Capital Access via the Toronto Stock Exchange The Issuers Experience and Perspective

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Abstract

Small emerging companies and startups play a significant role in the economic growth of many countries. The growth of these companies depends on access to capital since most financial intermediaries like the banks shy away from lending to these so-called high risk emerging enterprises. Company founders and senior management teams are compelled to depend on equity capital, a task that is challenging owing to the substantial expenses associated with information asymmetry and agency costs among entrepreneurs, managers, and investors. To this problem the Toronto Stock Exchange has provided a solution, since 1986, via the Capital Pool Company (CPC) programme. In this paper we examine the experience and views of the CPC issuers (company founders and senior management teams) that have not found an investment target or a qualified transaction (QT) up to June 2023. We find that Issuers and Toronto Stock Exchange (TSX) authorities both believe that the Canadian public VC market can provide innovatively and effectively equity capital to Canadian and global startups and new ventures. We also identify interesting insights from the surveyed issuers and the interviewed TSX managers.

Keywords: Capital Access, Venture Capital, Agency Costs, Information Asymmetry, IPOs, Investor Relations,

Introduction

This paper provides an examination, analysis, and prediction of the use of a stock market to get funding for new, emerging, and growing firms and to replace the role and responsibilities of private venture capitalists. It has been observed that the success rate of the Canadian public venture capital industry is about four times higher than that of the private VC sector[2]. The public VC market in Canada has not only survived for 37 years, but also when compared with other junior stock exchanges (such in Europe and the US) comes out winner. Especially in the European Union context, several markets have introduced novel or junior stock markets with a specific focus on facilitating the funding of new and promising companies. By offering less stringent regulations and accepting nil revenues as prerequisites, these junior exchanges were believed to attract many startups. In this case, institutional, retail investors as well as private venture capital firms could

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[2] Carpentier, C., (2012), p. 3.

pre-invest and invest. In many cases, this model failed in many countries. Furthermore, the utilization of junior markets as a means of exit by private venture capital sources is a prevalent practice, often seen as unsuccessful, and that public markets are ill-suited for providing financial support to enterprises throughout their growth phase, even if these companies have progressed beyond their first stages of development (Bottazzi and Da Rin, 2002). In this environment, and at that time after 1990, the establishment of a public venture capital market primarily focused on supporting early-stage startups may be deemed an unattainable goal. However, this public VC market has been in operation in Canada for a considerable period of time. And since many junior stock exchanges across the globe ceased to exist, the TSX Venture Exchange (TSXV) stands out as the sole publicly accessible venture capital market globally. Therefore, the Canadian context presents a distinct opportunity for examining the efficacy of a public venture capital market in fostering the growth of nascent enterprises, while also addressing the many repercussions stemming from the significant knowledge and information asymmetries inherent in this kind of financing. In addition, the TSXV programme lacks any public policy grants or advantages, whereas the private VC market is significantly influenced by extensive public policies, notably the Labour-sponsored VC fund programme, and that offers many policy implications.

At this point, let's clarify some important terms and definitions which are critical at the CPC programme at the TSX. The term "Capital Pool Company" (CPC) refers to a type of corporate entity that operates inside the financial market. A Capital Pool Company (CPC) refers to a type of corporate entity that is established with the primary purpose of identifying and acquiring a suitable business or asset. This entity is often formed through an initial public offering (IPO) and operates as a shell company until a suitable acquisition target is identified. A capital pool company (CPC) serves as an alternate mechanism for private enterprises in Canada to secure funding and transition into publicly traded entities. The TMX Group (the parent entity of TSX and TSXV) is responsible for the establishment and ongoing oversight of the capital pool company system, which facilitates the trading of resultant businesses on the TSX Venture Exchange located in Toronto, Canada.

As such, the capital pool company (CPC) offers an alternate avenue for privately held enterprises to secure funding and transition into publicly traded entities. A capital pool company (CPC) is an entity that aggregates funds from a minimum of three eligible persons and establishes a corporate structure under a dormant business. The establishment of CPCs in Canada may be attributed to the need for Canadian and global start-ups to access public markets more conveniently, particularly in the absence of venture capital support, as a reaction to the American and European venture capital sector.

The Toronto Stock Exchange (TSX)

This section provides an overview of the TMX[3] and its two operation units TSX and TSXV and especially describes the TSX Venture Exchange (TSXV), a unique globally Canadian stock exchange that primarily caters to emerging companies.

The TMX operates both the Toronto Stock Exchange (TSX) and the Toronto Stock Exchange Venture (TSXV) or simply the Venture Exchange (TSXV). Both the senior and junior divisions

[3] www.tsx.com

combined hold a prominent position as one of the major exchanges globally, ranking ninth or tenth depending on the specific year in consideration, even higher ranking if someone disregards aggregated stock markets in the USA, China, India and the EU (Table 1). A notable aspect for TSX and TSXV is the quantity of new listings every year and the worldwide initial public offerings (IPOs). Approximately 25% of the member businesses listed on the Toronto Stock Exchange (TSX) and the TSX Venture Exchange (TSXV) are based outside of Canada. Furthermore, almost 40% of the daily trading activity on both exchanges is initiated by entities located outside of Canada.

Additionally, there is a commendable level of diversification observed across many economic sectors. But there has been a notable absence of initial public offerings (IPOs) from transportation companies, as well as other industries such as shipping, clean energy, artificial intelligence, etc. in recent times, making such a handicap and occurrence noteworthy, especially to the management of the TMX and all stakeholders and they are striving to fill this gap.

TMX has always advocated for its venture exchange as a viable option for senior management teams seeking to secure funding, presenting it as a potential alternative to traditional avenues such as venture capitalists or private equity companies (Diagram 1).

The way was and is via the Capital Pool Companies (CPCs) mechanism (Diagram 2). With an easy process to follow. A capital pool firm refers to a publicly listed entity that possesses a pool of money and is governed by a board of directors with significant expertise. However, it does not engage in any commercial activities at the moment of its initial public offering (IPO). The primary objective of the directors of the CPC is to procure an emerging business. Following the successful completion of the acquisition, the emerging company gains access to the financing and listing arrangements facilitated by the CPC.

The motive behind the CPC program is the lack of a developed Venture Capital market in Canada. Indeed, Canada's venture capital business is not as substantial as that of the United States, or in Europe, and resulting in firms opting to list on the Toronto Stock Exchange (TSX) at earlier stages of their growth. One potential drawback of the aforementioned practice of seeking early listings for capital acquisition is the possibility of firms being forsaken by investors. This may be attributed to their lack of expertise in functioning as a publicly traded entity and the concurrent challenges posed by fulfilling public obligations at a crucial phase of operational development. Capital pool businesses were established and advocated as a means to infuse early-stage enterprises with the necessary financial resources and experienced coaching at the director level, akin to the support offered by venture capitalists in the United States. Additionally, they offer a viable avenue for Canadian enterprises and those seeking to become publicly traded on the TSX Venture Exchange to pursue alternate paths of growth. As a result, since 1986, Canadian Capital Pool enterprises (CPCs) have provided a platform for smaller private enterprises, both domestic and international, to access public market liquidity on the TSX Venture Exchange at an early phase of their development.

From 1986 to 2010, a total of 2090 CPCs2 were listed on the TSX-V. It is noteworthy that more than 90 percent of these CPCs successfully completed their Qualifying Transaction (QT), and around 300 of them advanced to a higher-tier exchange, namely the TSX. The expansion of the

Canadian CPC programme stands out because to the significant decline of the US blind pool market subsequent to the implementation of stringent rules by the US Securities Exchange Commission (SEC). This decline was primarily a result of the Securities Enforcement Remedies and Penny Stock Reform Act, which was enacted on July 20, 1990. The meticulous and continuous monitoring of the CPC program's efficacy, as well as the timely adjustments made to the regulations by the regulatory authorities and the stock market, have played a pivotal role in ensuring its long-term success.

Moreover, when firms choose to be listed on the venture exchange (junior division), they are provided with a distinct trajectory to progress towards being listed on the esteemed Toronto Stock Exchange (senior division, where big capitalization companies trade). According to TMX, the number of CPCs (Capital Pool Companies) that made their debut on the TSX Venture Exchange in 2020 was 31, which is fewer than one-third of the 95 CPCs that went public two years prior. A full official track record is presented at Diagram 3.

The decline in performance can be attributed to the Covid pandemic and some persistent challenges that have been lamented by some individuals in the sector, particularly those who have founded many companies based on cost-per-click (CPC) models. In the latter part of 2020, TMX implemented a few structural modifications aimed at enhancing adaptability, reducing regulatory constraints, and enhancing the economic viability of initiating a CPC. Indeed, TMX implemented a set of modifications at the beginning of 2021 to address a recent decrease in listings and revitalize its longstanding capital pool business framework, which has been in existence for 35 years. As a result, the TSX Venture Exchange had 36 new CPC listings in the year 2021, a 16% increase in new CPC listings compared to the previous year, 2020. In addition, since the year 2000, over 700 firms have transitioned from the TSX Venture to the Toronto Stock Exchange. CPCs have traditionally been crucial in the progression of such development. According to TMX, about one-third of the alumni presently listed on the Toronto Stock Exchange first started their journey as CPCs.

The latest CPC mechanism

A capital pool company (CPC) refers to a recently established entity that operates as an empty shell business, having been listed on the TSX Venture Exchange (TSXV). It is characterized by the absence of any commercial operations or assets, with the exception of cash holdings. The objective of the CPC is to find and buy a functioning enterprise.

At the TSXV's Corporate Finance Manual, namely in TSXV Policy 2.4 one can find any relevant revisions and forms associated with the mechanics of the CPC.

Just after Covid, the relaxation of timing restrictions refers to the easing or loosening of limitations on time constraints. The objective of the CPC Policy Changes was to alleviate the temporal constraints that were previously imposed on founders of CPCs in fulfilling the requirement of completing a qualifying transaction (QT). According to the previous policy of the CPC failure to complete a qualifying transaction (QT) within 24 months from the listing date could result in various consequences. These included the suspension of share trading, delisting from the TSXV (Toronto Stock Exchange Venture), or, with shareholder approval, transfer to the NEX Board of

the TSXV. Additionally, there was a possibility of 50% of the pre-IPO (Initial Public Offering) seed shares being cancelled. The policy changes implemented by the CPC eliminate the previously imposed 24-month deadline and do not impose any further limitations on the timing of a qualifying transaction (QT).
The elimination of the 24-month time constraint grants CPCs and their creators increased adaptability in their pursuit of high-quality Target Companies. This allows them to prioritize the shareholders' best interests and alleviates previous pressures to engage in Quick Transactions (QTs) solely to prevent the delisting or cancellation of shares.
The elimination of the 24-month time limit also resulted in modifications to the policy's limitations on spending unrelated to quality time. In the past, Policy 2.4 imposed limitations on the allowable general and administrative expenditures for each CPC. These limitations were set at the lower of two options: (i) $210,000, or (ii) 30% of the total funds raised by a CPC. The CPC Policy Changes have included a modification to the 24-month deadline, eliminating it altogether. Additionally, the prior limitations on general and administrative costs have been substituted with a revised monthly cap of $3,000, without any cumulative maximum.

Changes took place also to the Criteria for Identifying Merger Candidates. A typical CPC may consider many factors while evaluating potential merger prospects. These criteria may include:
The merger candidate should have already attained early economies of scale, indicated by a minimum revenue of $10 million. The applicant should demonstrate sustainable and historical profitability, with a minimum of $2 million in EBITDA. The candidate should possess the potential to provide dividends. The injection of new capital is expected to expedite the company's growth and improve its profit margins, as opposed to using the funds primarily for the purpose of compensating existing shareholders. The company aims to expand its operations through acquisitions, the introduction of new products, or by increasing its market presence, with the potential for annual growth exceeding 10%. Potential transaction types include buyouts, mergers, capital stock exchanges, asset or stock acquisitions, recapitalizations, or similar transactions, wherein a CPC combines with or acquiring an operating business and/or its assets. There is no requirement for a change of control in these transactions. It is anticipated that the majority ownership of the merger candidate will be retained by its current owner. A prerequisite for this position is a minimum of two years of experience working with Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS).

CPCs versus US SPACS

Capital pool companies (CPCs) exhibit similarities to blind pools in the United States; nevertheless, it is important to note that the operation of CPCs is subject to stringent monitoring and regulation by a singular Canadian exchange. The CPC programme bears resemblance to the blind-pool programmes in the United States that were plagued by a significant number of fraudulent activities throughout the 1980s. In contrast to the United States, Canada implemented legislation and governance measures that effectively reduced the agency expenses and fraud often associated with this particular programme. The United States has incorporated certain elements of the Canadian CPC programme into its own framework, resulting in the establishment of special purpose acquisition companies (SPACs). One notable distinction, however, exists between US Special Purpose Acquisition firms (SPACs) and Canadian Capital Pool corporations (CPCs).

Specifically, CPCs are commonly employed by early-stage firms in Canada on the TSX-V, whilst SPACs are utilized by more advanced and bigger corporations listed on the primary US exchanges.

The Canadian market experiences increased activity in blind pools, namely Special Purpose Acquisition Companies (SPACs), Capital Pool Companies (CPCs), and Growth Corporations (G-Corps). The CPC (Capital Pool Company) and SPAC (Special Purpose Acquisition Company) programmes have been implemented for a number of years. Although a notable portion of growth and early-stage companies opt for the CPC programme to go public, there has been a considerable increase in companies selecting an initial public offering (IPO) as their preferred method of going public. G-Corp is a recently established entity in this context. The entity in question amalgamates features of a Special Purpose Acquisition Company (SPAC) and a Capital Pool Company (CPC), with a distinct focus on a narrower market segment, primarily encompassing midmarket, high-growth technology companies. The Canadian market, being well-established and resilient, provides a comprehensive and equitable regulatory framework, along with the adaptability to accommodate a company's specific market requirements at any developmental phase.

CPCs versus AIM, etc

Numerous nations have established specialized stock markets with the primary objective of augmenting the availability of equity capital for startups, emerging companies and entrepreneurial enterprises. These secondary stock exchanges, which were by many market players considered to be of lower status, had less rigorous listing regulations and most of them did not require pre-IPO listed companies to exhibit profitability. Nevertheless, it should be noted that a significant portion of the firms listed on these exchanges did not fall within the category of early-stage enterprises. Additionally, it is worth mentioning that a considerable number of these companies got venture capital funding prior to their initial public offering. The study conducted by Vismara et al. (2012) offers valuable insights into the secondary markets of Europe, namely those that cater to small-scale firm listings. The authors of this study specifically analyzed the stock exchanges of the four major European economies, namely Germany, France, Italy, and the UK. They observe that these exchanges have introduced a total of 11 secondary markets since 1995. Surprisingly, the current number of existing instances is limited to three.

Prior Literature

There exists a considerable amount of scholarly literature that extensively examines the significant contribution made by venture capital (VC) and private equity (PE) investors in the provision of financial resources to entrepreneurial enterprises. There is research that investigates the relation between Venture Capital and public VC capital equity markets, especially in relation to the Canadian equity capital markets. There are many streams of research on VCs.

There is a stream that investigates the VCs issues from the perspective of the CVC (Corporate Venture Capital) and even from the view of IVC (Independent Venture Capital). There are papers focusing on the regional dimension of the VC industry and players and mostly focused on the Government sponsored VC to the start-ups and new unknown companies, that have growth potential, either due to patents, or good ideas, or solid R&D across various sectors and industries.

There is research that relates to VC and crowdfunding platforms. Also, research investigates the interaction between Artificial Intelligence and Machine Learning with VC parameters. More…

Research Design

The primary aim of this paper is to offer a descriptive overview of the Canadian junior IPO market, emphasizing its magnitude, extent, and durability, and to present a comprehensive empirical study based on an online survey, detailed interviews, and a simple regression analysis.

The collection of data pertaining to initial public offerings (IPOs) on the TSXV is sourced from the official site of the TSX (www.tsx.com) database, covering the time frame from 26 September 2017 to 14 April 2023. The TSX database contains comprehensive information on offer attributes, encompassing the offer price, offering size, total capital raised, sponsoring broker or so-called agent, sector, and other characteristics of the CPC offerings.

The Research Population

The survey conducted in this study encompasses inquiries and questions (Appendix I) regarding the experiences, and views of the issuers of the CPCs and top management of the TSXV as well as the interactions between Issuers and TSXV authorities.

We have sent the survey to 133 Issuers and 13 managers at TMX in different posts and management positions around the CPC programme. Our research utilized the TSX official database and focused on the 133 CPCs that up to May 2023 have not identified a target that is an emerging and promising project and company to merge with, via a reverse takeover process, and close the deal. These issuers or listed shell entities were selected in order to identify, understand and learn why some issuers cannot procced according to their strategic intent and plan and help a new company by offering a listed vehicle and raise money in tranches to help this company grow away from the handicaps of conventional lending and away from the idiosyncrasies of angel investors, private VC funds, family offices and other investment options that carry along many information asymmetry and agency costs issues.

The selection of the 13 TSX managers was also easy since these executives were important throughout the hierarchy of the TSXV, and they had more than five years' experience in the CPC process. Therefore, they had not only knowledge and insights of the CPC process, both positive and negative aspects, but also had crystal perspectives and we dare to say stochastic philosophy about the CPC programme. This is why the TMX management is continuously changing and improves the process, techniques, rules, and regulations of the programme, as the aforementioned Policy 2.4 indicates. For instance, during the latest policy and rules changes on the CPC programme, the TMX decided to scrap the duration of the CPC listed shell life. It was originally two years to identify and close a qualified transaction and now every CPC listed has no time limitation to merge with a promising company. It is important to note that this two-year timeframe represented a pressure to the issuers to sometimes select and merge with a bad target choice, or be involved in a fiercely contestable industry, or raise money and invest in a company with ambiguous and unqualified quality of management or even worse tangle with fraudulent personalities. By allowing them adequate time, the issuers have more options and choices to identify the best for their investors.

The collection of survey data, from July 2022 to June 2023, was somehow easy since the TSX offers the names to conduct, emails, cello phones, the residence city of the issuers and every necessary detail for our research. Due to the diversity of residence cities around Canada and the long distances, we decided that the electronic online survey methodology was the proper research process. In many instances we had the opportunity via email and most importantly via cell phones to call the issuers, for example in Vancouver to talk and clarify some of their answers on the survey.

For obvious reasons we have excluded some personal information data from the list of issuers at provided at the Appendix III. For the same reasons, we should not display the names and coordinates of the 13 TSX managers, that were surveyed and personally interviewed in detail in Toronto, from July 2022 to June 2023.

The Survey

The survey instrument utilized in this study was developed based on a comprehensive evaluation of the academic literature pertaining mainly to the public VC market, IPOs, equity capital raising and investor relations. Additionally, our survey drew from bodies of research on the Canadian capital markets, and the CPC literature, along with several professional publications.

Our research primarily revolved around posing inquiries that have not been well addressed in scholarly and professional literature, necessitating the deployment of a survey to tackle these challenging topics. Feedback on an initial iteration of our poll was obtained from several sources, including three insiders-issuers of listed CPC|s before the pandemic, three TMX managers that have worked for TSXV for more than 10 years, and two academic colleagues.

The survey was conducted using Qualtrics as the administration platform. On June 7, 2022, an invitation along with a unique survey URL was sent via email to each issuer and TSX manager, requesting their participation. In order to encourage engagement, we provided a rationale that entailed a commitment to inform them about the results of our research and even provide details and elaborate insights of the research findings *for each successfully completed survey.*

In order to enhance participation rates, a reminder email was dispatched on October 13, 2022, followed by a final reminder with notice of the impending closure of the survey on January 26, 2023. The survey was concluded on May 7, 2023. A total of 133 full replies were obtained for the survey, resulting in a response rate of 100%. These findings indicate that the survey we conducted was of significant interest to the market players related to the Canadian public VC markets.

Most survey questions provide the respondent with the opportunity to express their views by utilizing a 7-point Likert scale. In order to facilitate the meaningful response of issuers and TSX managers to each survey question and enhance the interpretability of their replies, we have assigned numerical values ranging from 0 to 6 and provided corresponding textual labels to the endpoints of the scale for each question. For instance, at the higher end of the spectrum, we assigned designations such as "highly significant" or "highly probable," contingent upon the specific circumstances of the inquiry. Conversely, at the lower end of the spectrum, we assigned designations such as "negligibly significant" or "negligibly probable." In addition, under each question two empty lines were supplied for open comments by the survey respondents.

The Interviews

As mentioned, the invitation was extended to issuers to participate in a voluntary follow-up telephone interview. Out of the total sample size of 133 issuers who responded to the survey, a subset of 26 individuals expressed their willingness to participate in an interview, thus 19.5% of the targeted population. Subsequently, we conducted telephone interviews with a subset of 26 participants from this population pool. The primary objective of conducting these interviews was to acquire supplementary perspectives on the subjects included in the survey, as well as to offer extra inquiries that were not suitable for inclusion as survey questions. Our objective was to conduct interviews with a varied group of issuers that accurately represented the demographic makeup of our whole sample.

Prior to conducting the interviews, a comprehensive set of questions was created in order to inquire with the issuers and the TSX managers, in addition to the set of the survey questions, respectively. As a result of limited time availability, not all questions were posed to the chosen individual issuers and the TSX managers. A semi-structured interview methodology was employed, wherein open-ended questions were posed to the interviewees, providing them with the opportunity to expound on their responses as they saw appropriate.

In accordance with the suggestions put out by Malsch and Salterio (2016), we maintained a continuous process of conducting interviews with the targeted persons until we reached a point where each subsequent interview no longer yielded novel insights. With the consent of each interviewee, an audio recording was made for each interview. This was done to facilitate a smooth and natural discourse throughout the interview process and to assure the proper representation of the interviewee's statements, logic and even tone of voice, etc. The interview insights presented in the study consist of particular quotations obtained from individual issuers and TSX managers. However, it is important to note that these comments are representative of broader views shared by several interviewees.

The Cross-sectional analyses

Cross-sectional analyses refer to a type of research method that involves examining data collected at a single point in time. This approach allows researchers to assess the relationships between various parameters and variables.

Cross-sectional tests are employed to examine the variability in survey responses among issuers and TSX managers based on their demographic features and most importantly collected quantitative and qualitative data. In this study, we employ the following model for estimation purposes.

One of the major issues to investigate is the Completion of Qualified Transaction. If that happens then the deal closes and the merging listed entity behaves right away as an experienced listed entity that can raise adequate capital and, in many trances, to finance growth, expansion, horizontal and vertical integration strategies, investments for operational efficiency, buyout expansion strategies, etc. The Completed Qualified Transaction (CQT) may be modelled using a linear regression equation,

The equation is represented as:

Completed Qualified Transaction (CQT) = β0 + β1 QTQM + β2 QTCC + β3 QTS + β4 QTL+ β5 QTG + β6 CPCQM + β7 CPCS + β8 CPCKQTS + β9 ACRC + β10 AIN + β11 AGE + β12 TSXIP + ε

(Equation 1).

Where:

Completed Qualified Transaction (CQT) or Deal Closed is the Dependent Variable.

ε represents the error term.

β0, β1, β2, β3, β4, β5, β6, β7, β8, β9, β10, β11, β12 represent the coefficients for the variables.

Independent Variables:
QTQM=Qualified Transaction Quality Management.
QTCC=Qualified Transaction Commitment Coexist.
QTS=Qualified Transaction Sector/Industry.
QTL=Qualified Transaction Local.
QTG=Qualified Transaction Global.
CPCQM=CPC Quality Management.
CPCS=CPC Sector/Industry.
CPCKQTS=CPC Knowledge of QT Sector.
ACRC=Agent/Broker Capability to Raise Capital
AIN=Agent/Broker Investor Network
AGE=Agent/Broker Global Experience
TSXIP=TSX Innovative Policies

The dependent variable in this study is the Completed Qualified Transaction (CQT), which refers to the response provided by the issuers and TSX managers to the specific survey question under investigation. The independent variables are obtained from the collected data.

Empirical Results, interview responses, and cross-sectional findings

Demographics

Once more the demographics of the CPC surveyed had up to May 1, 2023. These CPCs had up to then no completed transaction or QT, that is they were trading on the TSXV as still shell companies looking for a Qualified Transaction.

In terms of the CPC IPO date listing, as mentioned we surveyed one CPC issuer listed during September 2017, six issuers in 2018, 5 in 2019, 10 CPCs during Covid in 2020, 46 CPCs in 2021, 53 issues in 2022, and during the first five months of 2023 we had 12 CPCs listings.
As of May 1, 2023, according to their market capitalization, the surveyed and interviewed shell CPCs, were valued as follows: 1 CPC with more than 7 ml, 11 listed entities having 2-5 ml capitalization, 25 had between 1-2 ml, and the majority, 96 CPCs had value between 0-1 ml. Respectively, 2 listed shells had raised more than 2 ml, 22 companies raised between 1-5 ml, and 109 shell companies raised 0-1 ml.

In terms of the geography of the listed CPCs that is the origin of city or province or country, all the surveyed CPCs were Canadian, and this is somehow a handicap of our research, that is not to tap the experience of global issuers on the TSXV. Clearly this is a task for the next research endeavor.

Needless to note that the interviewed issuers and especially the TSX managers strongly mentioned and indicated this global issue of the CPC programme to non-Canadian entrepreneurs, startups, and promising companies. Most of them explained this local-global dimension by mentioned that the CPC programme initially started from the need of Canadian Geologists, that needed to be ready and had adequate capital, in just a few months, to bid and acquire mines in Africa or other parts of the world, and over the years the specialization and the use of this programme was mainly from the mining sector. Then the competition from other junior stock exchanges came, such as Nasdaq, Aim, etc. and the visibility of the TSXV was eclipsed. But after the 2008 crisis and the vanishing and disappearance of the other junior exchanges and most importantly the continuous adjustment and improvement of the CPC framework, just before Covid the TSXV started to attract global attention. So, in terms of the geographic origin of the CPCs 18 were from Alberta province, mainly from Calgary, 1 from Halifax, 2 from Montreal and 2 from Ottawa, 30 from Toronto and 80 from the Vancouver area. This is why so much CPC expertise, related market players and intermediaries (i.e., security lawyers, transfer agents and brokers exist in the city of Vancouver, as our research identified).

In terms of the mandatory agent or commonly known as broker or underwriter, we can see from the TSX official statistics that 14 brokers were involved in these 133 listings. I dare to disclose their names at Appendix III, without trying to promote any in particular. It is important to note that no broker from the top 6 banks in Canada, participate in the CPC programme (again this is another research project to identify why not), and 5 of the medium level of investment banks play the biggest role in the CPC listings and the remaining 11 brokers were from low to mid-level brokerage houses in Canada. Therefore, no global bank or underwriter participates (this is another reason for the global invisibility of the programme).

In terms of the sector or industry that the CPCs declared to operate in all sectors 105 CPCs, almost 79% of the issuers surveyed. As mentioned during the interviews, this is to maximize the effectiveness of locating and merging with a solid new company regardless of the industry it operates. Many mentioned that in the old days of the CPC programme, many issuers were identifying a specific industry and especially mining and they could not close any considerable deal within the two years' time frame that were given to strike a deal (that was the regulation before Covid, that the CPC had 2 or max 3 years to strike a deal and if not the shell listed C|PC was dissolving itself).

General Findings

We still decode and group the answers, information and data collected from the surveys and interviews and the cross-sectional analysis, but here is some preliminary general findings.

Both believe that the Canadian public VC market and especially the globally unique CPC programme at the TSX can provide equity capital to Canadian and global startups and new dynamic companies. The group of surveyed issuers indicate important successful parameters on how to raise capital according and based on their practical experience.
These parameters or issues were decoded and hierarchized to be presented and to understand the pros and cons of the CPC process and to be properly utilized by practitioners, issuers, TSX authorities and all stakeholders involved.

QT related.

The quality of the management of the new companies that the CPCs try to merge with and create as Diagram 3 indicates. So, in terms of Qualified Transactions the willingness of the new companies' founders and/or managers to adjust from an entrepreneurial spirit and "I know everything" style to a regulated environment is of great importance. The research showed also that the willingness to coexist within a board with some sector specialists and security markets practitioners is sometimes an insurmountable obstacle to concluding a merger deal. Almost all the 26 of the interviewed issuers mentioned that this willingness to coexist with the founders of the CPC listed shell after the merger has destroyed many deals. Moreover, this is why, and for this reason, the TSX managers mentioned that TMX had to strike the limit of two years life duration for the CPCs.
In the Qualified Transaction (QT) area, the sector or industry chosen by both the CPC listed shell and the startup targeted company play a very important role. The same goes for the geography and origin city of the CPC as well as the targeted new company. It seems that our sample does not include any global (non-Canadian) originated CPC nor any targeted promising entity that operates globally. In other words, and as the TSX authorities clearly acknowledged and admitted in the interviews, neither adequate global visibility of the CPC programme exists, nor TMX has made strenuous efforts to attract CPC founders who reside outside of Canada and also to navigate or consult or promote global target companies for the existing CPCs, especially the ones that this research focuses upon.
Most of the surveyed and interviewed issuers noted that a major handicapped that brings so many delays in the process and timing of the Qualified Transaction repeatedly is the misunderstanding or better the inability of the CPC founders and executives to evaluate properly a company that operates in an industry and sector that the founders have no knowledge and experience whatsoever. This brings and surfaces insecurity issues that lead to mistrust and fear to proceed and then the deal does not go through. These insecurity issues, realist and psychological, could worsen and many times are becoming exponential id the company which they negotiate with to merge operates outside of Canada. Personally, I have witnessed two homegrown CPCs, where the founders were trying to merge with global operating shipping companies and took them more than 6 months to

grasp the container shipping business. *"I wish one mentioned the ships to do mining and then it would be very easy for me to understand."* The CEO of a CPC commented.

Broker/Agent related.

The passion, understanding and commitment of the contracted and assigned agent and his capability and extensive investor network to raise money. And this does refer to just one person since the agent, as Appendix III shows, is represented by well established, globally experienced, and fully talented brokerage houses with many employees.
Some other issues have been detected from the surveys and interviews such as the willingness of the broker to help the CPC founders to raise the initial seed capital and identify the mandatory 150 retail investors or persons before the CPC IPO.

Issuers related.

Most of surveyed and interviewed issuers noted that the aim of many issuers is to go through the hectic procedure of locating, identifying, screening, evaluating, appraising, negotiating, closing, and merging with a good, solid, and promising company that needs capital to grow. Some though, especially when the law of two years limit to close a deal was in effect, that is before 2023, indicated that many issuers if not all, instead of dissolving their CPCs and losing all their initial investments, they were ready to sell the CPC and if possible, with profit. So, during the time we investigated, 88% of the issuers mentioned that they came so close to flip or sell the CPC.
Another issue that mostly the interviewed TSX managers noted was the so many warrants and other investment titles, derivatives, and security vehicles that the CPC founders attached to their equity shareholdings either during a negotiated merger or during a CPC sell off, that became an evading obstacle, a dilution issue, and a destructive step towards any success.

TSX related.

Limitations, Caveats, and Future Research

Validity of Survey Responses

Caveats

Future Research

With a subsequent paper we should examine the exit issues from the investors' viewpoint when and if the CPC management approves and implements a reverse takeover or so-called Qualified Transaction (QT). In addition …

Conclusion

By utilizing a survey and interviews from founders-issuers of listed shell companies at the Toronto Stock Exchange (TSX), as well as TSX managers we have collected information and data that tackle a major challenge for all related stakeholders. Qualitative and quantitative data are incorporated in a simple regression to identify the relative importance and weight of various parameters.

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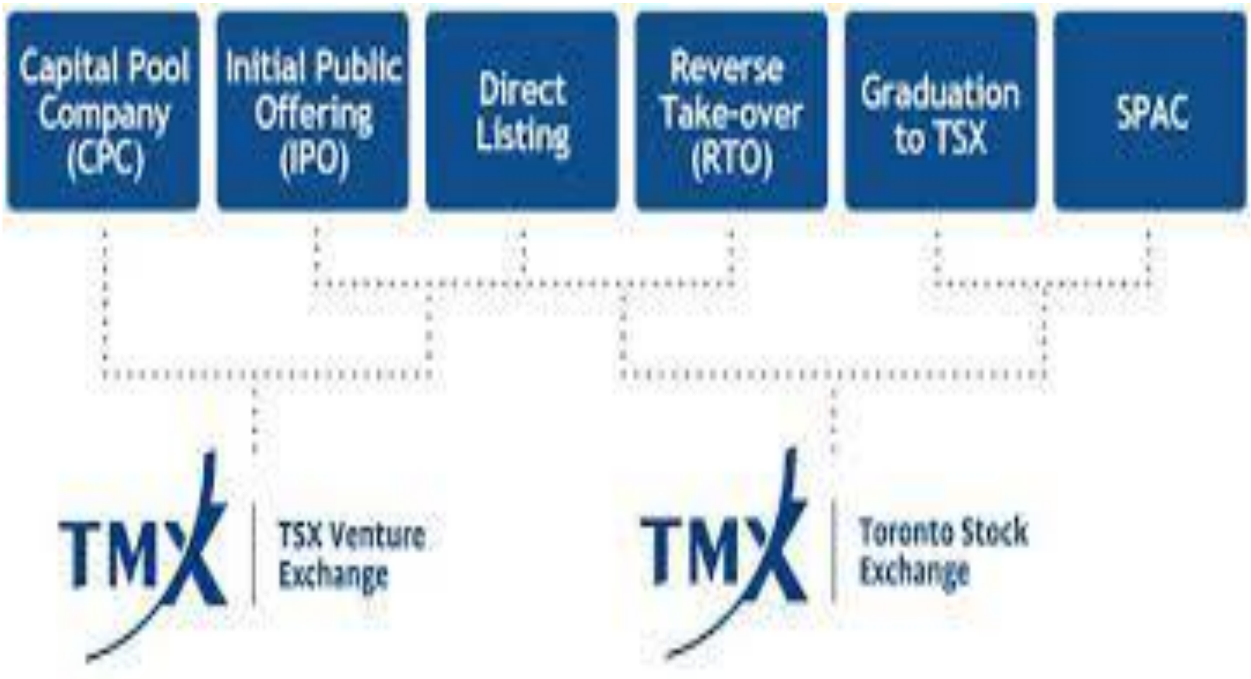
Table 1: TSX in relation to other major Stock Exchanges - Top 10 Stock Exchanges in the World 2023

Sr No	**Name**	**Worth**
1	New York Stock Exchange	$27.69T
2	NASDAQ Stock Exchange	$24.56T
3	Shanghai Stock Exchange	$8.15T
4	EURONEXT Stock Exchange	$7.33T
5	Japan Stock Exchange	$6.54T
6	Shenzhen Stock Exchange	$6.22 T
7	Hong Kong Stock Exchange	$5.43T
8	London Stock Exchange	$3.8T
9	National Stock Exchange	$3.55T
10	Toronto Stock Exchange	$3.26T

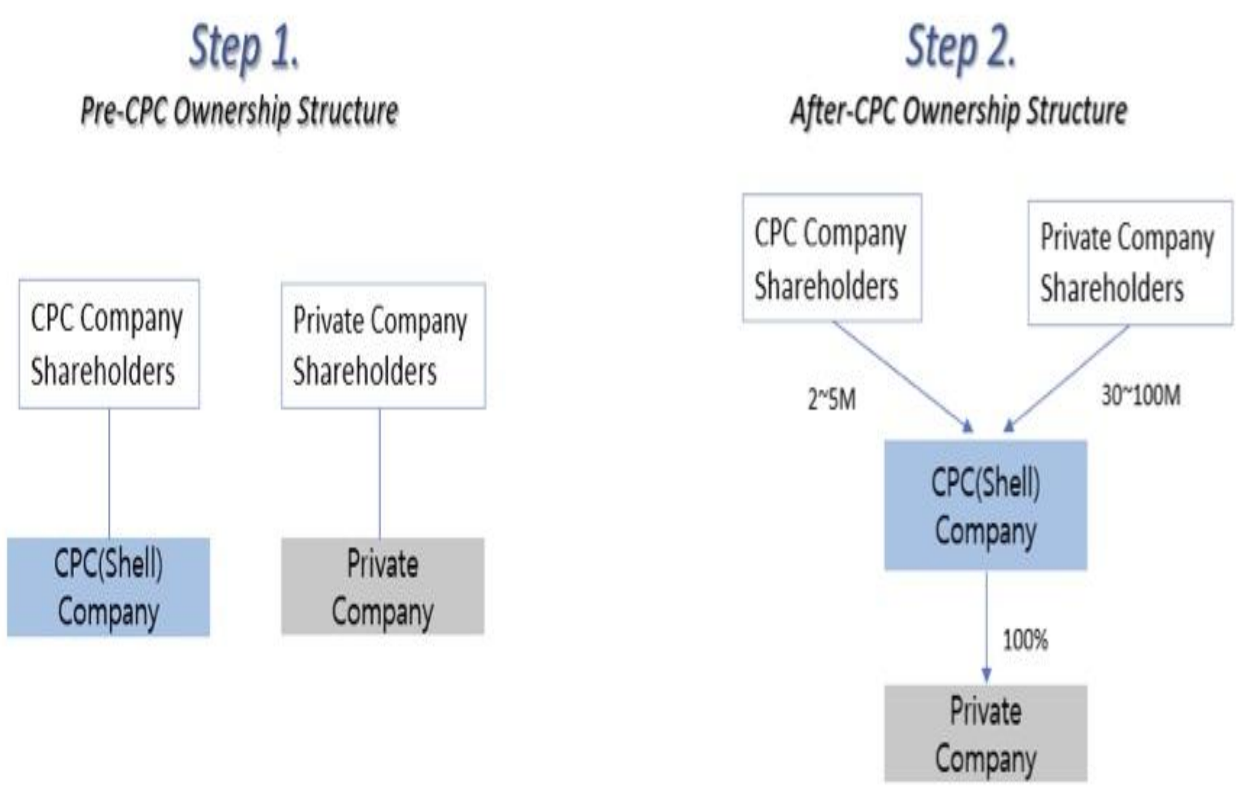
https://www.edudwar.com/top-10-stock-exchanges-in-the-world/

Diagram 1: The Listing Options at the TSX.



https://www.tsx.com

Diagram 2: The CPC Structure, Listing and Reverse Takeover Process.



https://www.tsx.com

Diagram 3: The CPC track record.

https://www.tsx.com

<u>Appendix I: The Questions – Issuers' Survey.</u>

A set of 15 questions was administered, for each group, to explore various aspects related to CPCs and related issues. The following questions to the issuers encompassed inquiries regarding:

1. *the motive of listing the shell CPC,*
2. *the amount raised,*
3. *the amount raised before, during and when appropriate after the CPC's IPO,*
4. *how many tranches of capital raised,*
5. *how many tranches of capital raising they have done, before, if so during and after Covid,*
6. *how many times identified and talked to a qualified transaction,*
7. *how many times proceed to a signing of an NDA and Due Diligence,*
8. *why they failed to close a deal,*
9. *was because were unable to raise the appropriate capital,*
10. *if failed to raise capital because they talked to wrong type investors,*
11. *if failed to raise capital because the disclosure was confused, and the message was not clear,*
12. *was because the newly targeted company was not in suitable and acceptable industry and sector,*
13. *was because the company's finances were not in order or promising, was because of management quality,*
14. *was because of information asymmetry and disclosure issues, was because of arising agency issues and associated costs,*
15. *was because the company's owners and/or managers were inferior to CPC's expectations.*

<u>Appendix II: The Questions - TSX Interviews.</u>

TSX Managers questions:

1) *what makes this CPC listing process unique?*
2) *what can make the CPC listing process more attractive and competitive?*
3) *what motives does the TSXV provide to the potential CPC issuers?*
4) *your opinion on the CPC listing process in general?*
5) *how this can be improved? Two proposals – steps please?*
6) *can some CPCs improve in identifying and merging with a QT?*
7) *is the IPO amount raised by the CPC issuers adequate for a successful QT?*
8) *how TSXV promotes raising CPC capital in no Canadian capital centers?*
9) *how TSXV help the CPCs in matching with a qualified transaction?*
10) *why the CPCs' fail to close a deal?*
11) *was due to inadequate capital raised, and targeted wrong type of investors?*
12) *was due to confusing disclosure, and unclear message?*
13) *was due to wrong industry and sector?*
14) *was due to QT target company's financial and/or management quality?*
15) *was due to information asymmetry and disclosure issues, and agency issues and costs?*

Appendix III: The Surveyed listed CPCs.

The New Market for Business

Capital Pool Companies ("CPC") that have not announced their Qualifying Transaction as at April 30, 2023.

Transcontinental Gold Corp.	TCG.P	26/9/2017	106.200	553.000	Vancouver	Haywood Securities Inc.	All Sectors
Collingwood Resources Corp.	COLL.P	10/5/2018	317.144	886.500	Vancouver	Haywood Securities Inc.	All Sectors
Canna 8 Investment Trust	RCR.P	14/9/2018	60.600	906.000	Toronto	Canaccord Genuity Corp.	Real Estate Sector
Buzz Capital 2 Inc.	BUZH.P	6/11/2018	534.300	620.000	Ottawa	Haywood Securities Inc.	Life Sciences Sector
Smartset Services Inc.	SMAR.P	13/11/2018	387.500	500.000	Vancouver	Haywood Securities Inc.	All Sectors
Cinaport Acquisition Corp. III	CAC.P	27/11/2018	563.325	1.109.500	Toronto	Echelon Wealth Partners Inc.	All Sectors
Drummond Ventures Corp.	DVX.P	21/12/2018	794.375	625.000	Vancouver	PI Financial Corp.	All Sectors
Farstarcap Investment Corp.	FRS.P	13/2/2019	308.550	461.000	Vancouver	Canaccord Genuity Corp.	Industrial Sector
Exelerate Capital Corp.	XCAP.P	7/6/2019	1.053.615	632.000	Toronto	Haywood Securities Inc.	Healthcare or Technology Sector
Panorama Capital Corp.	PANO.P	19/6/2019	392.969	690.000	Kelowna	Haywood Securities Inc.	All Sectors
Castlebar Capital Corp.	CBAR.P	26/6/2019	198.042	330.000	Vancouver	Haywood Securities Inc.	All Sectors
Daura Capital Corp.	DUR.P	17/9/2019	423.280	330.000	Vancouver	Leede Jones Gable Inc.	Mining Sector
Spectre Capital Corp.	SOO.P	21/2/2020	1.432.000	387.500	Vancouver	Canaccord Genuity Corp.	All Sectors
Baltic I Acquisition Corp.	BLTC.P	11/3/2020	856.320	600.000	Vancouver	Haywood Securities Inc.	All Sectors
Hansco Capital Corp.	HCO.P	12/3/2020	441.000	450.000	Vancouver	Leede Jones Gable Inc.	All Sectors
Hakken Capital Corp.	HAKK.P	13/3/2020	1.078.713	530.000	North Vancouv	Haywood Securities Inc.	All Sectors
Moon River Capital Ltd.	MOO.P	20/3/2020	3.498.000	700.000	Toronto	Canaccord Genuity Corp.	All Sectors
Trillium Acquisition Corp.	TCK.P	5/5/2020	429.285	1.217.140	Oakville	Echelon Wealth Partners Inc.	Real Estate Sector
Kalon Acquisition Corp.	KAC.P	4/6/2020	1.293.600	739.000	Vancouver	Haywood Securities Inc.	All Sectors
Altina Capital Corp.	ALTN.P	21/9/2020	800.000	600.000	Vancouver		All Sectors
AIM5 Ventures Inc.	AIME.P	24/11/2020	720.500	555.000	Toronto	Haywood Securities Inc.	All Sectors
Jabbo Capital Corp.	JAB.P	14/12/2020	958.500	360.000	Vancouver	Haywood Securities Inc.	All Sectors
Haw Capital 2 Corp.	HAW.P	8/1/2021	70.000	900.000	Courtenay	Richardson GMP Limited	Natural Resource or Technology
Compass Venture Inc.	CVI.P	21/1/2021	636.200	597.500	Vancouver	PI Financial Corp.	All Sectors
Jesmond Capital Ltd.	JES.P	19/2/2021	94.401	647.000	Calgary	Richardson Wealth Limited	All Sectors
Four Arrows Capital Corp.	AROW.P	25/2/2021	654.983	775.000	North Vancouv	Canaccord Genuity Corp.	All Sectors
AF2 Capital Corp.	AF.P	15/3/2021	500.000	2.300.000	Vancouver	Haywood Securities Inc.	All Sectors
Apolo IV Acquisition Corp.	AIV.P	1/4/2021	400.000	1.375.000	Toronto	Canaccord Genuity Corp.	All Sectors
Samurai Capital Corp.	SSS.P	27/5/2021	264.000	320.000	Vancouver	Research Capital Corporation	All Sectors
Veteran Capital Corp.	VCC.P	27/5/2021	489.500	335.000	Calgary	Haywood Securities Inc.	All Sectors
Tup Capital Inc.	TUP.P	31/5/2021	476.000	970.000	Toronto	Echelon Wealth Partners Inc.	Food Sciences Sector
Brachium2 Capital Corp.	BRCB.P	8/6/2021	372.664	815.000	Vancouver	PI Financial Corp.	All Sectors
Badger Capital Corp.	YVR.P	14/6/2021	880.008	630.000	Vancouver	Leede Jones Gable Inc.	Natural Resources or Industrial Sector
ECC Ventures 4 Corp.	ECCF.P	15/6/2021	847.500	465.000	Vancouver	Research Capital Corporation	All Sectors
Sleeping Giant Capital Corp.	SSX.P	15/6/2021	546.000	640.000	Calgary	Richardson Wealth Limited	All Sectors
MEED Growth Corp.	MEED.P	30/6/2021	675.000	800.000	Victoria	Canaccord Genuity Corp.	All Sectors
Toronto Cleantech Capital Inc.	YAY.P	30/6/2021	2.645.000	850.000	Vancouver	Leede Jones Gable Inc.	All Sectors
Cranstown Capital Corp.	CRAN.P	8/7/2021	588.280	627.900	Vancouver	Hampton Securities Limited	All Sectors
Fife Capital Corp.	FFC.P	15/7/2021	988.400	426.000	Vancouver	Haywood Securities Inc.	All Sectors
Michichi Capital Corp.	MCCP.P	15/7/2021	420.000	900.000	Calgary	Lightyear Capital Inc.	All Sectors
MIZA III Ventures Inc.	MIZA.P	19/7/2021	2.160.000	350.000	Vancouver	Leede Jones Gable Inc.	Technology or Industrial Sector
BigStack Opportunities I Inc.	STAK.P	23/7/2021	833.400	713.000	Toronto	Echelon Wealth Partners Inc.	All Sectors
Antera Ventures II Corp.	AVII.P	4/8/2021	450.000	1.000.000	Vancouver	Haywood Securities Inc.	Technology Sector
Gotham Resource Corp.	GHM.P	16/8/2021	3.250.000	1.125.000	Vancouver	Haywood Securities Inc.	All Sectors
J4 Ventures Inc.	JJJJ.P	20/8/2021	1.795.500	755.000	Vancouver	Leede Jones Gable Inc.	All Sectors
A-Labs Capital V Corp.	ALBA.P	24/8/2021	199.538	470.000	Toronto	Haywood Securities Inc.	All Sectors
DGL Investments No. 1 Inc.	DGL.P	26/8/2021	425.000	375.000	Vancouver	Haywood Securities Inc.	All Sectors
First Tidal Acquisition Corp.	AAA.P	26/8/2021	200.000	600.000	Vancouver	Research Capital Corporation	All Sectors
Endurance Capital Corp.	ECAP.P	9/9/2021	1.360.000	780.000	Vancouver	Haywood Securities Inc.	All Sectors
Aneesh Capital Corp.	EESH.P	29/9/2021	562.500	475.000	Vancouver	Canaccord Genuity Corp.	All Sectors
Little Fish Acquisition I Corp.	LILL.P	6/10/2021	300.440	324.200	Vancouver	Research Capital Corporation	All Sectors
Whitewater Acquisition Corp.	WWA.P	20/10/2021	1.134.000	555.000	Vancouver	Haywood Securities Inc.	All Sectors
Good2Go4 Corp.	GFOR.P	27/10/2021	840.000	407.500	Toronto	Haywood Securities Inc.	All Sectors
Treviso Capital Corp.	TRV.P	27/10/2021	270.000	700.000	Vancouverf	Canaccord Genuity Corp.	All Sectors
Deal Pro Capital Corp.	DPCC.P	28/10/2021	574.490	535.700	Toronto	Hampton Securities Limited	All Sectors
Iocaste Ventures Inc.	ICY.P	10/11/2021	1.120.526	700.000	Calgary	Richardson Wealth Limited	All Sectors
Trail Blazer Capital Corp.	TBLZ.P	12/11/2021	2.400.000	1.380.000	Vancouver	PI Financial Corp.	All Sectors
Monarch West Ventures Inc.	MONA.P	23/11/2021	1.430.000	2.300.000	North Vancouv	Canaccord Genuity Corp.	All Sectors
Audrey Capital Corporation	AUD.P	26/11/2021	1.572.500	1.175.000	Vancouver	Olympia Trust Company	All Sectors
PC 1 Corp.	PCAA.P	2/12/2021	414.000	755.000	Toronto	Research Capital Corporation	All Sectors
Roshni Capital Inc.	ROSH.P	8/12/2021	720.000	650.000	Oakville	Haywood Securities Inc.	Technology Sector
Rumbu Holdings Ltd.	RMB.P	10/12/2021	260.000	525.000	Calgary	PI Financial Corp.	All Sectors
Fountainhall Capital Corp.	FUN.P	14/12/2021	2.317.500	547.500	Vancouver	Haywood Securities Inc.	All Sectors
ECC Ventures 6 Corp.	ECCS.P	17/12/2021	904.000	465.000	Vancouver	Research Capital Corporation	All Sectors
Wittering Capital Corp.	WITT.P	20/12/2021	735.000	500.000	Vancouver	Haywood Securities Inc.	All Sectors
Fairplay Ventures Inc.	FPY.P	23/12/2021	42.500	675.000	Toronto	Echelon Wealth Partners Inc.	All Sectors
Rupert's Crossing Capital Inc.	RUCC.P	23/12/2021	600.000	350.000	Calgary	Leede Jones Gable Inc.	All Sectors
Harmony Acquisitions Corp.	MONY.P	24/12/2021	217.046	410.130	Vancouver	Gravitas Securities Inc.	All Sectors
First and Goal Capital Corp.	FGCC.P	11/1/2022	316.550	1.060.250	Toronto	Richardson Wealth Limited	Industrial, Tech or Life Sciences
KP3993 Resources Inc.	KPEN.P	17/1/2022	704.000	565.000	Vancouver	Research Capital Corporation	Technology or Industrial Sector
Trail Blazing Ventures Ltd.	BLAZ.P	21/1/2022	3.600.000	3.000.000	Calgary	Research Capital Corporation	All Sectors
Penbar Capital Ltd.	PEM.P	27/1/2022	260.000	300.000	Vancouver	Canaccord Genuity Corp.	Technology or Industrial Sector
Cuspis Capital III Ltd.	CIII.P	1/2/2022	5.250.000	6.000.000	Toronto	iA Private Wealth Inc.	All Sectors
Hoshi Resource Corp.	HRC.P	8/2/2022	363.000	480.000	Calgary	PI Financial Corp.	All Sectors
H2 Ventures 1 Inc.	HO.P	9/2/2022	7.344.000	5.600.000	Victoria	Canaccord Genuity Corp.	Clean Technology Sector
Dominus Acquisition Corp.	DAQ.P	10/2/2022	697.500	785.000	Vancouver	Haywood Securities Inc.	Technology Sector
Planet X Capital Corp.	XOX.P	10/2/2022	574.000	305.000	Vancouver	Research Capital Corporation	All Sectors
Planet X II Capital Corp.	PLXX.P	10/2/2022	533.000	305.000	Vancouver	Research Capital Corporation	All Sectors
Draxos Capital Corp.	DRAX.P	24/2/2022	485.021	355.000	Toronto	Haywood Securities Inc.	All Sectors
Impact Acquisitions Corp.	IMPC.P	9/3/2022	580.000	440.000	North Vancouv	PI Financial Corp.	All Sectors
Intertidal Capital Corp.	TIDE.P	18/3/2022	280.000	380.000	Vancouver	Haywood Securities Inc.	All Sectors
Grosvenor CPC I Inc.	GRVA.P	22/3/2022	1.321.320	1.752.640	Montreal	Leede Jones Gable Inc.	All Sectors
LDB Capital Corp.	LDB.P	22/3/2022	697.000	305.000	Vancouver	Haywood Securities Inc.	Mining, Technology or Industrial Secto
Pender Street Capital Corp.	PCP.P	23/3/2022	630.000	400.000	Garibaldi High	Leede Jones Gable Inc.	All Sectors
Bow Lake Capital Corp.	BLCC.P	24/3/2022	468.000	640.000	Calgary	Canaccord Genuity Corp.	All Sectors
Kua Investments Inc.	KUAI.P	31/3/2022	625.000	425.000	Vancouver	Haywood Securities Inc.	Technology Sector
Mayfair Acquisition Corporati	MFA.P	5/4/2022	1.220.500	611.833	Vancouver	Haywood Securities Inc.	All Sectors
Amego Capital Corp.	MEGO.P	8/4/2022	735.000	595.000	Vancouver	Canaccord Genuity Corp.	All Sectors
Evocati Capital Resources Inc.	EVOC.P	8/4/2022	560.000	810.000	Toronto	iA Private Wealth Inc.	Mining Sector
Solid Impact Investments Corp	SOLI.P	12/4/2022	560.000	430.000	North Vancouv	Canaccord Genuity Corp.	All Sectors
Transition Opportunities Corp.	TOP.P	20/4/2022	1.000.000	750.000	Calgary	Haywood Securities Inc.	All Sectors
Mandeville Ventures Inc.	MAND.P	21/4/2022	2.256.665	1.654.900	Ottawa	Gravitas Securities Inc.	All Sectors
JVR Ventures Inc.	JVR.P	12/5/2022	330.000	500.000	Vancouver	Haywood Securities Inc.	All Sectors
Aardvark 2 Capital Corp.	ACCB.P	25/5/2022	1.296.000	575.000	Toronto	Haywood Securities Inc.	All Sectors
AMG Acquisition Corp.	AMG.P	31/5/2022	546.008	620.011	Vancouver	PI Financial Corp.	All Sectors
Riverwalk Acquisition Corp.	RAC.P	16/6/2022	680.000	490.000	Vancouver	Canaccord Genuity Corp.	All Sectors
Aster Acquisition Corp.	ATR.P	22/6/2022	670.000	485.000	Vancouver	Canaccord Genuity Corp.	All Sectors
Spitfyre Capital Inc.	FYRE.P	22/6/2022	1.628.370	700.000	Toronto	Hampton Securities Limited	All Sectors
A2ZCryptocap Inc.	AZC.P	23/6/2022	604.000	502.000	Calgary	Leede Jones Gable Inc.	All Sectors
Pentagon I Capital Corp.	PNTI.P	29/6/2022	870.000	440.000	Toronto	Haywood Securities Inc.	Mining Sector
Albatros Acquisition Corporati	ALBT.P	5/7/2022	183.667	583.575	Montreal	Leede Jones Gable Inc.	All Sectors
Left Field Capital Corp.	LFC.P	21/7/2022	710.000	2.317.500	Vancouver	Haywood Securities Inc.	All Sectors
OpenSesame Acquisition Corp.	OPEN.P	27/7/2022	440.000	2.800.000	Vancouver	Haywood Securities Inc.	All Sectors
Searchlight Innovations Inc.	SLX.P	8/8/2022	765.000	405.000	Vancouver	Research Capital Corporation	All Sectors
Torchlight Innovations Inc.	TLX.P	8/8/2022	825.000	425.000	Vancouver	Research Capital Corporation	All Sectors
Ronin Ventures Corp.	RVC.P	11/8/2022	337.500	325.000	Vancouver	Leede Jones Gable Inc.	All Sectors
Hydaway Ventures Corp.	HIDE.P	23/8/2022	675.000	350.000	North Vancouv	Leede Jones Gable Inc.	All Sectors
Faction Investment Group Corp	FINV.P	12/9/2022	990.000	620.000	Vancouver	Canaccord Genuity Corp.	Natural Resources/Industrials
Florence One Capital Inc.	FONC.P	12/9/2022	721.890	1.276.700	Calgary	PI Financial Corp.	All Sectors
St. Davids Capital Inc.	SDCI.P	14/10/2022	203.140	362.850	Toronto	Research Capital Corporation	All Sectors
Departure Bay Capital Corp.	DBC.P	26/10/2022	450.000	325.000	Vancouver	Canaccord Genuity Corp.	All Sectors
Caplink Ventures Inc.	CAPL.P	3/11/2022	1.000.013	500.001	Vancouver	Leede Jones Gable Inc.	Natural Resources and Industrial Secto
Golden Star Capital Ventures In	GCV.P	10/11/2022	280.000	310.000	Vancouver	Research Capital Corporation	Technology or Industrial Sectors
POCML 7 Inc.	POC.P	16/11/2022	1.320.000	675.000	Toronto	iA Private Wealth Inc.	All Sectors
Axe2 Acquisitions Inc.	AXET.P	23/11/2022	550.917	558.647	Toronto	PI Financial Corp.	All Sectors
Auka Capital Corp.	AUK.P	12/12/2022	1.250.000	1.000.000	Calgary	Canaccord Genuity Corp.	Technology Sector
M3 Capital Corp.	MCT.P	12/12/2022	1.483.900	1.281.010	Calgary	iA Private Wealth Inc.	All Sectors
Chicane Capital I Corp.	CCIC.P	14/12/2022	598.800	453.800	Toronto	Haywood Securities Inc.	All Sectors
Adagio Capital Inc.	ADC.P	21/12/2022	675.000	350.000	Vancouver	Leede Jones Gable Inc.	Technology or Industrial Sector
Celestial Acquisition Corp.	CES.P	22/12/2022	1.387.500	712.500	Toronto	Haywood Securities Inc.	Space Technology Sector
Victory Opportunities 1 Corp.	VOC.P	22/12/2022	638.800	486.800	Vancouver	PI Financial Corp.	All Sectors
Hopefield Ventures Two Inc.	HVII.P	9/1/2023	2.146.500	1.592.500	Vancouver	Canaccord Genuity Corp.	All Sectors
Haviland Enviro Corp.	HEC.P	7/2/2023	1.638.845	890.650	Toronto	StephenAvenue Securities Inc.	All Sectors
Mandala Capital Inc.	MAN.P	8/2/2023	911.000	713.000	Vancouver	Haywood Securities Inc.	Technology & Medical Sectors
Scaling Capital 1 Corp.	SKAL.P	10/2/2023	1.700.000	1.075.000	Calgary	Canaccord Genuity Corp.	All Sectors
Can-Gow Capital Inc.	GOWC.P	16/2/2023	1.035.000	460.000	Edmonton	Leede Jones Gable Inc.	All Sectors
Fraser Mackenzie Accelerator (	FMAC.P	22/2/2023	2.057.100	1.807.100	Toronto	iA Private Wealth Inc.	All Sectors
Goodbridge Capital Corp.	GODB.P	22/2/2023	489.840	308.200	Vancouver	Research Capital Corporation	All Sectors
Eureka Capital Corp.	EBCD.P	9/3/2023	1.067.000	780.000	Calgary	PI Financial Corp.	All Sectors
Totec Resources Ltd.	TOTC.P	10/3/2023	980.160	477.600	Vancouver	PI Financial Corp.	All Sectors
NL2 Capital Inc.	NLII.P	28/3/2023	948.725	1.212.450	Halifax	Gravitas Securities Inc.	All Sectors
SP Strategic Acquisition Corp.	SPSA.P	31/3/2023	1.010.000	755.000	Toronto	Eight Capital	All Sectors
5D Acquisition Corp.	FIVD.P	14/4/2023	562.900	532.900	Vancouver	Research Capital Corporation	All Sectors