487,250. If the Over-Allotment Option is exercised in full, the estimated net proceeds will be approximately \$15,534,750.

Principal Purposes

Principal Purpose	Allocated Amount \$	Allocated Amount if the Over-Allotment Option is exercised in full
Scale up of metals trading activities	\$4,487,250	\$5,534,750
Scale up of energy trading activities	\$8,000,000	\$9,000,000
Personnel, software and alternative commodities	\$1,000,000	\$1,000,000
TOTAL:	13,487,250⁽¹⁾	15,534,750⁽¹⁾

Notes:

- (1) Please see the section titled “Stated Business Objectives and Attaining Objectives” for detailed descriptions of each of the above use of proceeds line items.

As at February 29, 2024, the Issuer had an estimated positive working capital of \$81,017,000 of which it is estimated that 15% to 25% is at any time used as cash collateral and the remaining part (75% - 85%) is used to finance accounts receivable transactions from customers.

The General Administration and Sales is broken down as follows for the purposes set out in the table below during the 12-month period following the date of this Prospectus:

Administrative Expenses	Allocated Amount
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	USDS
Listing Expenses ⁽¹⁾	\$300,000
Executive Compensation ⁽²⁾	\$532,000
Insurance	\$55,000
Software ⁽³⁾	\$108,000
Other	\$5,000
Total :	\$1,000,000

Notes:

- (1) Comprised of legal fees (\$90,000), audit fees (\$120,000), listing fees (\$45,000), and filing fees (\$45,000).
- (2) Comprised of the executive compensation. See subsection “Proposed Compensation” in section “Statement of Executive Compensation” below.
- (3) Comprised of software (subscriptions) to be identified and potentially to be developed in order to enhance the efficiency and effectiveness of our departments. It may include (among other) improvements to the accounting, reporting and financial planning software, as well as human resources, support for the legal department and commodity and trade management software.

The Issuer intends to spend the net proceeds of the Offering as set out in this Prospectus. However, there may be situations where, due to changes in the Issuer and its subsidiaries’ circumstances, business outlook, and/or for other reasons, that a reallocation of funds is necessary in order for the Issuer to achieve its overall business objectives.

The Issuer will not be using the totality of its available funds and therefore, the remaining funds will be deemed as unallocated funds in the working capital of the Issuer.

Stated Business Objectives and Attaining Objectives

This section must be read in conjunction with subsection "*Business Objectives*" in section "*Business of the Issuer*".

The Issuer intends to use its funds available to it as follows for the next twelve months:

Business Objective	Attaining Objectives	Timing	Estimated Expenditure⁽¹⁾⁽²⁾	Estimated Expenditure in case of the exercise of the Over-Allotment Option⁽²⁾
Scale up of metals trading	Rekrtron AQ UK is aiming to increase its metals trading activity. The use of proceeds will be mainly used for the related working capital and sourcing requirements. See section “ <i>Scaling up of Metals Trading Activity</i> ” that can be summarized as follows: <ol style="list-style-type: none"> (i) Expand the existing book: The Issuer’s team of traders constantly present new	Within 90 days from the Listing Date	\$4,487,250	\$5,534,750

	<p>transactions. This also applies to the increase of existing transactions. This expansion can be attained within 90 days from the Listing Date. It is expected that an amount of \$1,000,000 (\$2,000,000 in the case of the exercise of the Over-Allotment Option) will be used as cash collateral to support the funding and the completion of these additional transactions.</p> <p>(ii) Develop the trading of sustainable metals and build an asset base:</p> <p>The same applies as mentioned in point (i) as the current team of traders already work with counterparties with whom additional transactions can be executed in the supply of scrap metal, which is then processed and ultimately the recycled metals are sold to an end user.</p> <p>With regards to building an asset base in relation to sustainable metals, recycling businesses are often presented to the Issuer. The pipeline of projects is presently undergoing enhanced internal diligence, but the Board will not engage into any advanced discussion until the listing is completed. Once the listing is completed, the Board will consider two recycling opportunities. Any acquisition the Board approves will subsequently entail external due diligence. External parties will conduct legal, commercial, financial and technical diligence. The costs of external due diligence are expected to be in the range of US\$100,000 to US\$150,000. As the assets are relatively small and since substantial examination will be carried out by the Issuer's analysts and senior management, negotiating and consummating these acquisitions could take place within 90 days after the Listing Date. It is expected that an amount of \$2,487,500 (\$2,534,750 in the case of the exercise of the Over-Allotment Option) will be used as follows:</p> <ul style="list-style-type: none">- A maximum of \$150,000 will cover the due diligence costs; and			
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	<ul style="list-style-type: none"> - The remaining amount of \$2,337,500 (\$2,384,750 in the case of the exercise of the Over-Allotment Option) will be used as cash collateral to fund the trading of sustainable metals. Any reduction in the due diligence costs will be allotted to the cash collateral. <p>(iii) Diversify into steel trading:</p> <p>The Issuer seeks to diversify into steel trading and the Business Development team has opportunities to negotiate with one of the largest steel companies in Asia along with other mid-sized facilities in the region. The management is presently interviewing steel traders to not only cater to the aforementioned transactions but to bring along their book of business. The cost of employing such a candidate is budgeted at around US\$60,000 per annum. It is expected that an amount of \$1,000,000 (in the case of the exercise of the Over-Allotment Option) will be used as follows:</p> <ul style="list-style-type: none"> - An amount of \$60,000 will cover the salary of the retained candidate for a year; and - The remaining amount of \$940,000 will be used as cash collateral to fund the new transactions of steel trading. 			
<p>Scale up of energy trading</p>	<p>Rektron AQ UK is aiming to increase its energy trading activity. The use of proceeds will be mainly used for the related working capital and sourcing requirements as described under Business Objectives in this document. See section “<i>Scaling up of Energy Trading Activity</i>” that can be summarized as follows:</p> <p>(i) Expansion of the crude oil book:</p> <p>The Issuer’s team of traders presently sell to refineries in Europe and endeavours of expanding the energy book by selling to state-owned refineries in India. Furthermore, the trading team is negotiating</p>	<p>Within 120 days from the Listing Date</p>	<p>\$8,000,000</p>	<p>\$9,000,000</p>

	<p>terms with a refinery in China, registered to buy crude from Mexico to be potentially sold to an Aramco owned refinery in the United States, and in final stages of negotiations to supply to a refinery in Eastern Europe. This can be attained within 120 days after the Listing Date.</p> <p>It is expected that an amount of \$4,000,000 (\$5,000,000 in the case of the exercise of the Over-Allotment Option) will be used as cash collateral to support the funding and the completion of these additional transactions.</p> <p>(ii) Balkans, Mediterranean and Central Asia:</p> <p>The Energy team, along with members of the representative office will expand gasoil and diesel supplies in the Balkan region. Post-IPO, the Issuer will review further whether it will form a joint venture company with a Bulgarian oil company to lease a 30,000 metric ton storage facility in Varna, Bulgaria. A Joint Venture partner is required by local jurisdiction to lease storage facilities in the country.</p> <p>The leasing of this facility would firmly establish the Issuer's presence in the Balkans. The gasoil and diesel will be purchased from Central Asia and ferried to the storage facility via the Black Sea. Smaller parcels of gasoil will be sold to the Mediterranean.</p> <p>Detailed internal review, completion of the due diligence and setup of the joint venture can be realized within 120 days after the Listing Date and would require some due diligence and legal costs that are estimated to be between US\$100,000 and US\$150,000 for each project. It is expected that an amount of \$2,000,000 (\$2,000,000 in the case of the exercise of the Over-Allotment Option) will be used as follows:</p> <ul style="list-style-type: none">- A maximum of \$150,000 will cover the due			
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	<p>diligence and legal costs; and</p> <ul style="list-style-type: none"> - The remaining amount of \$1,850,000 (\$1,850,000 in the case of the exercise of the Over-Allotment Option) will be used as cash collateral to fund the trading of sustainable metals. Any reduction in the due diligence and legal costs will be allotted to the cash collateral. <p>(iii) ESG Initiatives – Expansion into trading Biofuels, LNG and pipeline gas</p> <p>The Issuer has identified an opportunity to acquire a part of a well-established LNG and Pipeline Gas Company in Europe. Only preliminary discussions took place with no further steps at the moment. After the conclusion of the IPO, the Issuer will consider pursuing this opportunity. This is line with the Issuer’s ESG initiatives, is opportune due to the sanctions on Russia and would result in attractive gross margins. For this opportunity, some legal fees may incur of a maximum of US\$100,000. This opportunity could be attained within 120 days after the Listing Date. It is expected that an amount of \$2,000,000 (\$2,000,000 in the case of the exercise of the Over-Allotment Option) will be used as follows:</p> <ul style="list-style-type: none"> - A maximum of \$100,000 will cover the due diligence and legal costs; and - The remaining amount of \$1,900,000 (\$1,900,000 in the case of the exercise of the Over-Allotment Option) will be used as cash collateral to fund the trading of biofuels, LNG and pipeline gas. Any reduction in the due diligence and legal costs will be allotted to the cash collateral. 			
<p>Personnel, software</p>	<p>To grow the trading book, the back-office that manages (among other things) the logistics, risk</p>	<p>Twelve (12)</p>	<p>\$1,000,000</p>	<p>\$1,000,000</p>

<p>and alternative commodities</p>	<p>mitigation, contracting, invoicing, payments and collection will be expanded whilst the trading books are growing. Therefore, part of the use of proceeds will be used to cover the expenses to improve the IT structure to support the growth in the Issuer’s trading activities. It also includes the executive compensation as presented in this document under “Statement of executive compensation” in the paragraph “Proposed compensation” of this document.</p>	<p>months from the Listing Date</p>		
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Notes:

- (1) Reference is made to the section “Business Model” and the section “Working Capital”. The Issuer has USD\$378,000,000 of uncommitted working capital facilities available. Given the different nature of those lines available and the different nature of trades within both the metals and energy spectrum, there is not a direct link between (i) the available (uncommitted) working capital and the proceeds of the IPO on the one hand, and (ii) the estimated expenditure to accomplish the Business Objectives on the other hand. The amounts as stated in the above table will be used to fund trades directly (without using the uncommitted working capital facilities), and the use of proceeds may be used as cash collateral in order to finance the transactions, as described in the “Business Model and “Working Capital” sections, as the use of proceeds can be used as cash collateral in order to finance the transactions.
- (2) The allocation of funds as indicated in this column will allow the Issuer to increase the trade opportunities due to an additional cash collateral available to complete such trades. In principle, trades present themselves on a continuous basis and could be executed within days or weeks. Larger trades could take up to 90 days to structure for metals trading and up to 120 days for energy trading. There are no specific costs involved to expand the overall metals and energy book, other than having the necessary cash collateral to fund the additional trades. For example, no additional staff are required to be engaged, as the Issuer’s traders and back-office personnel are available and are ready to absorb additional trades. Nonetheless, in a typical transaction where trade finance is provided by a financial institution, the funding is used for the entire supply chain from the purchase of material, transport, warehousing, and distribution to the final customer. To finance 100% of the supply chain, the financial institution would generally require 10% cash collateral, and they take as additional collateral the underlying commodity, whether it is a metal or an energy resource. Therefore, there is no balance sheet risk to the Issuer. In an event of a default, the Issuer simply loses the 10% cash collateral. In short, the more proceeds the Issuer has, the more trading and diversification opportunities arise as the Issuer would have the necessary 10% cash collateral for a financial institution to finance the complete transaction. This paragraph must be read in conjunction with the sections “Scaling up of Metals Trading Activity” and “Scaling up of Energy Trading Activities” above.

DIVIDEND POLICY

The Issuer has not declared dividends on any of its shares in the past and does not intend to pay any in the foreseeable future. Any future determination to pay dividends will be at the discretion of the Board and will depend on the financial condition, business environment, operating results, capital requirements, any contractual restrictions on the payment of dividends and any other factors that the Board deems relevant.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

Financial Information

The Issuer’s assets currently consist solely of interests in its wholly-owned subsidiary, Rekrtron AQ UK, and the only business of the Issuer is the business of its subsidiaries.

Rektron AQ UK was incorporated in the UK under the Companies Act 2006 (UK) on March 21, 2018. The following table summarizes selected information from Rektron AQ UK's and its subsidiaries audited financial statements for the three last financial years ended July 31, 2023, July 31, 2022, July 31, 2021 and Rektron Group Inc.'s unaudited interim financial statements for the three months ended October 31, 2023. There is no beneficial ownership change from Rektron AQ UK to the Issuer. Therefore, the Issuer is relying on the financial statements from Rektron AQ UK. For reporting purposes Rektron AQ UK's financial statements are prepared in American dollars and in accordance with IFRS. You should read the following information in conjunction with the financial statements and the related notes thereto, along with the respective Management's Discussion and Analysis. See "*Caution Regarding Forward-Looking Statements*".

<u>In USD 1,000</u>	Three months Period ended October 31, 2023 (Unaudited)	Year ended July 31, 2023 (Audited)	Year ended July 31, 2022 (Audited)	Year ended July 31, 2021 (Audited)
Total revenues	629,183	2,027,529	1,593,955	901,168
Costs of Sales	621,696	2,003,932	1,575,716	891,184
Gross Profit	7,487	23,597	18,239	9,984
Total Operating Expenses	2,797	10,741	8,214	3,736
Total Financing Income, expenses and other	(1,074)	609	16,026	(883)
Income Taxes ⁽¹⁾	0	201	232	102
Net income	3,616	13,264	25,819	5,263
Current Assets	255,450	211,714	199,368	91,269
Total Assets	292,475	249,169	238,868	132,316

Current Liabilities	179,312	139,196	144,441	63,242
Total Liabilities	180,949	141,129	144,441	63,290
Shareholders' Equity	105,160	101,630	87,758	62,137
Total Group Equity	111,526	108,040	94,427	69,027

Notes:

- (1) The income taxation is calculated for the Group's global operations and in accordance with each relevant jurisdiction on an annual basis.

The following selected financial information is subject to the detailed information contained in the audited financial statements of the Issuer notes thereto appearing elsewhere in this Prospectus. The selected financial information is derived from the audited financial statements of the Issuer for the period from incorporation to July 31, 2023.

<u>In CDN</u>	From incorporation to July 31, 2023 <u>(Audited)</u>
Total revenues	-
Costs of Sales	-
Gross Profit	-
Total Operating Expenses	8,738
Total Financing Income, expenses and other	-
Income Taxes	-
Net income (loss)	(8,738)
Current Assets	80
Total Assets	80
Current Liabilities	8,816
Total Liabilities	8,816

Shareholders' Equity	(8,736)
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Management's Discussion and Analysis

Attached to this Prospectus as Schedule "D" are the management's discussion and analysis for the year ended July 31, 2023, and July 31, 2022 and for the three months period ended October 31, 2023, and attached as Schedule "E" the management's discussion and analysis of the Issuer for the year ended July 31, 2023 (the "MD&A"). Certain information included in the Issuer's MD&A is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Note Regarding Forward-Looking Statements*" for further detail.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Authorized and Issued and to be Issued Share Capital

The authorized share capital of the Issuer consists of an unlimited number of Common Shares without par value. As of the date of this Prospectus, 74,169,060 Common Shares were issued and outstanding as fully paid and non-assessable shares. There are also 2,595,917 Special Warrants issued and outstanding as of the date of this Prospectus.

Immediately upon receiving the receipt by the securities regulators for the filing of the Prospectus, the 2,595,917 Special Warrants will be converted to Common Shares. Immediately upon closing of the IPO, an aggregate 84,264,977 Common Shares (85,389,977 Common Shares if the Over-Allotment Option is exercised in full) and 7,500,000 Warrants (8,625,000 Warrants if the Over-Allotment Option is exercised in full) will be issued and outstanding assuming no Compensation Options are exercised.

Units

Each Unit consists of one Common Share and one Warrant. Each Warrant is exercisable into one Common Share for \$3.00 for a period of thirty-six (36) months from the Closing Date. The Units will separate into Common Shares and Warrants immediately upon issue. This Prospectus qualifies the distribution of the Units.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Issuer and each Common Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Issuer. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Issuer, are entitled to receive such dividends in any financial year as the Board may by resolution determine. Holders of the Common Shares have the right, as respect to capital, to participate in distributions (including winding-ups) are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Issuer, the remaining property and assets of the Issuer. The Common Shares are not redeemable.

Warrants

Each Unit in the Offering includes a Warrant. Each whole Warrant will entitle the holder to purchase one Warrant Share at a price of \$3.00 per Warrant Share for a period of thirty-six (36) months from the Closing Date. The Issuer has entered into a Warrant Indenture with Odyssey Trust Company, as trustee. The Warrant Indenture provides that the trustee holds all rights, interests and benefits contained in the Warrant Indenture for and on behalf of those persons who become Warrant holders pursuant to the Offering. The Warrants are non-transferable except in accordance with the terms of the Warrant Indenture. A Warrant may be exercised upon surrender of Warrant certificates issued pursuant to the Warrant Indenture on or before the expiry date of the Warrant at the office of the Warrant trustee, with the exercise form found on the back of the Warrant certificate, completed and executed as indicated, accompanied by payment of the exercise price in form acceptable to the trustee as stated in the Warrant certificate for the number of Warrant Shares with respect to which the Warrant is being exercised. If the Warrants are not exercised within thirty-six (36) months from the Closing Date, they will expire and cannot be exercised thereafter. The Warrant Indenture provides, among other things, for appropriate adjustment in the class, number and price of the shares to be issued on exercise of the Warrants upon certain events, including any stock split, subdivision, consolidation or reclassification of our common stock or the payment of stock dividends.

This Prospectus qualifies the distribution of the Warrants.

Compensation Options

The Issuer will issue to the Agent non-transferable Compensation Options equal to 9% of the number of Units sold under the Offering, including the amount subscribed for pursuant to the exercise of the Over-Allotment Option, where any such exercise occurs. Each Compensation Option will be exercisable at an exercise price of \$2.00 per Compensation Option to purchase one Unit for a period of twenty-four (24) months following the Closing Date. The Units are exercisable under the same terms as the Offering. The distribution of the Compensation Options shall be qualified by the Prospectus.

Special Warrants

The Issuer closed the Special Warrants Private Placement on January 29, 2024, and issued an aggregate 2,595,917 non-transferable Special Warrants to MidAtlantic for a value of USD\$4,101,548.86 in exchange for services. The Issuer will issue the non-transferable Special Warrants in consideration of services rendered and to be rendered by MidAtlantic. Each non-transferable Special Warrant entitled its holder to acquire, without further payment, one Common Share of the Issuer on the date the Issuer receives the receipt by the securities regulators for the filing of the Prospectus.

The Issuer has granted to MidAtlantic of a Special Warrant a contractual right of rescission of the prospectus-exempt transaction under which the Special Warrant was initially acquired. The contractual right of rescission provides that if a holder of a non-transferable Special Warrant who acquires another security of the Issuer on exercise of the special warrant as provided for in the Prospectus is, or becomes, entitled under the securities legislation of a jurisdiction to the remedy of rescission because of the Prospectus or an amendment to the Prospectus containing a misrepresentation,

- (a) MidAtlantic is entitled to rescission of both MidAtlantic's exercise of its non-transferable Special Warrants and the private placement transaction under which the Special Warrants was initially acquired,
- (b) MidAtlantic is entitled in connection with the rescission to a full refund of all consideration paid to the Agent or Issuer, as the case may be, on the acquisition of the non-transferable Special Warrants, and
- (c) if MidAtlantic is a permitted assignee of the interest of the original special warrant subscriber, MidAtlantic is entitled to exercise the rights of rescission and refund as if MidAtlantic was the original subscriber.

This Prospectus qualifies for the distribution of the non-transferable Special Warrants.

Stock Options

As of the date of this Prospectus, no stock options are issued and outstanding.

CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Issuer's capitalization as at the date of this Prospectus, and following completion of the Offering:

	As at the date hereof	As of October 31, 2023	After giving effect to the Offering	After giving effect to the Offering and the Over-Allotment Option
Common Shares	74,169,060 ⁽¹⁾	74,169,060 ⁽¹⁾	84,264,977	85,389,977
Warrants	Nil	Nil	7,500,000	8,625,000
Compensation Warrants ⁽²⁾	Nil	Nil	675,000	776,250
Special Warrants ⁽³⁾	2,595,917	Nil	Nil	Nil
Stock Options	Nil	Nil	Nil	Nil
Long Term Liabilities	Nil	Nil	Nil	Nil
Fully Diluted Common Shares	76,764,977	74,169,060	93,114,977 ⁽⁴⁾	95,567,477 ⁽⁵⁾

Notes:

- (1) Includes the Common Shares issued as a result of the Share Exchange Agreement on May 5, 2023.
- (2) The Issuer will issue to the Agent non-transferable Compensation Options equal to 9% of the number of Units sold under the Offering, including the amount subscribed for pursuant to the exercise of the Over-Allotment Option, where any such exercise occurs. Each Compensation Option will be exercisable at an exercise price of \$2.00 per Compensation Option

to purchase one Unit for a period of twenty-four (24) months following the Closing Date. The distribution of the Compensation Options shall be qualified by the Prospectus.

- (3) The Special Warrants will be exercised on the date the receipt for the Prospectus is issued by the securities regulators. The Special Warrants shall be qualified by the Prospectus.
- (4) This amount assumes the full exercise of the Compensation Options into 1,350,000 Common Shares.
- (5) This amount assumes the full exercise of the Compensation Options into 1,552,500 Common Shares.

OPTIONS TO PURCHASE SECURITIES

The Stock Option Plan was approved by the Issuer's directors on May 4, 2023. The purpose of the Stock Option Plan is to assist the Issuer in attracting, retaining and motivating directors, officers, employees and consultants of the Issuer and of its affiliates (together "eligible persons") and to closely align the personal interests of such eligible persons with the interests of the Issuer and its shareholders.

The Stock Option Plan is to be administered by the Board, or by a committee appointed by the Board, who will have full and final authority with respect to the granting of all options thereunder.

The aggregate number of Common Shares which may be reserved for issuance pursuant to the exercise of options granted under the Stock Option Plan shall not exceed 10% of the Issuer's issued and outstanding Common Shares at the time of the grant. Any Common Shares reserved for issuance pursuant to the exercise of options granted by the Issuer prior to the Stock Option Plan coming into effect and which are outstanding on the date on which the Stock Option Plan comes into effect shall be included in determining the number of Common Shares reserved for issuance as if such options were granted under the Stock Option Plan.

In addition, the number of Common Shares which may be reserved for issuance within a one-year period: (i) to any one individual may not exceed 5% of the Common Shares issued and outstanding on the grant date, on a non-diluted basis, unless otherwise approved by disinterested shareholders of the Issuer, and (ii) to any one consultant may not exceed 2% in the aggregate of the total number of Common Shares issued and outstanding on the grant date on a non-diluted basis. The Issuer shall not grant options to any person conducting Investor Relations Activities, promotional or market-making services.

Any options granted pursuant to the Stock Option Plan will terminate on (i) the earliest of the expiration date (ii) the end of the period of time permitted for exercise of the Option (not to be in excess of six months), to be determined by the Board at the time of the grant after the Optionee ceased to be eligible for options for any reasons other than death (ii) 90 days after the date of termination of the Optionee as an employee, consultant or independent contractor of the Issuer and (iii) the first anniversary of the date of death of the Optionee.

The exercise prices of the options will be determined by the Board, but after the Common Shares are listed on the Exchange will not be less than the closing market price of the Common Shares on the Exchange less allowable discounts at the time of grant.

As of the date of the Prospectus, no stock option has been granted to the eligible persons. Also, no Stock Options were issued to current or past executives and directors of the Issuer and its subsidiaries, nor for current and past employees and consultants of the Issuer and/or its subsidiaries.

There are no options, warrants or other securities issued or contemplated in any Group other than the Issuer.

PRIOR SALES

During the 12-month period preceding the date of this Prospectus, the only issuances of Common Shares or securities convertible or exchangeable into Common Shares were the issuance of the following:

- On April 6, 2023, the Issuer issued 45 Common Shares to Callan and 55 Common Shares to Nile Flow for gross proceeds of \$2 in cash in connection with the incorporation of the Issuer; and
- On May 5, 2023, the Issuer issued 74,169,060 Common Shares in connection with the share exchange of all of Callan and Nile Flow's shares in Rekrtron AQ UK for the Issuer's Common shares. The Issuer issued 33,376,077 Common Shares to Callan and 40,792,983 Common Shares to Nile Flow at a deemed price of USD\$0.01 per Common Share. See "*Share Exchange Agreement*".
- On January 29, 2024, the Issuer issued 2,595,917 non-transferable Special Warrants at the Special Warrants Issue Price for a value of USD\$4,101,548.86 in exchange for services as a consultant for the Issuer as outlined in the MACA Engagement Letter and the MACA Amending Agreement.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO RESALE RESTRICTIONS

Escrowed Securities

Under the applicable policies and notices of the Canadian Securities Administrators, securities held by Principals (as defined below) are required to be held in escrow in accordance with the escrow regime applicable to initial public distributions. Equity securities, including Common Shares, owned or controlled by the Principals of the Issuer are subject to the escrow requirements set out in National Policy 46-201 – *Escrow for Initial Public Offerings* ("NP 46-201").

Principals include all persons or companies that fall into one of the following categories:

- (a) directors and senior officers of the Issuer, as listed in this Prospectus;
- (b) promoters of the Issuer during the two years preceding this Offering;
- (c) those who own and/or control more than 10% of the ' voting securities immediately after completion of this Offering if they also have appointed or have the right to appoint a director or senior officer of the Issuer or of a material operating subsidiary of the Issuer;
- (d) those who own and/or control more than 20% of the ' voting securities immediately after completion of this Offering; and
- (e) associates and affiliates of any of the above.

A Principal's spouse and their relatives that live at the same address as the Principal are also considered Principals for the purposes of escrow.

The Principals of the Issuer are Callan and Nile Flow as significant shareholders.

The Issuer is an “emerging issuer” as defined in the applicable policies and notices of the Canadian Securities Administrators and if the Issuer achieves “established issuer” status during the term of the Escrow Agreement (as defined below), it will “graduate” resulting in a catch-up release and an accelerated release of any securities remaining in escrow under the 18-month schedule applicable to established issuers as if the Issuer had originally been classified as an established issuer.

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

- (a) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Issuer or of a material operating subsidiary, with approval of the Board of Directors;
- (b) transfers to a person or company that before the proposed transfer holds more than 20% of the voting rights attached to the Issuer’s outstanding securities;
- (c) transfers to a person or company that after the proposed transfer will (i) hold more than 10% of the voting rights attached to the Issuer’s outstanding securities; and (ii) has the right to elect or appoint one or more directors or senior officers of the Issuer or any of its material operating subsidiaries;
- (d) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor’s spouse or children or parents;
- (e) transfers upon bankruptcy to the trustee in bankruptcy;
- (f) pledges to a financial institution as collateral for a loan, provided that upon a realization the securities remain subject to escrow; or
- (g) tenders of Escrowed Securities to a take-over bid are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation's escrow classification.

As the Issuer anticipates being an “emerging issuer” as defined in NP 46-201, the following automatic timed releases will apply to the Common Shares held by its principals who are subject to escrow:

On the Listing Date	1/10 of the escrow securities
6 months after the Listing Date	1/6 of the remaining escrow securities

12 months after the Listing Date	1/5 of the remaining escrow securities
18 months after the Listing Date	¼ of the remaining escrow securities
24 months after the Listing Date	1/3 of the remaining escrow securities
30 months after the Listing Date	½ of the remaining escrow securities
36 months after the Listing Date	the remaining escrow securities

Assuming there are no changes to the escrow securities initially deposited and no additional escrow securities are deposited, this will result in a 10% release on the listing date (as defined by NP 46-201), with the remaining escrow securities being released in 15% tranches every 6 months thereafter.

The following table sets forth details of the Escrowed Securities that are subject to the Escrow Agreement as of the date of this Prospectus:

Name	No. of Escrowed Common Shares	Percentage of Class as at the date of the Prospectus	Percentage of Class based on issued and outstanding Common Shares ⁽¹⁾
Callan Partners Limited	33,376,077	45%	43.48%
Nile Flow Ltd.	40,792,983	55%	53.56%
TOTAL:	74,169,060	100%	96.62%

Notes:

(1) Based on 76,764,977 Common Shares issued and outstanding following the exercise of all the Special Warrants and prior to the Closing of the Offering.

Section 3.5 of NP 46-201 provides that all shares of a company owned or controlled by a Principal (as defined in NP 46-201) will be escrowed at the time of the company's initial listing, unless the shares held by the Principal or issuable to the Principal upon conversion of convertible securities held by the Principal collectively represent less than 1% of the total issued and outstanding shares of the company after giving effect to the initial public offering.

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Issuer, as of the date of this Prospectus, following the conversion of the outstanding Special Warrants, no person beneficially owns or exercises control or direction over Common

Shares carrying more than 10% of the votes attached to the Issuer's Common Shares except for the following:

Name and Municipality of residence or Province of Incorporation	Ultimate Beneficial Holders	Number of shares	Percentage of Common Shares Held	After giving effect to the Offering	After giving effect to the Offering and the Over-Allotment Option
Nile Flow Limited. ⁽¹⁾ (Gibraltar)	The direct family of Mr. Swapnil Mokashi (via a trust)	40,792,983	55%	48.41% (43.81% on a fully-diluted basis)	47.77% (42.69% on a fully-diluted basis)
Callan Partners Limited ⁽²⁾ (London, UK)	Mr. Sanjeev Shah Tolia	33,376,077	45%	39.61% (35.84% on a fully-diluted basis)	39.01% (34.92% on a fully-diluted basis)

Notes:

- (1) Nile Flow is not related to the Issuer and the directors of the Issuer. Nile Flow Limited is a Gibraltar Limited Company, which is directly owned by a discretionary trust which has multiple beneficiaries of the family of Mr. Swapnil Mokashi and the holding depends on the date of beneficial interest being materialised. No voting trustees hold any securities in Nile Flow, only the beneficiaries do. The voting trustees are Tanya Hurtado, Melissa Victory-Penalver, and Adrian Mansfield and their addresses are 5-9 Main Street, GX11 1AA, Gibraltar. The terms of the trust are standard provisions.
- (2) Sanjeev Shah Tolia is the principal shareholder of Callan and is a director and officer in the subsidiaries mentioned under "Investment Process and Policies".

DIRECTORS AND EXECUTIVE OFFICERS

The following table provides the names, provinces of residence, positions, principal occupations and the number of voting securities of the Issuer that each of the directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date hereof:

Name and Province of Residence and Position with the Issuer	Director/ Officer Since	Principal Occupation for the Past Five Years	Number and % of Common Shares Beneficially Owned Directly or Indirectly (at the date of this Prospectus)
Ricardo Phielix Amsterdam, Netherlands and London, UK	Director and Chief Executive Officer since March 22, 2023	2010 – 2017: CFO at Metalcorp Group 2018-Present: RPX Online B.V., consulting firm, The Netherlands 2022 – Present: Managing Director for DL HUDSON Germany GmbH 2023 – Present: CEO for Rektron Group Inc.	Nil
Manny Bettencourt Toronto, Ontario, Canada	Director and Chief Financial Officer since March 22, 2023	May 2002 – Present: Managing Director of First Principles Group Inc. January 2018 – Present: CEO of Blue Phoenix Energy Corp. 2023 – Present: CFO for Rektron Group Inc.	-Nil
Moises Michan Portillo London, UK	Director since March 22, 2023	2018 -Present: Director at REKTRON GROUP INC., Rektron AQ UK, DL HUDSON Limited and its subsidiaries 2022: COO for Rektron AQ UK and its subsidiaries 2017 – Present; Tanridge Capital Limited	Nil
Michael Stier ⁽¹⁾ Delta, British Columbia, Canada	Independent Director since March 22, 2023	2015 – 2018: Senior Equity Trader at Ledgir House Ltd. 2018 – Present: Ambe Holdings Ltd. (financial) advisor and board member to multiple (listed) companies	Nil

Name and Province of Residence and Position with the Issuer	Director/ Officer Since	Principal Occupation for the Past Five Years	Number and % of Common Shares Beneficially Owned Directly or Indirectly (at the date of this Prospectus)
Trevor Turner ⁽¹⁾⁽²⁾ Epsom, UK	Independent Director since March 22, 2023	2016 – 2018: Director at J. Safra Sarasin 2018 – Present: Founder & Director of Turner Wealth & Consultancy Ltd.	Nil

Notes:

- (1) Member of the Audit Committee.
- (2) Chair of the Audit Committee

The term of office of the directors expires annually at the time of the Issuer's annual general meeting. The term of office of the officers expires at the discretion of the Issuer's directors.

The Issuer has two committee, the Audit Committee, comprised of Mr. Michael Stier, Mr. Trevor Turner and Mr. Moises Michan Portillo and the Compensation Committee comprised of Mr. Michael Stier, Mr. Moises Michan Portillo and Mr. Trevor Turner.

The following is a brief description of the background of the key management and directors of the Issuer.

Ricardo Phielix, Director and Chief Executive Officer, Age: 41

Mr. Phielix obtained a master's degree in business economics as well as an Executive master's degree in Accounting, Auditing and Control at the Erasmus University Rotterdam. He is included in the Dutch register of Certified Public Accountants and started out his career at Deloitte in Rotterdam, mainly focusing on the audit of large and multi-national companies in a variety of industries including chemical and real estate companies. After rising to the position of supervisor at Deloitte, Mr. Phielix joined Metalcorp Group as financial controller in 2010 but was quickly promoted to the global CFO in 2012, a position that he held for over seven years. Subsequently, he started his own consulting business with a focus on commodity related companies. Mr. Phielix joined DL Hudson as a consultant in the first quarter of 2022 as a consultant and director of the German entity.

Mr. Phielix is not a party to any employment, non-competition or confidentiality agreement with the Issuer. Mr. Phielix will devote approximately 90% of his time to the Issuer.

Manny Bettencourt, Chief Financial Officer and Corporate Secretary, Age:52

Mr. Bettencourt began his career more than twenty-five years ago with KPMG Peat Marwick in Toronto after graduating from the University of Toronto with a B.Comm degree in Finance and Economics. He obtained his CA,

CPA designation and ran audits for many multinationals and startups while at KPMG. Mr. Bettencourt served as an executive (CFO) with AT&T Solutions Canada before joining the management team at Baker Street Technologies Inc. a logistics and supply chain management company, and subsequently served as Vice President of Sales and Business Development at the Kiosk Factory and CFO of Navaho Networks. Mr. Bettencourt serves a Managing Partner of First Principles Group an advisor firm with expertise in: Mergers & Acquisitions, Restructurings, Strategy, and Capital markets planning. He served as COO/CTO of First Global Data Corp. a mobile payments pioneer and remittance company, as well as having served as the Vice Chairman of the Board (2003-2014). He was a co-founder of Demand Power Corp. and served as its CEO in its first year. He currently serves as Chairman and CEO of Blue Phoenix Energy Corp. a renewable energy company.

Mr. Bettencourt serves on the board of several private corporations and has served on the board of several non-profit organizations over the years College of Electors of the University of Toronto, the Alumni Association of the University of Toronto, the Nucleus Independent Living, and the Dixie Bloor Neighborhood Centre. He is an active volunteer in his community and has served on public boards and audit committees in the past.

Mr. Bettencourt is not a party to any employment, non-competition or confidentiality agreement with the Issuer. Mr. Bettencourt will devote approximately 50% of his time to the Issuer.

Moises Michan Portillo, Director, Age: 45

Mr. Michan Portillo has an expansive resume from trading Fixed Income, Foreign Currency and Commodities at some of the most respected Wall Street financial institutions (including Citi Bank and Goldman Sachs). Mr. Michan Portillo embarked on his career at JP Morgan's Corporate High Yield desk in New York on the High Yield Bond issuances and leveraged loan syndication desk, engaging with some of the largest corporates in the United States. Mr. Michan Portillo was subsequently recruited by Goldman Sachs' Foreign Currency (FX) platform in Princeton, New Jersey. At Goldman Sachs, Mr. Michan Portillo was involved in trading FX, FX Options and Commodities. He then moved to Citi's FX desk initially covering the Latin American banks based out of New York. Ultimately, Mr. Michan Portillo was responsible for both Latin America and Citi's European Banks coverage based out of London. Mr. Michan Portillo graduated from New York University, and fluent in Spanish, French and manages well communicating Italian too.

Mr. Michan Portillo is not a party to any employment, non-competition or confidentiality agreement with the Issuer. Mr. Michan Portillo will devote 70% of his time to the Issuer.

Trevor Turner, Independent Director, Age 47

Mr. Turner is an experienced banker with 20 years experience in international banking. His ability to understand complex financial solutions that benefit corporations is instrumental. Mr. Turner has worked with some of the most established financial institutions, in particular as a director of J. Safra Sarasin and relationship executive at HSBC covering Latin America and the Iberian Peninsula. Mr. Turner holds an honours degree in law from the University of West England, Bristol – UK and is fluent in Spanish, German and Portuguese.

Mr. Turner is not a party to any employment, non-competition or confidentiality agreement with the Issuer. Mr. Turner will devote 20% of his time to the Issuer.

Michael Stier, Independent Director, Age: 36

Educated in business management & finance at the Kwantlen Polytechnic University (obtaining a Bachelor's degree in Business Administration and General Management), Mr. Stier has spent the past 15 years focused on and building expertise in the capital markets. Experienced in corporate structure, finance, business development, IPO's, M&A, and wealth management, Mr. Stier served as a CIBC IROC licensed Senior Financial Advisor, senior analyst for a private equity company and more recently holds executive and directorship roles with private companies and publicly listed issuers. He has consulted in industries including mining, oil & gas, fintech, VR, eSports, health, life sciences, consumer packaged goods and biotech and currently sits as CEO of Quebec Pegmatite Holdings Corp. (formerly First Responder Technologies Inc.). Mr. Stier is a former CEO & Director of New Leaf Ventures Inc. (CSE: NLV) and is a Co-Founder and former CEO & Director of Optimi Health Corp. (CSE: OPTI).

Mr. Stier is not a party to any employment, non-competition or confidentiality agreement with the Issuer. Mr. Stier will devote approximately 10% of his time to the Issuer.

Corporate Cease Trade Orders or Bankruptcies

To the Issuer's knowledge:

- (a) no existing or proposed director, chief executive officer, chief financial officer or promoter of the Issuer is as of the date hereof, or within the ten years prior to the date hereof has been, a director or executive officer of any other company that, while that person was acting in the capacity of director or executive officer of that company, was the subject of a cease trade order or similar order or an order that denied the company access to any statutory exemptions for a period of more than 30 consecutive days; and
- (b) no existing or proposed director, chief executive officer, chief financial officer or promoter of the Issuer is as of the date hereof, or within the ten years prior to the date hereof ceased to be a director or executive officer of any other company that, was the subject of a cease trade order or similar order or an order that denied the company access to any statutory exemptions for a period of more than 30 consecutive days that was issued after the director, executive officer or promoter ceased to be a director or executive officer and which resulted from an event that occurred while that person was acting in the capacity as director or executive officer.

Penalties or Sanctions

To the Issuer's knowledge, no director or executive officer of the Issuer, or any shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

To the Issuer's knowledge, no existing or proposed director, executive officer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the issuer is as of the date hereof, or within the ten years prior to the date hereof, been declared bankrupt or made a voluntary assignment into bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or her assets.

Conflicts of Interest

The directors of the Issuer are required by law to act honestly and in good faith with a view to the best interests of the Issuer and to disclose any interests, which they may have in any project or opportunity of the Issuer. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the Issuer's knowledge and other than disclosed herein, there are no known existing or potential conflicts of interest among the Issuer, its promoters, directors and officers or other members of management of the Issuer or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies and therefore it is possible that a conflict may arise between their duties to the Issuer and their duties as a director or officer of such other companies.

STATEMENT OF EXECUTIVE COMPENSATION

As an "IPO venture issuer" in accordance with Form 51-102F6V – Statement of Executive Compensation – Venture Issuers ("**Form 51-102F6V**"), the following disclosure contains a summary of compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to the directors and NEOs for the most recently completed financial year.

In this section, "NEO" means (a) each individual who, in respect of the Issuer, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer, (b) each individual who, in respect of the Issuer, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer, (c) in respect of the Issuer and its subsidiaries, the most highly compensated executive officer other than the chief executive officer and the chief financial officer at the end of the most recently completed financial year whose total compensation was more than CDN\$150,000, as determined in accordance with Form 51-102F6V, and (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Issuer, and was not acting in a similar capacity, at the end of that financial year. For the purposes of this Prospectus, as of the date of this Prospectus, the Issuer had two (2) NEOs, namely: Mr. Ricardo Phielix, the Chief Executive Officer and Mr. Manny Bettencourt, the Chief Financial Officer and Corporate Secretary.

Compensation Discussion and Analysis

In assessing the compensation of its NEO, the Issuer does not have in place any formal objectives, criteria or analysis; compensation payable is currently determined by the Board.

As of the date of this Prospectus, the Board has not established any benchmark or performance goals to be achieved or met by NEO's, however, such NEO's are expected to carry out their duties in an effective and efficient manner so as to advance the business objectives of the Issuer. The satisfactory discharge of such duties is subject to ongoing monitoring by the Issuer's directors.

The Issuer's Named Executive Officer compensation was determined and administered by the Board of Directors. The Board was solely responsible for assessing the compensation to be paid to the Issuer's NEO and for evaluating their performance. However, on August 18, 2023, the Issuer created its Compensation Committee to discuss such matters and to implement a company policy to that effect.

It is expected that once the Issuer becomes a reporting issuer, base salary will be the principal component of NEO compensation. The base salary for each NEO will be based on the position held, the related responsibilities and functions performed by the executive and salary ranges for similar positions in comparable companies. Individual and corporate performance will also be taken into account in determining base salary levels. The newly Compensation Committee will also expand on such matters.

Another component of NEO compensation is the grant of stock options pursuant to the Issuer's Stock Option Plan. The objective of this compensation component is to attract, retain and motivate certain persons of training, experience and leadership as key service providers to the Issuer, including its directors, NEO and employees and to advance the interest of the Issuer by providing such persons with additional compensation and the opportunity to participate in the success of the Issuer.

In addition to, or in lieu of, the compensation components described above, payments may be made from time to time to individuals, including NEO or directors of the Issuer, or companies they control for the provision of management or consulting services. Such services are paid for by the Issuer at competitive industry rates for work of a similar nature by reputable arm's length services providers.

Summary Compensation Table

The following table sets forth the value of the compensation, excluding compensation securities, of the Issuer's directors and NEO, for the last two completed financial years:

Name and principal position	Year	Salary	Share-based awards	Option-based awards	Non-equity incentive plan compensation		Pension value	All other compensation	Total compensation ⁽³⁾
					Annual incentive plans	Long-term incentive plans			
Ricardo Phielix⁽¹⁾ <i>Chief Executive Officer</i>	2023	\$153,000	N/A	N/A	N/A	N/A	N/A	N/A	\$153,000
	2022	EUR 15,000	N/A	N/A	N/A	N/A	N/A	N/A	EUR 15,000
Manny Bettencourt⁽²⁾ <i>Chief Financial Officer and Corporate Secretary</i>	2023	\$60,000	N/A	N/A	N/A	N/A	N/A	N/A	\$60,000
	2022	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Includes compensation as the managing director of DLH Germany, one of the Issuer' subsidiaries.
- (2) Manny Bettencourt was not involved in Rektron AQ UK nor any of its subsidiaries. His only role is as CFO and Corporate Secretary of the Issuer.
- (3) The amounts mentioned in this table do not reconcile to the executive compensation that is reflected in the financial statements at Schedule "B", because those financial statements are those of Rektron AQ UK, the Issuer's subsidiary and business, which has a different board of directors. The Board of the Issuer is also comprised of consultants and staff who are compensated by other companies in the Rektron group of companies but have a dual role and who work closely with the directors of Rektron AQ UK.

Director Compensation Table

The table below sets out the compensation of directors that are not also NEOs of the Issuer, for the last two completed financial years:

Name	Year	Fees earned	Share-based awards	Option-based awards	Non-equity incentive plan compensation	Pension value	All other compensation	Total ⁽⁴⁾
Michael Stier <i>Director</i> ⁽¹⁾	2023	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2022	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Moises Michan Portillo <i>Director</i> ⁽²⁾	2023	\$110,000	N/A	N/A	N/A	N/A	N/A	\$110,000
	2022	\$120,000	N/A	N/A	N/A	\$18,275	N/A	\$138,275
Trevor Turner <i>Director</i> ⁽³⁾	2023	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2022	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Michael Stier was never involved in Rektron AQ UK or any of its subsidiaries.
- (2) Moises Michan Portillo is paid through Plutus Partners Limited.
- (3) Trevor Turner was never involved in Rektron AQ UK or any of its subsidiaries.
- (4) The amounts mentioned in this table do not reconcile to the executive compensation that is reflected in the financial statements at Schedule “B”, because those financial statements are those of Rektron AQ UK, the Issuer’s subsidiary and business, which has a different board of directors. The Board of the Issuer is also comprised of consultants and staff who are compensated by other companies in the Rektron group of companies but have a dual role and who work closely with the directors of Rektron AQ UK.

Employment Consulting and management agreements

As at the most recently completed financial year, the Issuer's subsidiary DL Hudson Germany GmbH has executed a consulting agreement with a company controlled by Mr. Ricardo Phielix, CEO of the Issuer to complete management services for a base remuneration of EUR 5,000 per month, subject to overtime up to a maximum of EUR 20,000 per month. This agreement contains standard termination provisions.

As of the most recently completed financial year, the Issuer's subsidiary Rektron AQ Limited has executed a consulting agreement with a company controlled by Mr. Manny Bettencourt, CFO of the Issuer, to complete management services for a remuneration of USD 10,000 per month. This agreement contains standard termination provisions.

As at the most recently completed financial year, the Issuer's subsidiaries Rektron AQ UK and DL Hudson Limited have continuing management agreements with Plutus Partners Limited, a company controlled by Mr. Sanjeev Shah Tolia and Mr. Swapnil Mokashi, that include the management services of Mr. Moises Michan Portillo in his capacity as a director of the Issuer and director and officer of the various entities within the Group, such as Rektron AQ UK, DL Hudson, DLH Dunes and DLH Istros for a total remuneration of \$110,000 per year. Furthermore, services are provided that include traders, operations, accounting, legal and IT, rent and facilities and travel expenses. This agreement contains standard termination provisions and the terms and conditions are in line with market conditions.

Stock Options and Other Compensation Securities

Stock Options are granted to provide an incentive to the directors, officers, employees and consultants of the Issuer to achieve the longer-term objectives of the Issuer; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Issuer; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Issuer. See "Options to Purchase Securities" above for a description of the material terms of the Issuer's Stock Option Plan.

There were no Stock Options or other compensation securities granted or issued from inception as at the date of the Prospectus.

Proposed Compensation

During the next 12 months, the Issuer proposes to pay the following compensation to its Named Executive Officers and directors:

Name and Principal Position	Salary	All Other Compensation	Total Compensation
Ricardo Phielix, CEO and Director	USD\$264,000	Performance related	USD\$264,000 + Performance

Name and Principal Position	Salary	All Other Compensation	Total Compensation
Manny Bettencourt, CFO, Corporate Secretary and Director	USD\$120,000	Performance related	USD\$120,000 + Performance
Moises Michan Portillo, Director	USD\$120,000	Performance related	USD\$120,000 + Performance
Michael Stier, Director	USD\$14,000	-	USD\$14,000
Trevor Turner, Director	USD\$14,000	-	USD\$14,000

The Issuer does not intend to make material changes to the compensation disclosed.

It is anticipated that the existing consulting agreements in relation to the respective services of Mr. Phielix, Mr. Bettencourt and Mr. Michan Portillo will be amended to reflect the above compensations upon completion of the IPO. No consulting agreements are in place yet for Mr. Stier and Mr. Turner. The Issuer anticipates entering into consulting agreements with Mr. Stier and Mr. Turner upon completion of the IPO.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness for travel and other expense advances, no existing or proposed director, executive officer or senior officer of the Issuer or any associate of any of them, was indebted to the Issuer or is currently indebted to the Issuer at the date of this Prospectus.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), NI 41-101 and Form 52-110F1 require the Issuer to disclose certain information relating to the Issuer's Audit Committee and its relationship with the Issuer's independent auditors.

Audit Committee Charter

The text of the Audit Committee's charter is attached hereto as Schedule “A”.

Composition of Audit Committee

The members of the Audit Committee are set out below:

Michael Stier	Independent ⁽¹⁾	Financially literate ⁽²⁾
Trevor Turner	Independent ⁽¹⁾	Financially literate ⁽²⁾
Moises Michan Portillo	Not Independent ⁽³⁾	Financially literate ⁽²⁾

Notes:

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Issuer, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Issuer's financial statements.
- (3) Moises Michan Portillo is not an independent member as he is the Chief Operating Officer and director of various subsidiaries of the Issuer. Michael Stier and Trevor Turner are independent directors.

Relevant Education and Experience

Each member of the Issuer's present Audit Committee has adequate education and experience that is relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Issuer to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Issuer's financial statements or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

Michael Stier: Mr. Stier is well educated in business management & finance as he graduated from the Kwantlen Polytechnic University with a Bachelor's degree in Business Administration and General Management. Mr. Stier has spent the past 15 years focused on and building expertise in the capital markets. Experienced in corporate structure, finance, business development, IPO's, M&A, and wealth management, Mr. Stier served as a CIBC IIROC licensed Senior Financial Advisor, senior analyst for a private equity company and more recently holds executive and directorship roles with private companies and publicly listed issuers.

Trevor Turner: Mr. Turner is an experienced banker with 20 years experience in international banking and has worked with some of the most established financial institutions, in particular as a director of J. Safra Sarasin and relationship executive at HSBC covering Latin America and the Iberian Peninsula.

Moises Michan Portillo: Mr. Michan Portillo has an expansive resume from trading Fixed Income, Foreign Currency and Commodities at some of the most respected Wall Street financial institutions (including Citi Bank and Goldman Sachs).

Audit Committee Oversight

The Audit Committee was established on May 2, 2023 and will, among other things, make recommendations to the Board of Directors to nominate or compensate an external auditor. As of the date of this Prospectus, the Audit Committee has not made any such recommendations for the Board to consider.

Reliance on Certain Exemptions

At no time since the commencement of the Issuer's most recently completed financial period has the Issuer relied on the exemptions in Sections 2.4, 3.2, 3.4, 3.5, 3.6 or Part 8 of NI 52-110, or an exemption from subsections 3.3(2) of NI 52-110. The Issuer is relying on the exemption in Section 6.1 of NI 52-110 regarding the composition of the audit committee and reporting obligations.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board of Directors to review the performance of the Issuer's external auditors and approve in advance the provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services engaged by the Issuer. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chairman of the Audit Committee deems is necessary and the Chairman will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Committee's consideration and, if thought fit, approval in writing.

External Auditor Service Fees

The following table sets out the aggregate fees billed by Rektron AQ UK's external auditor Goldwyns Chartered Accountants & Business Advisors in the last three financial years:

	Fiscal Year Ending		
	July 31, 2023	July 31, 2022	July 31, 2021
Audit Fees	USD\$70,000	USD\$55,357	USD\$103,060
Audit Related Fees	Nil	Nil	Nil
Tax Fees	USD\$5,000	USD\$5,000	USD\$5,000

All Other Fees	Nil	Nil	Nil
TOTAL:	USD\$75,000	USD\$60,357	USD\$108,060

The following table sets out the aggregate fees billed by the Issuer’s external auditor Fareed Sheik & Co Chartered Professional Accountants in the last financial year:

	From incorporation to July 31, 2023
Audit Fees	CDN\$7,910
Audit Related Fees	Nil
Tax Fees	Nil
All Other Fees	Nil
TOTAL:	CDN\$7,910

Corporate Governance

General

The Board of Directors believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - *Corporate Governance Guidelines* (“**NP 58-201**”) provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Issuer. In addition, National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) prescribes certain disclosure by the Issuer of its corporate governance practices. This disclosure is presented below.

Board of Directors

NP 58-201 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as “independent” directors within the meaning of NI 52-110. An “independent” director is a director who has no direct or indirect material relationship with the Issuer. A material relationship is a relationship that could, in the view of the board of directors, reasonably interfere with the exercise of a director's independent judgment. In addition, the independent judgment of the Board of Directors in carrying out its responsibilities is the responsibility of all directors.

The Board is currently comprised of Mr. Ricardo Phielix, Mr. Manny Bettencourt, Mr. Moises Michan Portillo, Mr. Trevor Turner, and Mr. Michael Stier, of whom Mr. Turner and Mr. Stier are independent for the purposes of NI 52-

110. Because the Board is not comprised of a majority of independent directors, in order to facilitate its exercise of independent supervision over the Issuer's management, the Board carefully examines the issues before it, consults with outside counsel and other advisors as necessary and encourages the independent directors to regularly and independently confer amongst themselves.

Directorships

The following director of the Issuer is currently director and officer of another reporting issuer:

Name	Reporting Issuer (Exchange/Market: Trading Symbol)
Michael Stier	Quebec Pegmatite Holdings Corp. (formerly First Responder Technologies Inc. (‘WPN’): CSE

Board Mandate

The Board of Directors has not adopted a written mandate or code delineating the Board's roles and responsibilities, since it believes it is adequately governed by the requirements of applicable corporate and securities common and statute law which provide that the Board has responsibility for the stewardship of the Issuer. That stewardship includes responsibility for strategic planning, identification of the principal risks of the Issuer's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Issuer's internal control and management information systems.

Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Issuer's business, assets and industry and on the responsibilities of directors. Meetings of the Board are sometimes held at the Issuer's offices and, from time to time, are combined with presentations by the Issuer's management to give the directors additional insight into the Issuer's business. In addition, management of the Issuer makes itself available for discussion with all members of the Board.

Ethical Business Conduct

The Board of Directors has not adopted a formal code of business conduct and ethics. The Board has found that the fiduciary duties placed on individual directors by the Issuer's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Issuer.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee and these functions are currently performed by the Board as a whole, however, if there is a change in the number of directors required by the Issuer, this policy will be reviewed.

Compensation

The Board is responsible for determining compensation for the directors of the Issuer to ensure it reflects the responsibilities and risks of being a director of a public company. On August 18, 2023, the Issuer has created a Compensation Committee. See "Other Board Committees" below for more information.

Other Board Committees

Other than the Audit Committee, the Company's board has a Compensation Committee. The Compensation Committee is comprised of Mr. Moises Michan Portillo, Mr. Trevor Turner and Mr. Michael Stier. Mr. Trevor Turner is the Chair of the Compensation Committee. The Compensation Committee is responsible in discharging the Board's responsibilities relating to compensation of the Issuer's employees, consultants, directors and officers including reviewing and evaluating and, if necessary, revising the compensation plans, policies and programs of the Issuer. The Compensation Committee shall ensure that compensation programs are designed to encourage high performance, promote accountability and ensure that compensated persons' interests are aligned with the interests of the Issuer's shareholders. The majority of the Compensation Committee are independent directors, with the exception of Mr. Moises Michan Portillo. However, in order to ensure an objective process, the Compensation Committee shall retain or receive advice from the Issuer's legal counsel, other independent counsel, compensation and benefits consultants and other experts or advisors that the Compensation Committee believes to be appropriate (the "**Compensation Advisors**"). The Compensation Committee shall not be bound by the advice or recommendations of the Compensation Advisors retained by it and shall exercise its own judgment in fulfilling its responsibilities.

Assessments

Due to the minimal size of the Board of Directors, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

PLAN OF DISTRIBUTION

Agency Agreement and Agent's Compensation

The Offering will be made in accordance with the Agency Agreement and the rules and policies of the Exchange. This Offering consists of 7,500,000 Units for gross proceeds of \$ 15,000,000. The Issuer has granted to the Agent the Over-

Allotment Option, exercisable, subject to regulatory requirements, in whole or in part by the Agent at any time up to 30 days following the Closing Date to sell up to an additional 15% worth of Units sold pursuant to the Offering at the Offering Price. If the Offering is fully subscribed and the Over-Allotment Option is exercised in full, the total price to the public will be \$17,250,000, the total Agent's Compensation will be \$1,552,500, and the total net proceeds to the Issuer will be \$15,697,500 (in each case before deduction of the expenses of the Offering). This Prospectus qualifies the distribution of the Units, the Warrants, and the Compensation Options. The Additional Units issuable upon exercise of the Over-Allotment Option are hereby qualified as well for distribution under this Prospectus.

If the Offering is not completed within 90 days of the issuance of a receipt for a the Prospectus of the Issuer, and unless an amendment is filed and receipted, in which case the Offering shall be extended for a further 90 days from receipt of the amendment to the Prospectus but in any event not more than 180 days from the receipt for the Prospectus, the Offering will cease and all subscription monies will be returned to Subscribers without interest or deduction, unless the Subscribers have otherwise instructed the Agent.

Pursuant to the Agency Agreement, the Issuer has engaged the Agent to act as its sole and exclusive agent to conduct the Offering in the Selling Provinces, on a commercially reasonable efforts basis. The Agent may, in its sole discretion, offer selling group participation in the normal course of the brokerage business to other licensed dealers who be offered part of the compensation received by the Agent. The Agent will receive, on the Closing Date:

- The Corporate Finance Fee of \$75,000 plus GST;
- The Agent's Commission of 9% of the gross proceeds of the Offering, payable in cash;
- The Compensation Options in a number equal to 9% of the of the Units sold under the Offering, where each Compensation Option provides the right to acquire one Unit, exercisable at a price of \$2.00 per Compensation Option for a period of twenty-four (24) months from the Closing Date and the Units are exercisable under the same terms as the Offering; and
- The Agent's Expenses, the legal expenses portion of which is approximately \$75,000.

The Issuer has also granted the Agent a right of first refusal to provide any future brokered financing that the Issuer proposes to conduct for a period ending 12 months years from the Closing of the Offering.

The obligations of the Agent under the Agency Agreement may be terminated at the Agent's discretion upon the occurrence of certain stated events. The Agent is not obligated to purchase any of the Units under the Offering.

The Units will not be registered under the U.S. Securities Act or any state securities laws and, subject to registration under the U.S. Securities Act and applicable state securities laws or certain exemptions therefrom, may not be offered, sold, transferred, delivered or otherwise disposed of, directly or indirectly, within the United States or to, or for the account or benefit of any U.S. Person. The Agent has agreed that, except as permitted under the Agency Agreement, it will not offer, sell, transfer, deliver or otherwise dispose of, directly or indirectly, the Units at any time within the United States or to, or for the account or benefit of, any U.S. Person, except pursuant to an exemption from registration under the U.S. Securities Act.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Units in the United States or to, or for the account or benefit of, U.S. Persons. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Units within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance within an exemption from registration under the U.S. Securities Act.

Commercially Reasonable Efforts Offering

The Agent has agreed to assist with the Offering on a commercially reasonable efforts basis.

Subscriptions will be received for the Units subject to rejection or acceptance by the Issuer in whole or in part and the right is reserved to close the subscription books at any time. Upon rejection of a subscription or in the event that the Offering does not complete within the term of the Agency Agreement or the time required by the rules of the securities commissions, the subscription price and the subscription will be returned to the Subscriber forthwith without interest or deduction. Certificates representing the Common Shares acquired hereunder will be delivered on the Closing Date unless the Agent elects for delivery in book entry form through CDS Clearing and Depository Services Inc. (“CDS”) or its nominee in which case the Common Shares will be deposited electronically with CDS through its non-certificated inventory (“NCI”) system. If delivered in book entry form, purchasers of Common Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Common Shares were purchased.

The Offering Price and the terms of the Offering have been determined by negotiation between the Issuer and the Agent in accordance with the policies of the Exchange.

There are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering other than the payments to be made to the Agent in accordance with the terms of the Agency Agreement as set out above.

Closing of the Offering is subject to conditions which are set out in the Agency Agreement. The directors, officers and other insiders of the Issuer may purchase Units under the Offering.

The price of the Units offered under this Prospectus was determined by negotiation between the Issuer and the Agent and bears no relationship to earnings, book value or other valuation criteria.

Special Warrants

This prospectus is being filed to qualify the distribution of 2,595,917 Common Shares issuable upon the exercise or deemed exercise of 2,595,917 Special Warrants.

On January 29, 2024, the Issuer completed the Special Warrants Private Placement pursuant to prospectus exemptions under applicable securities legislation, comprised of an aggregate 2,595,917 Special Warrants or a value of USD\$4,101,548.86 in exchange for services at the Special Warrants Issue Price. The Special Warrants Issue Price is

based on the Offering Price using the Black-Scholes valuation model to determine the value of the Common Shares issuable at the purchase of the Units.

The terms of the Special Warrants provide that the Special Warrants will be deemed to be exercised on the date the Issuer receives the receipt issued by the securities regulators for the Prospectus, at which time each Special Warrant shall be automatically exercised into one Common Share, subject to adjustment in certain circumstances, without payment of any additional consideration and without any further action on the part of the holder. No fractional Shares will be issued upon the exercise of the Special Warrants. The holding of Special Warrants does not make the holder thereof a shareholder of the Company or entitle the holder to any right or interest granted to shareholders.

The Special Warrants may not be exercised by or on behalf of a U.S. Person or a person in the U.S. unless an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws is available. Accordingly, the Common Shares will bear appropriate legends evidencing the restrictions on the offering, sale and transfer of such securities.

Listing of Common Shares and Warrants on the Exchange

The Issuer has received conditional approval to list the Common Shares, including the Warrant Shares and the Common Shares issuable upon the exercise of the Over-Allotment Option, the Warrants including the Warrants issuable upon the exercise of the Over-Allotment Option, and the securities to be issued upon the exercise of the Compensation Options on the CSE. Listing will be subject to the Issuer fulfilling all of the requirements of the CSE.

As of the date of this Prospectus, the Issuer does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

RISK FACTORS

The Issuer and its Group are in the business of trading of commodities, which is a highly speculative endeavor. An investment in the Common Shares involves a high degree of risk and should be considered speculative. An investment in the Common Shares should only be undertaken by those persons who can afford the total loss of their investment. You should carefully consider the risks and uncertainties described below, as well as other information contained in this Prospectus, including the financial statements and accompanying notes, appearing elsewhere in this Prospectus, before buying the Common Shares. The risks and uncertainties below are not the only ones the Issuer and its Group face. Additional risks and uncertainties not presently known to the Issuer and the Group or that the Issuer and the Group believe to be immaterial may also adversely affect the Issuer and the Group's business. If any of the following risks occur, the Issuer and the Group's business, financial condition and results of operations could be seriously harmed, and you could lose all or part of your investment.

Risks Related to the Commodities Trading Sector

Volatility of Commodity Prices

Changes in global macro-economic conditions, including trade tariffs, volatility in global markets, supply chain constraints, and increased price competition can influence commodity prices. Crude oil prices and metals can remain under pressure for a prolonged period. This could subsequently result in market access constraints, regional and international supply shortages, reduced utilization and demand imbalances. The uncertainty and increased risk caused by volatile commodity markets is mitigated using financial derivatives to hedge the positions the Issuer takes.

Fluctuations in currency exchanges rates

The Issuer and Group find their suppliers and customers across the globe, while operations and operating costs are spread across several different countries and currencies. Fluctuation in exchange rates, in particular, movements in Euro and Sterling against the Dollar, may have a material impact on the Issuer and the Group's financial results. Note that the business is mainly executed on a dollar basis on the purchasing, selling as well as the financing side. If currency is not naturally hedged through back-to-back deals, the exposure is hedged through adequate instruments.

Government or Regulatory Policy

The industry is also subject to regulation and intervention by governments including changes in government policy, regulation, involvement of other laws, and environmental protection, potentially materially impacting the Issuer and the Group's ability to transact. Management follows these developments in order to ensure that the Issuer and the Group can flex its strategy as needed.

Climate Change and Emissions

Climate change may cause more frequent and severe weather events, diminished biodiversity, and changing weather factors such as fluctuating temperatures, precipitation, wind, and water levels. Physical risks from climate change may also result in operational or supply chain delays, depending on the nature of the event. The Issuer and the Group are also subject to reputational risks associated with climate change, including its stakeholders' initiatives to transition to

a lower-carbon economy. These factors, as well as others resulting from climate change, could adversely impact the business, financial condition or results of operations. Existing and future laws and regulations in support of a transition to low-carbon energy and climate change action may impose significant constraints on fossil fuel development. Among other sustainability goals, the Issuer and the Group have committed to enhancing their business in ETC such as nickel, cobalt and copper along with lower sulphur fuels, biofuels etc. The Group is also working on reducing its Scope 1 and Scope 2 emissions.

Competition

The global oil and metals industry is highly competitive in many aspects, including the exploration for and the development of new sources of supply, the acquisition of crude oil and natural gas interests, and the mining of sustainable commodities. The increasing volatility of the political and social landscape add complexity. There is a risk that increased competition could cause costs to increase, put further strain on existing infrastructure and cause margins to be volatile, and impact demand for the Issuer's products, which could have a material adverse effect on the Issuer and the Group's business, financial condition and results of operations.

Access to Capital and Liquidity

With the volatility in commodity prices, access to sufficient capital and liquidity is critical in enabling the Issuer and the Group to operate. The Issuer and the Group's growth plans are also highly dependent upon having access to adequate capital and liquidity. Investors and stakeholders increasingly compare companies based on climate-related performance. Failure to achieve the Issuer and the Group's greenhouse gas emissions intensity reduction targets and goals, or a perception among financial institutions and investors that such targets and goals are insufficient, could adversely affect the Issuer and the Group's reputation and ability to attract capital. It is important that the Issuer and the Group has access to different lines of financing and use of available headroom with their financiers helps to mitigate the liquidity risk.

Credit Risk

The Issuer and the Group are exposed to the credit risk of their customers in the ordinary course of the business. Generally, the customers are otherwise considered creditworthy or provide the Issuer and the Group security to satisfy credit concerns. However, the Issuer and the Group cannot predict to what extent their business would be impacted by deteriorating conditions in the economy, including possible declines in their customers' creditworthiness. It is possible that customer payment defaults, if significant, could adversely affect their earnings and cash flows. The Issuer and the Group currently have credit insurance to cover credit receivables which is used to mitigate this risk.

Margin Risk

Difficulty arises if the Issuer and the Group make losses on the utilisation of options to manage the risks in the portfolio, which results in reduced levels of liquidity. The daily management of cash flows and liquidity is essential to the operation of the business so they can meet repayment obligations.

Infrastructure, Transport and Counterparties

The Issuer and the Group physically move commodities around the globe. Although the logistics and counterparties are carefully assessed before accepting and entering a transaction, the risk exist that despite careful planning and communication infrastructure is (temporarily) not available and transport does not function as expected. The same applies to the counterparties that are used in these processes.

Financial Institutes

The business of the Issuer and the Group is mainly financed through trade finance and similar working capital solutions. In the case that these sources of financing are (temporarily) unavailable, this could negatively impact the Issuer and the Group's business. Similarly, their business is insured with reputable insurance companies. In some circumstances, however, the Issuer and the Group might not be adequately insured and/or the insurance company might not perform as agreed or intended.

Errors in IT

The Issuer and the Group are using information and communication technology to run their business. Although their infrastructure is carefully designed and a team is involved to monitor and maintain it, unforeseen changes or events could adversely affect their business.

Tax Law Environment

The Issuer and the Group operate in multiple countries around the globe. Adjustments in tax regimes could adversely affect our business.

Legal

In trading, the Issuer and the Group enter into a multitude of contracts with suppliers, customers and service providers. Although the Issuer and the Group intend to carry out any contractual commitment and are selective in choosing its counterparts, the risk remains that a situation arises that will lead to legal arbitration and subsequent adverse effects.

Risk Related to the Issuer, its Business and Securities

The Issuer is a Holding Company

The Issuer is a holding company and essentially all of its assets are the capital stock of its subsidiaries in each of the markets the Issuer operates in. As a result, investors in the Issuer are subject to the risks attributable to its subsidiaries. As a holding company, the Issuer conducts substantially all of its business through its subsidiaries, which generate substantially all of its revenues. Consequently, the Issuer's cash flows and ability to complete current or desirable future enhancement opportunities are dependent on the earnings of its subsidiaries and the distribution of those earnings to the Issuer. The ability of these entities to pay dividends and other distributions will depend on its operating results and will be subject to applicable laws and regulations which require that solvency and capital standards be

maintained by such companies and contractual restrictions contained in the instruments governing its debt. In the event of a bankruptcy, liquidation or reorganization of any of the Issuer's material subsidiaries, holders of indebtedness and trade creditors may be entitled to payment of its claims from the assets of those subsidiaries before the Issuer.

Sales of Substantial Amounts of Common Shares May Have an Adverse Effect on the Market Price of Such Securities

Sales of substantial amounts of Common Shares of the Issuer, or the availability of such securities for sale, could adversely affect the prevailing market prices for such class of the Common Shares. A decline in the market prices of the Common Shares could impair the Issuer's ability to raise additional capital through the sale of securities should it desire to do so.

Investors May Lose Their Entire Investment

An investment in the Common Shares is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high-risk investments and who can afford to lose their entire investment should consider an investment in the Issuer.

Volatile Market Price for the Issuer's Common Shares

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Issuer in creating revenues, cash flows or earnings. The value of Common Shares distributed hereunder will be affected by such volatility.

The wide fluctuations are in response of numerous factors, many of which will be beyond the Issuer's control, including, but not limited to the following:

- actual or anticipated fluctuations in the Issuer’s quarterly results of operations;
- recommendations by securities research analysts;
- changes in the economic performance or market valuations of companies in the commodities trading industry;
- addition or departure of the Issuer’s executive officers and other key personnel;
- sales or perceived sales of additional Common Shares, or other classes of shares of the Issuer;
- operating and financial performance that vary from the expectations of management, securities analysts and investors;
- regulatory changes affecting the commodities trading sector generally and the Issuer’s business and operations both domestically and abroad;
- regulatory changes affecting businesses generally within jurisdictions in which the Issuer operates or does business both domestically and abroad;
- announcements of developments and other material events by the Issuer’s or its competitors;
- fluctuations to the costs of vital production materials and services;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Issuer or its competitors;
- operating and share price performance of other companies that investors deem comparable to the Issuer or from a lack of market comparable companies; and
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Issuer’s industry or target markets.

Evolving Business Strategy

While the Issuer and the Group have existing operations and are generating revenues, they plan to expand their operations and staff to meet the requirements of their business initiatives. The commercial response to the product offerings is still uncertain, and although the Issuer and the Group believe that their strategy incorporates advantages compared to other commodities trading business models, if consumers do not respond favorably to the Issuer and the Group’s products or if it takes longer to develop their products or establish their customer base or it proves to be more costly than currently anticipated to develop their businesses, revenues may be adversely affected.

Discretion in the Available Funds

Management has discretion concerning the use of the Issuer’s available funds, as well as the timing of its expenditure. See “*Use of Proceeds*”. As a result, investors will be relying on the judgment of management for the application of the Issuer’s available funds. The results and the effectiveness of the application of the proceeds are uncertain. If the proceeds are not applied effectively, the results of the Issuer’s operations may suffer. Management currently intends to allocate the available funds as described under “*Use of Proceeds*”. However, management may elect to allocate the proceeds differently from that described under “*Use of Proceeds*” if it believes it would be in the Issuer and the Group’s best interest to do so. Shareholders may not agree with the manner in which Management chooses to allocate and spend the Issuer’s available funds and proceeds.

Future Acquisitions or Dispositions

Material acquisitions, dispositions and other strategic transactions involve a number of risks, including: (i) potential disruption of the Issuer and the Group's ongoing business; (ii) distraction of management; (iii) the Issuer and the Group may become more financially leveraged; (iv) the anticipated benefits and cost savings of those transactions may not be realized fully or at all or may take longer to realize than expected; (v) increasing the scope and complexity of the Issuer and the Group's operations; (vi) loss or reduction of control over certain of the Issuer and the Group's assets; and (vii) litigation or other disputes concerning either the Issuer and the Group's obligations to counterparties under relevant transaction documents or liabilities of an acquisition target or its previous owners (whether disclosed or undisclosed at the time of the relevant transaction).

Additionally, the Issuer may issue additional Common Shares or other securities of the Issuer in connection with such transactions, which would dilute a shareholder's holdings in the Issuer.

The presence of one or more material liabilities of an acquired company that are unknown to the Issuer and the Group at the time of acquisition could have a material adverse effect on the business, results of operations, prospects and financial condition of the Issuer and the Group. While the Issuer and the Group attempt to obtain appropriate indemnification provisions in connection with their acquisitions and dispositions, the Issuer and the Group may still be exposed to significant financial or reputational risk as a result of entering into such transactions.

Dilution from Equity Financing could Negatively Impact Holders of Common Shares

The Issuer may from time to time raise funds through the issuance of Common Shares or the issuance of debt instruments or other securities convertible into Common Shares. The Issuer cannot predict the size or price of future issuances of Common Shares or the size or terms of future issuances of debt instruments or other securities convertible into Common Shares, or the effect, if any, that future issuances and sales of the Issuer's securities will have on the market price of the Common Shares. Sales or issuances of substantial numbers of Common Shares, or the perception that such sales or issuances could occur, may adversely affect prevailing market prices of the Common Shares. With any additional sale or issuance of Common Shares, or securities convertible into Common Shares, investors will suffer dilution to their voting power and the Issuer may experience dilution in its earnings per share.

Management of Debt Dependent on Cash Flow

An economic downturn may negatively impact the Issuer and the Group's cash flows. Credit and capital markets can be volatile, which could make it more difficult for the Issuer and the Group to obtain additional debt or equity financings in the future. Such constraints could increase the Issuer and the Group's costs of borrowing and could restrict their access to other potential sources of future liquidity.

The Issuer and the Group's failure to have sufficient liquidity to make interest and other payments required by its debt could result in a default of such debt and acceleration of the Issuer and the Group's borrowings, which would have a material adverse effect on the Issuer and the Group's business and financial condition. To the extent the Issuer and the Group incur indebtedness, principal and interest payments on such indebtedness will have to be made when due, regardless of whether sufficient cash flow or income is available. If payments on any debts and obligations are not

made when due, it may result in substantial adverse consequences to the Issuer and the Group, including adverse income tax consequences.

Management and Directors

The success of the Issuer is currently largely dependent on the performance of its officers. The loss of the services of these persons will have a materially adverse effect on the Issuer's business and prospects. There is no assurance the Issuer can maintain the services of its officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Issuer and its prospects.

The Issuer has made certain forward-looking statements in this Prospectus regarding the future plans and intentions of the Issuer. Investors are cautioned that while the Issuer presently believes such statements to be accurate, the current Board of Directors and management of the Issuer do not have the power to irrevocably bind future Boards of Directors, management or shareholders of the Issuer and, accordingly, cannot guarantee that such plans and intentions will be fulfilled by the Issuer, if any.

Litigation

The Issuer may from time to time be involved in various claims, legal proceedings and disputes arising from disputes in the ordinary course of business. If such disputes arise and the Issuer is unable to resolve these disputes favourably, it may have a material and adverse effect on the Issuer's profitability or results of operations and financial condition.

Conflicts of Interest

Certain of the directors of the Issuer serve as directors of other companies or have significant shareholdings in other companies and, to the extent that such other companies may participate in ventures in which the Issuer may participate, the directors of the Issuer may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the board of directors of the Issuer, a director who has such a conflict will abstain from voting for or against the approval of such a participation or such terms. It may occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. The directors of the Issuer are required to act honestly, in good faith and in the best interests of the Issuer. In determining whether or not the Issuer will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Issuer may be exposed and its financial position at that time.

Dividends

The Issuer does not anticipate paying any dividends on its Common Shares in the foreseeable future.

Epidemics and Pandemics

The Issuer faces risks related to health epidemics, pandemics and other outbreaks of communicable diseases, which could significantly disrupt its operations and may materially and adversely affect its business and financial conditions. The Issuer's business could be adversely impacted by the effects of the novel strain of coronavirus ("COVID-19") pandemic or other epidemics and/or pandemics. In December 2019, COVID-19 emerged in China and the virus has

now spread to several other countries and regions, including Canada and the Europe, and infections have been reported globally. On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 to be a pandemic. The extent to which COVID-19 impacts the Issuer's business, including its operations and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the pandemic and the actions taken to contain or treat the COVID-19 pandemic (including recommendations from public health officials). In particular, the continued spread of COVID-19 globally could materially and adversely impact the Issuer's business including without limitation, store or facility closures or reduced operational hours or service methods, employee health, workforce productivity, reduced access to supply, increased insurance premiums, limitations on travel, the availability of experts and personnel and other factors that will depend on future developments beyond the Issuer's control, which may have a material and adverse effect on its business, financial condition and results of operations. There can be no assurance that the Issuer's personnel will not be impacted by these pandemic diseases and ultimately see its workforce productivity reduced or incur increased costs as a result of these health risks. In addition, the COVID-19 pandemic represents a widespread global health crisis that could adversely affect global economies and financial markets resulting in an economic downturn that could have an adverse effect on the Issuer.

PROMOTERS

Nile Flow is considered a promoter of the Issuer within the meaning of the *Securities Act* (British Columbia) as it has taken part in the substantial reorganization of the Issuer and holds over 10% of the issued and outstanding Common Shares of the Issuer. As at the date of this Prospectus, Nile Flow holds 40,792,983 (55%) of the issued and outstanding Common Shares of the Issuer.

Callan is also considered to be a promoter of the Issuer within the meaning of the *Securities Act* (British Columbia) as it has taken part in the substantial reorganization of the Issuer and holds over 10% of the issued and outstanding Common Shares of the Issuer. As at the date of this Prospectus, Callan holds 33,376,077 (45%) of the issued and outstanding Common Shares of the Issuer.

LEGAL PROCEEDINGS

Neither the Issuer nor Rektron AQ UK has or has been the subject of any legal proceedings, penalties or sanctions imposed by a court or regulatory authority, or settlement agreements before a court or regulatory, and no such legal proceedings, penalties or sanctions are known by the Issuer or Rektron AQ UK to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The directors, senior officers and principal shareholders of the Issuer, a person or company that beneficially owns or controls or directs, directly or indirectly more than 10% of the Common Shares of the Issuer, or any associate or affiliate of the foregoing have had no material interest, direct or indirect, in any transactions in which the Issuer or its subsidiaries have participated within the three year period prior to the date of this Prospectus, or will have any material interest in any proposed transaction, which has materially affected or will materially affect the Issuer. See "*Statement*

of *Executive Compensation*” and *“Description of the Business”*.

RELATIONSHIP BETWEEN ISSUER AND AGENT

The Issuer is not a "related issuer" or connected issuer to the Agent as such terms are utilized in National Instrument 33-105 – Underwriting Conflicts.

AUDITORS

The auditor of the Issuer in the UK is Goldwyns, Chartered Accountants & Business Advisors, of 109 Baker Street, London, UK, W1U 6RP (“**Goldwyns**”) and Fareed Sheik & Co Chartered Professional Accountants, of Suite 100, 3034 Palstan Road, Mississauga, Ontario L4Y 2Z6 (“**Fareed Sheik & Co**”).

Goldwyns audited the financial statements of Rektron AQ UK for the year ended July 31, 2023 and issued an auditor's report dated February 7, 2024. As at February 7, 2024, Goldwyns was not required by securities legislation to enter, and had not entered, into a participation agreement with the Canadian Public Accountability Board. An audit firm that enters into a participation agreement is subject to the oversight program of the Canadian Public Accountability Board.

Fareed Sheik & Co audited the financial statements of the Issuer for the year ended July 31, 2023 and issued an auditor's report dated December 4, 2023. As at December 4, 2023, Fareed Sheik & Co was not required by securities legislation to enter, and had not entered, into a participation agreement with the Canadian Public Accountability Board. An audit firm that enters into a participation agreement is subject to the oversight program of the Canadian Public Accountability Board.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Issuer is Odyssey Trust Company, of 350 – 409 Granville Street Vancouver BC V6C 1T2.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Issuer to the date hereof which are currently in effect and considered to be material:

1. Share sale and purchase agreement dated August 13, 2019, made between DLH-RB, subsidiary of the Issuer and Mr. Yuriy Peshkov Inc. with respect to assets of Inland;
2. Share sale and purchase agreement dated August 13, 2019, made between DLH-RB, subsidiary of the Issuer and Mr. Yuriy Peshkov Inc. with respect to assets of RBB;
3. MACA Engagement Letter dated July 21, 2022 between Rektron AQ UK and MidAtlantic;
4. Stock Option Plan approved by the Board of Directors on May 4, 2023 referred to under “Options to Purchase Securities”
5. Share Exchange Agreement dated May 5, 2023 between the Issuer and Callan and Nile Flow;

6. MACA Amending Agreement dated May 26, 2023 between Rektron AQ UK, MidAtlantic and the Issuer;
7. MACA Second Amending Agreement dated January 29, 2024, between Rektron AQ UK, MidAtlantic and the Issuer;
8. Agency Agreement dated March 4, 2024 between the Issuer and the Agent; and
9. Escrow Agreement dated March 4, 2024 between the Issuer, Odyssey Trust Company and Principals of the Issuer made as of referred to under “Escrowed Securities”.

Each of the above agreements are available on the Issuer’s SEDAR+ profile at www.sedarplus.ca.

EXPERTS

Except as disclosed below, no person or company whose profession or business gives authority to a report, valuation, statement or opinion and who is named as having prepared or certified a part of this Prospectus or as having prepared or certified a report or valuation described or included in this Prospectus holds or is to hold any beneficial or registered interest, direct or indirect, in any securities or property of the Issuer or any associate or affiliate of the Issuer.

The auditor of the Issuer is Goldwyns, Chartered Accountants & Business Advisors, in London, UK. Goldwyns has confirmed that it is independent of the Issuer within the meaning of the relevant rules and related interpretations prescribed by the auditing standards set by the International Auditing And Assurance Standards Board any applicable legislation or regulation. Also, the other auditor of the Issuer, Fareed Sheik & Co Chartered Professional Accountants has confirmed that it is independent of the Issuer within the meaning of the relevant rules and related interpretations prescribed by the Rules of Professional Conduct adopted by the Chartered Professional Accountants of Ontario.

Certain legal matters related to this Prospectus will be passed upon on behalf of the Issuer by Lebeuf Legal Inc. and on behalf of the Agent by Vantage Law Corporation. As of the date of this Prospectus, the respective “designated professionals” (as such term is defined in Form 51-102F2 – Annual Information Form) of Lebeuf Legal Inc. and Vantage Law Corporation, do not beneficially own, directly or indirectly, any outstanding securities of the Issuer or any associate or affiliate of the Issuer.

ELIGIBILITY FOR INVESTMENT

In the opinion of the Issuer’s counsel, Lebeuf Legal Inc., based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (the “**Tax Act**”), and any specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, provided the Common Shares are listed on a “designated stock exchange” (as such term is defined in the Tax Act and which currently includes the Exchange) or the Issuer is otherwise a “public corporation” (as such term is defined in the Tax Act) at the particular time, the Common Shares and the Warrants, if issued on the date hereof will at that time be a “qualified investment” under the Tax Act for a trust governed by a registered retirement savings plan (a “**RRSP**”), a registered retirement income fund (a “**RRIF**”), a deferred profit sharing plan, a registered disability savings plan (a “**RDSP**”), a registered education savings plan (a “**RESP**”), a deferred profit sharing plan (“**DPSP**”) and a tax-free savings account (a “**TFSA**”).

The Common Shares are not currently listed on a “designated stock exchange” and the Issuer is not otherwise a “public corporation” (as such term is defined in the Tax Act). The Issuer has received conditional approval to list the Common Shares on the CSE. Listing will be subject to the Issuer fulfilling all of the requirements of the Exchange. The Issuer will rely upon the Exchange to list the Common Shares on the Listing Date and otherwise proceed in the manner described above to render the Common Shares issued on the Closing Date to be listed on a designated stock exchange within the meaning of the Tax Act at the time of issuance. If the Exchange does not proceed as anticipated, the Common Shares and the Warrants will not be a “qualified investment” as per the Tax Act at the time of Listing Date. It is counsel’s understanding that the Listing of the Common Shares on the Exchange is a condition of Closing.

Notwithstanding that the Common Shares and Warrants may be a qualified investment for a DPSP, TFSA, RRSP, RRIF, RDSP or RESP, the holder of the TFSA or the RDSP, the subscriber of the RESP or annuitant of the RRSP or RRIF (as the case may be) will be subject to a penalty tax as set out in the Tax Act if the Common Shares and Warrants are a “prohibited investment” for the purposes of the Tax Act. The Common Shares and Warrants will be a “prohibited investment” if the holder of the TFSA or the RDSP, the subscriber of the RESP or annuitant of the RRSP or RRIF (as the case may be): (i) does not deal at arm’s length with the Issuer for purposes of the Tax Act; or (ii) has a “significant interest” (within the meaning of the Tax Act) in the Issuer. In addition, the Common Shares and the Warrants will not be a “prohibited investment”, if the Common Shares and Warrants are “excluded property”, as defined in the Tax Act, for a TFSA, DPSP, RRSP, RRIF, RDSP or RESP. Prospective holders that intend to hold Common Shares and Warrants in a TFSA, DPSP, RRSP, RRIF, RDSP or RESP are urged to consult their own tax advisers.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS

Ricardo Phielix, Moises Michan Portillo and Trevor Turner reside outside of Canada and the Issuer’s auditor Goldwyns, Chartered Accountants & Business Advisors is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction. They have appointed Mr. Michel Lebeuf, 1435, rue Saint-Alexandre, #300, Montreal, Quebec, H3A 2G4 as agent for service of process in Canada.

Purchasers are advised that it may not be possible for prospective purchasers to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

PURCHASERS’ STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a Prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of these rights or consult with a legal adviser.

In an offering of Special Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus is limited, in certain provincial securities legislation, to the price at which the Special Warrants are offered to the public under the Prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

OTHER MATERIAL FACTS

As at the most recently completed financial year, the Issuer's subsidiaries Rektron AQ UK and DL Hudson Limited have continuing management agreements with Plutus Partners Limited, a company controlled by Mr. Sanjeev Shah Tolia and Mr. Swapnil Mokashi, the principals of the significant shareholders and promoters Callan and Nile Flow respectively. The management agreements include the management services of Mr. Sanjeev Shah Tolia in his capacity as a director and officer of the various entities within the Group, such as Rektron AQ UK, DL Hudson, DLH Dunes and DLH Istros for a total remuneration of \$72,000 per year. Mr. Swapnil Mokashi is also receiving a remuneration of \$72,000 per year. Furthermore, services are provided that include traders, operations, accounting, legal and IT, rent and facilities and travel expenses. These agreements contain standard termination provisions and the terms and conditions are in line with market conditions.

FINANCIAL STATEMENTS

Attached as Schedule "B" and forming part of this Prospectus are the audited annual financial statements of Rektron AQ UK for the years ended July 31, 2023, July 31, 2022, July 31, 2021 and Rektron Group Inc.'s unaudited interim financial statements for the three months period ended October 31, 2023. Attached as Schedule "C" and forming part of this Prospectus are the audited financial statements for the Issuer from incorporation to July 31, 2023.

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

1. Mandate

The Audit Committee will be responsible for managing, on behalf of shareholders of the Company, the relationship between the Company and the external auditors. In particular, the Audit Committee will have responsibility for the matters set out in this Charter, which include:

- a. overseeing the work of external auditors engaged for the purpose of preparing or issuing an auditing report or related work;
- b. recommending to the board of directors the nomination and compensation of the external auditors;
- c. reviewing significant accounting and reporting issues;
- d. reviewing the Company's financial statements, MD&A and earnings press releases before the Company publicly discloses this information;
- e. focusing on judgmental areas such as those involving valuations of assets and liabilities;
- f. considering management's handling of proposed audit adjustments identified by external auditors;
- g. being satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements of the Company;
- h. establishing procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- i. evaluating whether management is setting the appropriate tone by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities.

2. Membership of the Audit Committee

Composition

The audit committee will be comprised of at least such number of directors as required to satisfy the audit committee

composition requirements of National Instrument 52-110, as amended from time to time. Each member will be a director of the Company.

Independence

The Audit Committee will be comprised of a number of independent directors required to enable the Company to satisfy:

- a. the independent director requirements for audit committee composition required by National Instrument 52-110, as amended from time to time; and
- b. the independent director requirements of the stock exchange on which the Company's shares are traded from time to time.

Chair

The Audit Committee shall select from its membership a chair.

Expertise of Audit Committee Members

Each member of the Audit Committee must be financially literate. Financially literate means the ability to read and understand a set of financial statements that represent a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Financial Expert

The Company will strive to include a financial expert on the Audit Committee. An Audit Committee financial expert means a person having: (i) an understanding of financial statements and accounting principles; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves; (iii) experience in preparing, auditing, analyzing or evaluating financial statements that present a similar breadth and level of complexity as the Company's statements; (iv) an understanding of internal controls; and (v) an understanding of an Audit Committee's functions.

3. Meetings of the Audit Committee

The Audit Committee must meet in accordance with a schedule established each year by the board of directors, and at other times as the Audit Committee may determine. A quorum for transaction of business in any meeting of the Audit Committee is a majority of members. At least twice a year, the Audit Committee must meet with the Company's

chief financial officer and external auditors separately.

4. Responsibilities of the Audit Committee

The Audit Committee will be responsible for managing, on behalf of the shareholders of the Company, the relationship between the Company and the external auditors. In particular, the Audit Committee has the following responsibilities:

External Auditors

- a. the Audit Committee must recommend to the board of directors:
 - i. the external auditors to be nominated for the purpose of preparing or issuing an audit report or performing other audit or review services for the Company; and
 - ii. the compensation of the external auditors;
- b. the Audit Committee must be directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditors regarding financial reporting;
- c. with respect to non-audit services:
 - i. the Audit Committee must pre-approve all non-audit services provided to the Company or its subsidiaries by its external auditors or the external auditors of the Company's subsidiaries, except for tax planning and transaction support services in an amount not to exceed C\$15,000 for each service in a fiscal year; and
 - iii. the Audit Committee must pre-approve all non-audit services provided to the Company or its subsidiaries by its external auditors or the external auditors of the Company's subsidiaries, except de minimis non-audit services as defined in applicable law.
- d. the Audit Committee must also:
 - i. review the auditors' proposed audit scope and approach;
 - ii. review the performance of the auditors; and
 - iii. review and confirm the independence of the auditors by obtaining statements from the auditors on relationships between the auditors and the Company, including non-audit services, and discussing the relationships with the auditors;

Accounting Issues

- e. the Audit Committee must:
 - i. review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and,
 - ii. ask management and the external auditors about significant risks and exposures and plans to minimize such risks.

Financial Statements, MD&A and Press Releases

- f. the Audit Committee must:
 - i. review the Company's financial statements, MD&A and earnings press releases before the Company publicly discloses this information;
 - ii. in reviewing the annual financial statements, determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles;
 - iii. pay particular attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
 - iv. focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses, warranty, professional liability, litigation reserves and other commitments and contingencies;
 - v. consider management's handling of proposed audit adjustments identified by the external auditors;
 - vi. ensure that the external auditors communicate certain required matters to the committee;
 - vii. be satisfied that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements, other than the disclosure referred to in paragraph (f)(i) (above), and must periodically assess the adequacy of those procedures;
 - viii. be briefed on how management develops and summarizes quarterly financial information, the extent to which the external auditors review quarterly financial information and whether that

review is performed on a pre- or post-issuance basis;

- ix. meet with management, either telephonically or in person to review the interim financial statements;
- x. to gain insight into the fairness of the interim statements and disclosures, the Audit Committee must obtain explanations from management on whether:
 - (a) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
 - (b) changes in financial ratios and relationships in the interim financial statements are consistent with changes in the Company's operations and financing practices;
 - (c) generally accepted accounting principles have been consistently applied;
 - (d) there are any actual or proposed changes in accounting or financial reporting practices;
 - (e) there are any significant or unusual events or transactions;
 - (f) the Company's financial and operating controls are functioning effectively;
 - (g) the Company has complied with the terms of loan agreements or security indentures; and
 - (h) the interim financial statements contain adequate and appropriate disclosures;

Compliance with Laws and Regulations

- (i) the Audit Committee must:
 - 1. periodically obtain updates from management regarding compliance;
 - 2. be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements;
 - 3. review the findings of any examinations by regulatory agencies such as the Ontario Securities Commission; and
 - 4. review, with the Company's counsel, any legal matters that could have a significant impact on the

Company's financial statements;

Employee Complaints

- (j) the Audit Committee must establish procedures for:
 - 1. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - 2. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other Responsibilities

- (k) the Audit Committee must:
 - 1. review and approve the Company's hiring policies of employees and former employees of the present and former external auditors of the Company;
 - 2. evaluate whether management is setting the appropriate tone by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
 - 3. focus on the extent to which internal and external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of a systems breakdown;
 - 4. gain an understanding of whether internal control recommendations made by external auditors have been implemented by management;
 - 5. periodically review and reassess the adequacy of this Charter and recommend any proposed changes to the Corporate Governance and Nominating Committee and the board for approval;
 - 6. review, and if deemed appropriate, approve expense reimbursement requests that are submitted by the chief executive officer or the chief financial officer to the Company for payment;
 - 7. assist the board to identify the principal risks of the Company's business and, with management, establish systems and procedures to ensure that these risks are monitored; and
 - 8. carry out other duties or responsibilities expressly delegated to the Audit Committee by the board.

5. Authority of the Audit Committee

The Audit Committee shall have the authority to:

- a. engage independent counsel and other advisors as it determines necessary to carry out its duties;
- b. set and pay the compensation for any advisors employed by the Audit Committee; and
- c. communicate directly with the internal and external auditors.

SCHEDULE "B"

AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEARS ENDED JULY 31, 2023, JULY 31, 2022, JULY 31, 2021 AND UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED OCTOBER 31, 2023

SCHEDULE "C"

**AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE ISSUER FROM INCORPORATION TO
JULY 31, 2023**

SCHEDULE “D”

**MANAGEMENT’S DISCUSSION & ANALYSIS FOR THE YEARS ENDED JULY 31, 2023, JULY 31, 2022
AND INTERIM MANAGEMENT’S DISCUSSION & ANALYSIS FOR THE THREE MONTHS ENDED
OCTOBER 31, 2023**

SCHEDULE “E”

**MANAGEMENT’S DISCUSSION & ANALYSIS OF THE ISSUER FOR THE YEAR ENDED JULY 31,
2023**

CERTIFICATE OF REKTRON GROUP INC.

Dated: March 4, 2024

This Prospectus (which includes the marketing materials included or incorporated by reference) constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

RICARDO PHIELIX
Chief Executive Officer

MANNY BETTENCOURT
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF REKTRON GROUP INC.

TREVOR TURNER
Director

MICHAEL STIER
Director

CERTIFICATE OF THE PROMOTERS

Dated: March 4, 2024

This Prospectus (which includes the marketing materials included or incorporated by reference) constitutes full, true, and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of the provinces of British Columbia, Alberta and Ontario.

Tanya Hurtado, representative of NILE FLOW
LIMITED
Promoter

Sanjeev Shah Tolia, representative of CALLAN
PARTNERS LIMITED
Promoter

CERTIFICATE OF THE AGENT

Dated: March 4, 2024

To the best of our knowledge, information and belief, the Prospectus (which includes the marketing materials included or incorporated by reference) constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

RESEARCH CAPITAL CORPORATION

JOVAN STUPAR

Managing Director