No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to U.S. persons except in certain transactions exempt from the registration requirements of the United States Securities Act of 1933.

PROSPECTUS

Initial Public Offering April 30, 2001

SOLIUM CAPITAL INC.

$2,300,000
2,300,000 Common Shares
and
3,333,333 Common Shares and 1,666,667 Purchase Warrants
Issuable upon the Exercise of Special Warrants

The common shares ("Common Shares") offered hereby (the "Offering") are to be issued by Solium Capital Inc. ("Solium" or the "Corporation") at a price of $1.00 per share (the "Offering Price") to purchasers resident in the provinces of British Columbia, Alberta and Ontario (the "Selling Provinces").

3,333,333 Common Shares and 1,666,667 Common Share purchase warrants ("Purchase Warrants") are also being qualified for distribution pursuant to this Prospectus, such Common Shares and Purchase Warrants to be issued for no additional consideration upon exercise or deemed exercise of 3,333,333 special warrants ("Special Warrants") of the Corporation previously issued by way of private placement exemptions under applicable securities legislation (the "Private Placement"). The Special Warrants were issued and sold at a price of $0.90 per Special Warrant. Each Special Warrant entitles the holder thereof to acquire, subject to adjustment, one Common Share and one-half of one Purchase Warrant at no additional cost, at any time and from time to time on or before 4:30 p.m. (Calgary time) on the earlier of (the "Expiry Date"): (i) five business days following the date upon which a final receipt for this Prospectus has been issued by the last of the securities regulatory authorities in each of the provinces of Alberta, British Columbia, Ontario and such other provinces of Canada in which holders of Special Warrants are resident; (ii) the first anniversary of the date upon which the Corporation becomes a reporting issuer in the provinces of Alberta, British Columbia and Ontario; and (iii) May 29, 2002. Certificates representing the Common Shares and Purchase Warrants will be available for mailing within five business days following the exercise or deemed exercise of Special Warrants. Each whole Purchase Warrant entitles the holder thereof to purchase one Common Share at a price of $1.50 per share until December 31, 2001. The issue price of the Special Warrants was determined by the Corporation. **There is currently no market for the Special Warrants and none is expected to develop.**

In the opinion of counsel, the Common Shares are not, as at the date hereof, precluded as investments under certain statutes as set out under "Eligibility for Investment".

Price: $1.00 per Common Share

	Price to the Public	Underwriter's Fee[(3)]	Net Proceeds to the Corporation[(4)]
Per Common Share	$1.00	$0.07	$0.93
Total Common Shares[(1) (2)]	$2,300,000	$161,000	$2,139,000
Per Special Warrant	$0.90	Nil	$0.90
Total Special Warrants	$3,000,000	Nil	$3,000,000

Notes:

(1) The Corporation has granted an option to the Underwriter, exercisable on or before sixty (60) days after the date of closing of the Offering, (the "Greenshoe Option") to purchase up to an additional 345,000 Common Shares to cover over-allotments in connection with the Offering. The distribution of the additional Common Shares issuable upon exercise of the Greenshoe Option is also qualified under this Prospectus.

(2) The Corporation has agreed to grant an option to purchase 10,000 Common Shares to an officer of the Underwriter. The distribution of such option is qualified under this Prospectus. See "Plan of Distribution".

(3) Pursuant to the terms of the Underwriting Agreement, the Corporation has agreed to pay the Underwriter a fee equal to 7% of the gross proceeds from the sale of Common Shares under the Offering. The Corporation will also grant the Underwriter that number of compensation options of the Corporation (the "Underwriter's Options") equal to 10% of the number of Common Shares issued under the Offering (including pursuant to the Greenshoe Option), for no additional consideration. Each Underwriter's Option will entitle the holder thereof to acquire, subject to adjustment, one Common Share at a price of $1.00 per share at any time and from time to time prior to 5:00 p.m. (Calgary time) on the date which is 18 months from the date of closing of the Offering. The distribution of the Underwriter's Options is also qualified under this Prospectus.

(4) Before deducting the expenses associated with the Offering which are estimated at $150,000 which will be paid from the general funds of the Corporation, and before deducting the expenses associated with the Special Warrant Offering which totalled $177,887.

An investment in the Common Shares and Purchase Warrants should be considered highly speculative due to the nature of the Corporation's business and its early stage of development. The Common Shares are suitable only for investors who are able to accept the risks inherent in the Corporation's business. In addition, there are a number of other risk factors that should be considered by persons proposing to make an investment in the Common Shares. Subscribers should consult their own professional advisors to assess the income tax, legal and other aspects of the investment. See "Risk Factors".

The Offering Price was determined by negotiation between the Corporation and the Underwriter. After giving effect to the Offering and the exercise or deemed exercise of all Special Warrants, the Offering Price of each Common Share will exceed, as at March 31, 2001, the net tangible book value thereof by $0.76 or 76%. See "Dilution". There is currently no market through which the Common Shares and Purchase Warrants offered hereby may be sold and purchasers may not be able to resell the Common Shares and Purchase Warrants purchased under this Prospectus.

The Canadian Venture Exchange Inc. ("CDNX") has conditionally approved the listing of the Common Shares, subject to the Corporation fulfilling the requirements of CDNX. See "Plan of Distribution".

The Underwriter, as principal, conditionally offers the Common Shares, subject to prior sale, if, as and when issued by the Corporation and accepted by the Underwriter in accordance with the conditions contained in the Underwriting Agreement referred to under "Plan of Distribution" and subject to the approval of certain legal matters by Stikeman Elliott on behalf of the Corporation and McCarthy Tétrault, Calgary on behalf of the Underwriter. Subscriptions 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 occur on or about May 10, 2001, or such later date as may be agreed upon by the Underwriter and the Corporation, but in any event not later than May 24, 2001.** Certificates representing the Common Shares will be available for delivery at the closing.

Canaccord Capital Corporation
Suite 400, 409 – 8 Avenue S.W.
Calgary, AB T2P 1E3

TABLE OF CONTENTS

GLOSSARY OF TERMS

"**application**" means a computer program;

"**ASP**" means Application Service Provider, a means of delivering applications to subscribers via a rental agreement. The application typically resides on the ASP's computer equipment and is made available to subscribers over the Internet;

"**Bitonic**" means Bitonic Solutions Inc.;

"**CDNX**" means the Canadian Venture Exchange Inc.;

"**channel**" means a category of buyer such as value added resellers (VARs), system integrators and consultants;

"**Client Server**" is a two-tier architecture with two business functions: UI and data management and the application is divided between the two computers thus requiring a very high bandwidth gateway;

"**Common Shares**" means common shares in the capital of Solium;

"**Corporate Services**" means the e-SOAP and e-SPP product/service lines;

"**e-commerce**" or "**e-business**" means commerce that is delivered or business that is conducted via the internet or by electronic means;

"**e-SOAP**" is an acronym and trademark for Solium's proprietary software called "employee stock option administration platform";

"**e-SPP**" is an acronym for Solium's proprietary software called "employee stock purchase plan platform";

"**e-TEAM**" are the Solium customer service specialists that will help implement the application once an issuer licenses the e-SOAP or e-SPP technology.

"**Expiry Date**" means the earlier of: (i) five business days following the day upon which a final receipt for this Prospectus has been issued by the last of the securities regulatory authorities in each of the provinces of Alberta, British Columbia, Ontario and such other provinces of Canada in which holders of Special Warrants are resident; (ii) the first anniversary of the date upon which the Corporation becomes a reporting issuer in the provinces of Alberta, British Columbia and Ontario; and (iii) May 29, 2002.

"**Greenshoe Option**" means the option granted by the Corporation pursuant to the Underwriting Agreement to the Underwriter, exercisable on or before sixty (60) days after the date of closing of the Offering, to purchase up to an additional 345,000 Common Shares to cover over-allotments in connection with the Offering;

"**IDA**" means Investment Dealers Association of Canada;

"**Internet**" means a world-wide computer network facility with broadcasting capability, a mechanism for information dissemination, and a medium for collaboration and interaction between individuals and their computers without regard for geographic location;

"**online brokerage**" means discount brokerage services provided to clients over the Internet;

"**Purchase Warrants**" means the 1,666,667 Common Share purchase warrants to be issued by the Corporation upon exercise or deemed exercise of the 3,333,333 Special Warrants, and which each whole Purchase Warrant entitles the holder thereof to purchase one Common Share at a price of $1.50 per share until December 31, 2001;

"**Private Placement**" means the distribution of Special Warrants, in reliance upon private placement exemptions, by the Corporation;

"**scalable**" means degree to which an application or database can be increased in size without significant degradation of performance;

"**Selling Provinces**" means British Columbia, Alberta and Ontario;

"**Shareholder**" or "**Shareholders**" means a holder or holders of Common Shares;

"**Solium**" or the "**Corporation**" means Solium Capital Inc., a corporation incorporated under the *Business Corporations Act* (Alberta);

"**Solium Online**" means Solium Capital Online Inc., a corporation incorporated under the *Business Corporations Act* (Alberta) that is a wholly-owned subsidiary of Solium;

"**Special Warrants**" means the 3,333,333 special warrants issued by the Corporation at a price of $0.90 per special warrant during the period the Corporation was a non-reporting issuer;

"**Tax Act**" means the *Income Tax Act* (Canada);

"**Underwriter**" means Canaccord Capital Corporation;

"**Underwriter's Options**" means that number of options granted by the Corporation pursuant to the Underwriting Agreement to the Underwriter equal to 10% of the number of Common Shares issued under the Offering (including pursuant to the Greenshoe Option), each of which entitles the holder thereof to acquire, subject to adjustment, one Common Share at a price of $1.00 per share at any time prior to 5:00 p.m. (Calgary time) on the date which is 18 months from the date of the closing of the Offering;

"**Underwriting Agreement**" means the agreement dated April 30, 2001, between the Corporation and the Underwriter relating to, among other things, the underwriting of the Offering;

"**web**" has the same meaning as "Internet"; and

"**web-based**" means software available on the Internet.

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. Unless otherwise stated, all of the dollar amounts expressed in this Prospectus are stated in Canadian dollars.

THE CORPORATION

Solium Capital Inc. ("Solium" or the "Corporation") is a company with a focus on providing web-based solutions for the management, administration and execution of employee share ownership plans and the sale of shares thereunder. Employee share ownership plans such as stock option plans and employee share purchase plans are widely used and accepted. Solium has emerged out of the recognition that a seamless solution for the management and execution of these plans could be provided in combination with an online brokerage business. Solium has developed a proprietary end-to-end web-based application for employers and employees called e-SOAP (employee stock option administration platform), and is currently developing a web-based stock purchase plan application called e-SPP (employee stock purchase plan platform). e-SOAP and e-SPP help administrators, human resource departments and chief financial officers ("CFOs") better manage their plans by giving them secure web access to real time reporting, search functionality, participant information and order information of their plans. e-SOAP and e-SPP provide employees with web access to view their portfolios, a platform on which to exercise stock options and sell these securities, and educational content on investing and share ownership plans including frequently asked questions and alert functionality.

In 2000, the Corporation raised, through the private placement of Special Warrants, gross proceeds of $3,000,000.

PUBLIC OFFERING

The Offering — 2,300,000 Common Shares (subject to increase upon the exercise of the Greenshoe Option) being offered at a price of $1.00 per Common Share.

Qualification on Exercise of Previously Issued Securities — 3,333,333 Common Shares and 1,666,667 Purchase Warrants are also being qualified for distribution to the public pursuant to this Prospectus, such Common Shares and Purchase Warrants to be issued for no additional consideration upon exercise or deemed exercise of 3,333,333 Special Warrants previously issued under the Private Placement. The Special Warrants were issued and sold at a price of $0.90 per Special Warrant. Each Special Warrant entitles the holder thereof to acquire, subject to adjustment, one Common Share and one-half of one Purchase Warrant at no additional cost, at any time and from time to time on or before 4:30 p.m. (Calgary time) on the Expiry Date. Each whole Purchase Warrant entitles the holder thereof to purchase one Common Share at a price of $1.50 per share until December 31, 2001.

Use of Proceeds — The net proceeds from the sale of the Common Shares (prior to giving effect to any exercise of the Greenshoe Option) are estimated to be $1,989,000 after deducting expenses of the issue estimated at $150,000 and the Underwriter's fees. The net proceeds received by the Corporation from the issue and sale of the Special Warrants were $2,822,113. The combined net proceeds of approximately $4,811,000 are planned to be used or have been used to pursue the business plan of the Corporation and for general corporate purposes. In particular the net proceeds are planned to be used or have been used as follows:

To develop the e-SOAP application	$1,151,000
To develop the e-SPP application	$738,000
To develop the corporate website	$165,000
To establish a sales office in Toronto, and to expand sales and marketing efforts in Montreal, Vancouver and Ottawa	$485,000
To fund capital expenditures	$640,000
To provide funding sufficient to meet administrative costs and general working capital for the twelve month period immediately following the Offering	$1,632,000
Total:	$4,811,000

The Corporation's working capital available to fund ongoing operations after the Offering is expected to be sufficient to meet its administrative costs for 12 months.

The Corporation intends to spend the funds available to it as stated in this Prospectus. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Corporation to achieve its business objectives. The amount actually expended by the Corporation for the purposes described above may vary depending upon, among other things, changes in regulatory requirements, technological advances, the terms of any collaborative arrangements entered into, and the status of any competitive product or service that may be introduced in the marketplace.

Risk Factors

An investment in the Common Shares and Purchase Warrants should be considered highly speculative due to the nature of the Corporation's business and its early stage of development. The Common Shares and Purchase Warrants are suitable only for investors who are able to accept the risks inherent in the Corporation's business and sustain a total loss of their investment.

In addition, there are a number of other risk factors that should be considered by persons proposing to make an investment in the Common Shares and Purchase Warrants including those summarized below:

Management of Growth: Any inability of the Corporation to manage its growth successfully could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Future Capital Requirements: The inability of the Corporation to complete a subsequent significant financing would pose a substantial risk to the overall success of the Corporation.

Competition: The majority of the Corporation's competitors have more established and larger sales and marketing organizations, larger technical staff and significantly greater financial resources than the Corporation.

Timing: The market for the Corporation's products may develop earlier or later than when the Corporation anticipates and is prepared for and as a result, the timing of the growth of the market could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Reliance Upon the Internet: A decrease in the demand for Internet services or a reduction in the currently anticipated growth for such services could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Risk of Technological Defects: The software developed and to be developed in the future by the Corporation may contain undetected errors due to programming errors, miscommunication between marketing and software development departments or for other unforeseen reasons.

Product Acceptance: There can be no assurance that the Corporation's assumptions with respect to product design will prove to be true which could have a material adverse effect on the Corporation's business, results of operations and financial condition.

Early Stage of Development: The Corporation is in the early stages of development and commercialization of its solutions and may never achieve the goals of its business plan.

Regulatory Risks: Changes in the regulatory environment imposed upon the Corporation could adversely affect the ability of the Corporation to attain its corporate objectives.

Product Development: The Corporation faces the risk that its software may not prove to be commercially successful or may be rendered obsolete by further technological developments.

Intellectual Property Claims: No assurance can be given that actions or claims alleging intellectual property infringement will not be brought against the Corporation with respect to current or future products or services, or that, if such actions are brought, the Corporation will ultimately prevail.

Absence of Public Market: Prior to the Offering, there will have been no public market for the Common Shares or Purchase Warrants. There can be no assurance that an active trading market will develop after the Offering or, if developed, that such a market will be sustained at the price level of the Offering.

Volatility of Market Price: The market price of the Common Shares could be subject to significant fluctuation in response to variations in quarterly and yearly operating results, the success of the Corporation's business strategy, competition, technological innovations, new commercial products, patents and other factors.

Risk of Currency Fluctuations: To the extent that the Corporation conducts business in the United States, fluctuations in the value of the Canadian dollar against the U.S. dollar could cause the Corporation to incur foreign currency losses.

Dependence on Proprietary Technology: There is no assurance that the Corporation's means of protecting its proprietary rights will be adequate or that the Corporation's competitors will not independently develop similar technology, the effect of either of which may be materially adverse to the Corporation's business, results of operations and financial condition.

Dependence on Key Personnel: The failure to attract or the loss of any key personnel could adversely affect the success of the Corporation.

Dependence on a Limited Number of Products: A reduction in demand, increase in competition or a decline in sales of the Corporation's products and related services could have a material adverse effect on the Corporation's business, results of operations and financial condition.

Delivery of Products: The Corporation currently uses an Application Service Provider model as a means of delivering its products. The Corporation is at risk if it chooses the incorrect method of delivery of products.

Limited Profitability: The ability of the Corporation to be profitable depends in part on its ability to market its existing products. There can be no assurance that the Corporation will be profitable in the future.

Dependence on Certain Suppliers: Although the Corporation seeks to reduce exposure to single source suppliers and service providers, loss of certain of these suppliers and service providers, or the inability of certain of these suppliers or service providers to deliver to the Corporation on a timely basis could have a material adverse effect on the Corporation's business operations and prospects.

Dividend Policy No dividends have been paid on any Common Shares since the date of incorporation. The future payment of dividends will be dependent upon the financial requirements of the Corporation to finance for future growth, the financial condition of the Corporation and other factors which the board of directors of the Corporation may consider appropriate in the circumstances. It is not contemplated that any dividends will be paid in the immediate or foreseeable future with respect to the Common Shares. See "Dividend Policy".

RRSP Eligibility In the opinion of counsel, provided that the Common Shares are listed on a prescribed stock exchange in Canada (which will include CDNX, provided that the Regulations to the Tax Act are amended effective on or before the closing date of the Offering to include CDNX in the list of prescribed stock exchanges), the Common Shares offered hereby will, on the date of listing of such shares, be eligible for investment by registered retirement savings plans. See "Eligibility for Investment".

Subscribers should consult their own professional advisors to assess the income tax, legal and other aspects of the investment.

Selected Financial Information

The following selected consolidated financial data of the Corporation as at or for the year ended December 31, 2000 and for the period from the date of incorporation, September 16, 1999, to December 31, 1999 should be read in conjunction with the consolidated financial statements and related notes included in this Prospectus.

	2000 $	1999 $
Consolidated Balance Sheets		
Assets		
Current Assets	1,994,693	1,300,087
Non-current Assets	245,734	58,672
	2,240,427	1,358,759
Liabilities		
Current Liabilities	511,138	40,783
Shareholders' Equity	1,729,289	1,317,976
	2,240,427	1,358,759
Consolidated Statements of Loss		
Revenues	91,976	1,315
Expenses		
Development Costs	813,820	-
Operations	11,057	-
General Administration	1,633,682	48,004
Total	2,458,559	48,004
EBITDA	(2,366,583)	(46,689)
Amortization	69,217	611
Net Loss	(2,435,800)	(47,300)
Loss per share	(0.34)	(0.07)

THE CORPORATION

Solium Capital Inc. ("Solium" or the "Corporation") was incorporated under the laws of Alberta by Certificate of Incorporation dated September 16, 1999. By Certificate of Amendment dated December 3, 1999, the Corporation amended its Articles to remove the private company restrictions.

Solium Capital Online Inc. ("Solium Online") was incorporated under the laws of Alberta by Certificate of Incorporation dated December 3, 1999. Solium Online is a wholly-owned subsidiary of the Corporation.

The head office of the Corporation and of Solium Online is located at 325 – 10th Avenue S.W., Calgary, Alberta, T2R 0A5 and the registered office is located at 4300 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta, T2P 5C5.

The Corporation is not a reporting issuer, as such term is defined in the *Securities Act* (Alberta), in any of the Selling Provinces. The Common Shares and Special Warrants are not posted or listed for trading on any stock exchange.

BUSINESS OF THE CORPORATION

Overview

The Corporation provides web-based solutions for the management, administration and execution of employee share ownership plans and the sale of shares thereunder. Employee share ownership plans such as stock option plans and employee share purchase plans are widely used and accepted. As share ownership plans have become more broad based, the need for an electronic real time management tool has become evident. Solium has emerged out of a recognition that a seamless electronic solution for the management and execution of these plans could be provided in combination with an online brokerage business. This need and the opportunity were recognized by Solium's two founders, who both previously worked as investment advisors in full service brokerage firms and identified that there was a high growth market for such services.

Solium has developed a proprietary end-to-end web-based application for employers and employees called e-SOAP (employee stock option administration platform), and is currently developing a web-based stock purchase plan application called e-SPP (employee stock purchase plan platform). e-SOAP and e-SPP help administrators, human resource departments and CFOs better manage their plans by giving them secure web access to real time updating of their books and records, real time reporting, search functionality, participant information and order information of their plans. e-SOAP and e-SPP provide employees with web access to view their portfolios, a platform on which to exercise stock options and sell their securities, and educational content on investing and share ownership plans including frequently asked questions and alert functionality.

Solium Online is a web-based discount brokerage firm licensed with the Investment Dealers Association of Canada. This brokerage firm only performs discounted execution of trades in securities and does not offer investment advice to clients. Solium Online offers a host of features and benefits that other online retail discount brokerage firms offer in Canada. Like all IDA member firms, brokerage accounts held at Solium Online are protected by the Canadian Investors Protection Fund. Solium Online is able to accept individual retail accounts and trade securities via the internet or over the phone during regular market hours in cash accounts, margin accounts or registered retirement savings plans ("RRSPs"). However, the primary purpose of the web-based brokerage firm is to provide the execution component of the seamless solution that is being offered by e-SOAP and e-SPP to corporate clients. Solium Online does not intend to mass market its general retail capabilities in competition with other online brokerage firms, but it will accept all approved retail accounts in licensed jurisdictions. Solium Online is licensed in Alberta, Ontario and Saskatchewan, and is currently in the process of obtaining licenses in Quebec, British Columbia and Manitoba.

Products and Services

e-SOAP

The e-SOAP application delivers a unique proprietary solution to issuers for the management and administration of employee stock option plans. The directive of the application is to demonstrate cost savings and value added real time reporting to corporations and self-management tools to the employee.

Prior to e-SOAP, employees who wanted to exercise their incentive stock options typically had to go through a non-standardized process involving communication with their company's transfer agent, corporate treasury, human resources and a brokerage firm that would be willing to facilitate the execution and tolerate the lengthy manual administration and communication process. The e-SOAP application reduces all manual administration to three standardized steps and provides for employee self-management.

Prior to e-SOAP, employers commonly managed the database of employee stock options on desktop spreadsheets. Communication between brokerage execution and the transfer agent involved a manual process which left ample room for error and resulted in inefficient data updates to the books and records. e-SOAP connects these processes, electronically allowing for real-time updates of issuer books and records and significantly reduces manual administration time.

In combination with the online brokerage business in Solium Online, the e-SOAP application has the following key features and benefits:

1. **Simplified cashless exercise:** e-SOAP streamlines the cashless exercise process. Utilizing Solium's website, an employee can request stock options to be exercised, automatically triggering the shares to be sold in the market through Solium Online to provide the proceeds to pay for the options. All of the back-office processes of loaning the employee the money to purchase the shares in the market, issuing the share certificates from treasury, and getting the cash into the hands of the issuer are automatically executed. Although the cashless exercise process is enhanced by the integration of Solium and Solium Online, an employee is not precluded from using his own broker to execute a stock option exercise in the more traditional manner.

2. **Outsourcing:** e-SOAP offers a web-based platform for issuers to administer their employee stock option plans. Under an ASP model and in concert with Solium's client service e-TEAM, anywhere from a portion to all of the processes involved in administering a stock option plan can be outsourced to Solium. At the very minimum, e-SOAP offers a simplified online recordkeeping system for human resource departments, CFOs and stock option administrators.

3. **Improved administrative functionality:** e-SOAP provides functionality that allows for the better management of stock option plans by both issuers and employees including:

    (a) administration of different series of stock option grants of issuers;

    (b) administration of blackout periods for specific groups of employees, such as insiders of the issuers;

    (c) classification of insiders of the issuer by class;

    (d) tracking of the percentage of total options of an issuer outstanding relative to shares outstanding;

    (e) realtime quotes and price links providing up-to-date valuations of stock options to an individual employee, or in aggregate to the issuer;

    (f) administration of terminated employees and their amended vesting periods;

(g) direct notification to employees of the vesting or expiry of stock options in their personal portfolio;

(h) pre-defined personal alerts to employees (eg: desired sale price, percentage gain, trading volumes, company news); and

(i) online tax calculators to help employees assess the tax consequences of an exercise or sale transaction.

4. **Real time external reporting:** e-SOAP offers a simplified online reporting and surveillance solution that provides all of the information needed by CFOs for corporate financial and security reporting requirements. For example, the application is designed to handle insider trading reports upon the sale of stock options by insiders, facilitating more timely and accurate disclosure of transactions. The application has the capability to electronically deliver these reports to stock exchanges, once the stock exchanges are able to handle the electronic receipt of these reports. The application also calculates and maintains the necessary information required by both the employer and employee for Canadian personal income tax purposes, including the deferral of stock option benefits recently announced in the Federal mini-budget of October 18, 2000.

The e-SOAP application has been built as an enterprise solution, thus enabling Solium to significantly grow its client base without having to change the application. e-SOAP was written using a programming language known as Enterprise Java Beans and was architected using the latest technology to ensure that the reliability and growth of the application would not be hindered. Vendors known to be best of breed in their industry such as WebLogic, Oracle and IBM have been used.

The Solium application is hosted at a secure data center in Calgary. The application has a 100MB connection to the Internet. The servers reside behind a dedicated firewall in a locked co-location room at the data centre. The data centre has been outfitted with state of the art security, fire protection, and redundant power supplies to ensure maximum connectivity. All passwords and procedures are secured with 128-bit encryption.

As at December 31, 2000, software development costs for e-SOAP, exclusive of e-SPP costs and website development costs, totalled approximately $572,000.

Future development plans for e-SOAP

Future development costs for e-SOAP over the next 12 months are estimated at $530,000 and include the following enhancements to functionality:

Functionality	Target Live Date
New Grant Functionality and Enhancements: features that allow the editing of vesting and or expiry to move to the employee level	April 2001
Data imports and exports: developing the import and export functionality in e-SOAP to handle XML format	June 2001
Internationalization: modification of the e-SOAP application to accommodate foreign languages and numeric representations	July 2001
Series Management: management of the authorized options based on rules and regulations that vary by stock exchange	August 2001
Reporting and Administration: a host of reporting functionality is planned for more robust administration capabilities for the employer	August 2001

Non-Market Based Alerts: alerts that are triggered by features other than stock price such as vesting or expiry	August 2001
Americanization: development of American based reporting and execution for U.S. domestic employee stock option plans	September 2001

Future Development Plans for e-SPP

The employee share purchase plan application (e-SPP) is being developed to complement the existing e-SOAP application and to provide issuers with a fully integrated web-based solution for the management of employee share ownership programs. Both registered and non-registered stock savings plans will be offered.

The e-SPP platform will leverage from the existing e-SOAP application and will provide issuers with a recordkeeping administration solution together with online brokerage functionality for real time execution of employee trades. This system will operate within various Government defined plan types including employee savings plans, employee profit sharing plans and registered retirement savings plans. The major processes which the e-SPP application will include are plan set up and employee enrolment, payroll and issuer contributions, dividend allocation, interest allocation, inter-fund transfers, inter-plan transfers, withdrawal process, termination process, and trading.

The completion of e-SPP is scheduled for a beta launch in the fourth quarter of 2001 and full commercialization in the first quarter of 2002. As at December 31, 2000, software development costs on the e-SPP application totalled approximately $79,000.

Future development costs for e-SPP over the next 12 months are estimated at $595,000 and include the following timetable:

Phase	Estimated Completion Date
Component Development • Trading • Purchase of shares • Pending transaction • Allocation of shares to employees	July 2001
Component Development • Withdrawals • Dividend Allocation • Interest Allocation • Enroll Online	September 2001
Interface and Servlet Development Development of the User Interface and Servlets	October 2001
Testing and Transition • User Acceptance Testing • Pilot Test (if required) • System Implementation Strategy • Training • Finalize project documentation	November 2001

Operations

Software Development

Solium has engaged a team of software development experts to work with its own subject matter experts in delivering a state of the art system to effectively provide its option administration and share purchase plan services via the Internet.

Bitonic Solutions Inc. ("Bitonic") has provided its extensive expertise in object oriented application development techniques to deliver software applications and an infrastructure that provide the following benefits:

- Flexible object oriented design/construction of components that rapidly accommodate new and changing business models and rules;
- High availability infrastructure to handle maximum throughput;
- Reliable/stable environment to avoid production downtime;
- Scalable infrastructure to accommodate growth;
- Easily maintainable by support staff; and
- Built with Java standards that allows for easier interface with compatible systems and portability to any other operating platform.

Production Support

Support of the production system is effectively managed by Bitonic to ensure that Solium's production system is performing optimally during its core business hours and is well supported during its non-core hours.

The Corporation also has contracted the services of a leading internet service provider to ensure that high bandwidth Internet connections, LAN networking opportunities, e-commerce and security applications, and local or long distance services are provided when needed.

Solium and Bitonic have defined and implemented a number of key operational requirements to ensure that the system is as fault tolerant as possible including:

- Offsite data back up, storage and retrieval;
- Extensive security design within the applications and architecture to ensure that no client information is ever compromised;
- Regular maintenance checks on the operating structure to ensure optimum performance and stability; and
- Multiple testing environments to test fixes/enhancements prior to their release to the production system.

Market Overview

Corporate Market Size

Based on a research bulletin ("Canadian Shareowner Study: Canadians Propel Equity Markets" June 1, 2000) published by The Toronto Stock Exchange, 49% of adult Canadians directly or indirectly own shares. The same research bulletin indicates that approximately 20% of investment is through employee share ownership entitlement plans. Statistics Canada reports a population of approximately 23 million adult Canadians (www.statcan.ca/english/Pgdb/People/Population/demo10a.htm) as at July 1, 2000. Based on this information, Solium estimates that, on the conservative side, there are approximately 2.3 million people that participate in employee share ownership entitlement plans in Canada. In the United States, the National Centre for Employee Ownership estimates that between 7 million and 10 million non-management workers receive some form of stock options. ("Talks Continue Over FLSA Exemption Covering Employee Stock Option Profits" BNA Daily Labour Report, March 20, 2001).

Solium will initially target Canadian public issuers that offer broad based entitlement plans to their employees. These are plans that include 75% or more of all employees. Solium estimates from internal surveys that this would make an initial target market of approximately 1,500 issuers. Public issuers that offer employee share ownership entitlement plans to only a limited number of employees will be the secondary target market. These issuers will also benefit from the e-SOAP application but the initial demand for a solution is stemming from the issuers with broad based plans as they have greater reporting and record keeping requirements. In the future, Solium plans to develop the functionality and the reporting capabilities to handle the employee share ownership entitlement plans for private issuers.

The market size is not limited by industry type. Initial marketing efforts and unsolicited interest in the e-SOAP solution have demonstrated that no one particular industry is seeking a solution. Solium has received interest for the e-SOAP application across a wide range of industry types including new economy and old economy issuers.

Marketing Plans and Strategies

Solium is targeting Canadian based issuers that have a minimum of 500 employee stock option plan participants for the e-SOAP application, and small and medium sized Canadian businesses for the e-SPP application. The bulk of stock option participants must reside in Canada as reporting features for U.S. resident employees that participate in Canadian based plans is not yet developed in the e-SOAP application. Solium plans to develop functionality and reporting for international participants during 2001.

Solium is going to the Canadian market with a direct sales force, targeting issuers in all industry sectors that are understood to be early adapters of new technology. After the early adapters have been secured, the next market segment will be those issuers which have a compelling reason to buy but do not want to be the first to use the technology.

A strategic sales approach will be used by the sales force to identify the buying influencers in the sales cycle in order to increase the closing ratio on a sale. Solium will approach the human resource departments and specifically the designated employee stock option administrator of an issuer. After being given the opportunity to demonstrate the technology and the benefits to the issuer, Solium will follow up with contact at the financial decision maker's level, usually the CFO or Vice President of Finance.

Solium currently has four sales people (two in both Calgary and Montreal) and is actively recruiting four more for the Ottawa (one), Toronto (two) and Vancouver (one) regions. The sales force will work closely with the marketing, e-TEAM and development staff to ensure that the implementation process and product knowledge are kept up to date. Until the sales force is fully hired, the current sales people will demonstrate the application via the Internet and through conference calls to those potential clients located in the regions that currently do not have sales people. This should save on travel expenses and decrease the time between the client agreeing to see the application and actually seeing the application.

In addition to the direct sales approach, Solium will also be exploring channel alliances with human resource firms, accounting firms, law firms, and other consulting firms that currently have strong links into potential corporate clients. Thirdly, Solium will be pursuing strategic alliance opportunities with the goal of entering into revenue sharing arrangements with financial institutions who are looking to add stock option administration to their product lines.

Since the e-SOAP application services became ready for commercial sale in October 2000, Solium has signed e-SOAP contracts with five issuers and is in the process of finalizing contracts with an additional four issuers, in total representing approximately 3,000 optioned employees. After the implementation phase, these contracts will begin to generate revenue in the second quarter of 2001. Three additional issuers are using Solium's e-SOAP services on a test basis for approximately 400 optioned employees. If fully implemented, a total of 800 additional optioned employees from one of these issuers will also come online. Solium is also in various stages of negotiation with several other issuers. Management of Solium anticipates additional contracts will be signed with some of these issuers by mid 2001.

Marketing and sales costs over the next 12 months are estimated at $485,000 and include the opening of a Toronto office during the second quarter of 2001.

Pricing strategy

Solium intends to license e-SOAP and e-SPP to corporations who are seeking a management solution for their share ownership entitlement plans. Solium will, as a result, earn revenue through licensing fees and additional transaction fees associated with trading volumes when options are exercised and shares are traded.

e-SOAP and e-SPP

Solium employs an all-inclusive per participant pricing structure that supports the matching of solutions with a client's needs and objectives. These solutions are intended to improve a client's organizational effectiveness by decreasing its administrative duties, eliminating repetitive procedures, and enhancing overall administrative process. It is the goal of Solium to provide a solution of premium services at a cost effective price.

The cost of licensing the e-SOAP application is based on a per seat/per grant basis (the number of plan participants that an issuer has and the number of grants the issuer issues). Pricing is further determined by the degree to which an issuer outsources its stock option administrative process to Solium. This makes the pricing of the technology scalable to all sizes of issuers and to all degrees of usage. Pricing levels are reviewed on a quarterly basis to adjust for changes in the plan size.

The e-SPP application will also have a flat fee component to it based on the number of seats or users on the system. In addition, transaction fees will be charged for individual employee activity for such things as withdrawals, inter-fund transfers and dividend reinvestment.

Retail Online Brokerage

Transaction fees for the purchase or sale of securities are as follows:

Trade Value	Online	Assisted
<$5000	0.75%	1.5%
$5,001-$10,000	0.50%	1.0%
$10,001-$25,000	0.25%	0.50%
$25,001-$50,000	0.125%	0.25%
>$50,001	0.12%	0.24%

The minimum commission charged for online trades is $35. The minimum commission charged for assisted trades is $50. Commission is charged in the currency of the trade.

Mutual fund orders have no fee attached. Fund positions held for less than 90 days are subject to a 2% early redemption charge. Fund companies charge their own back-end load fees.

There are no annual fees charged for RRSPs.

Service Differentiators

Solium is taking a unique and differentiated approach to the market in four ways:

- Offering an effective solution that can be afforded by issuers of all sizes;
- Delivering the solution in an Application Service Provider model;
- Combining record keeping and brokerage facilities under one solution in real time; and
- Licensing the application directly to the issuers versus through other financial institutions.

Competition

<u>e-SOAP and e-SPP</u>

Management of Solium is not aware of any fully integrated web enabled employee share ownership solution in Canada that combines record keeping with online brokerage execution. Solium's management believes that its closest competitors are:

Computershare Investor Services Inc. (formerly Montreal Trust Company of Canada)

Management believes that Solium's closest competitor is Computershare Investor Services Inc. ("Computershare") (formerly Montreal Trust Company of Canada). Computershare has a desktop application that helps administrators with the record keeping associated with employee stock option plans. This system is called Solar. Their solution is not web enabled. It was designed as a database management tool for the employer and provides no functionality to the individual employee. Unlike the e-SOAP application, the trust company does not provide real-time reporting to the human resource department. Computershare does not provide stock execution facilities for employees.

Fastrack Systems Inc.

Fastrack Systems Inc. ("Fastrack") has a desktop solution for the administration of employee share purchase plans and employee stock option plans. Like Computershare, it does not provide brokerage facilities for the execution of the shares. It has recently web enabled a portion of its solution for share purchase plans and management of Solium believes that it is likely exploring opportunities with an online brokerage partner.

Full Service Firms

Solium will have indirect competition from approximately 130 full service investment firms across Canada. Management is not aware of any full service firms that have addressed the management of these stock option plans with any formal solution. Normal practice is for individual brokers to organize the execution of employee stock options on behalf of their clients, a process which is cumbersome. The full service brokers commission structure is not conducive to the one-time execution and sale.

Mutual Fund Companies

Mutual fund companies compete in the group RRSP business and companies such as Fidelity Investments ("Fidelity") have established themselves as leaders in employee share purchase plan business solutions. Fidelity has a sophisticated internet based solution for the administration of employee share purchase plans aimed at servicing the largest issuers in Canada and the United States. Mutual fund companies do not at this time provide solutions for employee stock option plans.

U.S. Competition

E*TRADEGroup, Inc. ("E*TRADE") has the world's only fully integrated solution currently used by more than 3,000 issuers in the United States called "Optionslink". This application is e-SOAP's only direct competition and is not presently available in Canada. Management believes that E*TRADE's primary directive for this application is to drive transaction volumes on the execution of the employee stock options. E*TRADE could adopt this application in Canada but changes would be required to accommodate Canadian tax rules.

Solium has identified three other significant competitors in the U.S., which provide solutions for the administration of employee stock options – Transcentive, Inc. (formerly Corporate Solutions Management, Inc.), AST Stockplan, Inc. and Mavricc Management Systems. These companies do not offer seamless execution and are built on Windows based applications. These companies also license their applications to financial services firms and not to issuers directly.

Trends Driving Industry Growth

The e-SOAP and e-SPP applications are hybrid products that span different industries. These corporate solutions incorporate characteristics from online brokerage, employee share ownership plans, and the internet. Management believes that the following trends are driving the growth for the e-SOAP and e-SPP solutions:

- Growth in employee stock option plans and other equity incentive plans;
- Recent budgetary changes in Canada towards the tax treatment of employee stock options including the requirement for corporations to maintain accurate records on an employee's $100,000 tax deferral for T4 slip purposes;
- Deregulation of brokerage commissions in Canada and the unbundling of brokerage services;
- The broad availability and timeliness of online investment information;
- Shift in consumer investing patterns;
- Democratization of market information;
- Globalization;
- Growing tendency for issuers to outsource human resource administration; and
- Acceptance of ASP business models as a solution provider to corporations.

Barriers to Entry

- High capital requirements (regulatory and initial start up): a Canadian brokerage firm is required by the IDA to maintain minimum capital of $250,000, plus maintain a risk-adjusted capital amount equal to or greater than six times last month's loss.

- Highly regulated industry in Canada: the IDA enforces strict rules and regulations upon licensed brokerage firms.

- Years of experience and licensing requirements: IDA licensing is highly administrative and requires at least two senior officers who each have five years minimum industry experience and have passed the Partners Directors and Senior Officers exam. The licensing process can take from six to nine months for the first provincial jurisdiction, and a further one or two months for each additional jurisdiction.

- Competing against the highly capitalized and powerful banks in Canada: the Canadian online brokerage industry is dominated by the bank owned firms. Any new retail online firm will be competing against these highly capitalized and well established organizations.

- The rapid pace of change in technology: the online brokerage industry is highly technical and given the rapid pace of change of technology, a competing online firm must be prepared to be aggressive and stay on the forefront of technological advancements.

- Lengthy sales cycle: sales cycle to persuade issuers to sever existing broker relationships for the administration of employee stock option plans is lengthy.

- Lack of qualified workforce: it is difficult to find qualified human resources with technical and brokerage experience.

Growth Strategy

Solium will apply net proceeds from the Offering towards expanding the market for the e-SOAP application. The first growth opportunity exists in managing Canadian based plans that have U.S. resident participant employees. The next phase of growth will include a U.S. domestic version of the software so that U.S. based plans can be managed through Canada and the United States. Finally, Solium plans to add reporting functionality on a country by country basis as needed based on the corporate client profile and requirements. The market opportunity for managing international plans is significant. No solution that provides proper tax treatment on a jurisdiction by jurisdiction basis currently exists.

Solium Capital is developing the e-SPP application for the Canadian market. Management believes that the e-SPP market is much larger than the employee stock option market. Management believes that issuers that offer share ownership incentive plans tend to offer much more broad based share purchase plans that incorporate all employees compared to the more selective participation of employee stock option plans. Solium will target mid-sized Canadian based issuers with its e-SPP application. This is a very competitive market but generally the existing solutions are outdated and there exists a disjoint between brokerage, trust and payroll. The largest Canadian issuers are serviced by the world's largest mutual fund companies such as Fidelity but the solutions offered by these companies are expensive for the mid size market in Canada.

Employees

The Corporation currently has 20 full-time employees and one individual on a consulting contract.

Facilities

Solium leases 8,913 square feet of administrative office space at 325 10th Avenue S.W., Calgary, Alberta, T2R 0A5. The lease costs are $2,000 per month from January 1, 2001 to May 31, 2001 and then $9,945 per month from June 1, 2001 to May 31, 2006. This latter rate is equivalent to $13.39 per square foot per year.

In addition, Solium leases 2,300 sq. feet of office space for corporate sales in Montreal at 355 – 1470 Peel Street, Montreal, Quebec. The lease commenced on November 1, 2000 and terminates on October 31, 2005. The rate is approximately $14 per square foot per year.

Intellectual Property Protection

All potentially valuable intellectual property, including all trade secrets, and all material which could lead to new patents, are protected by requiring all employees and all outside parties contracting with the Corporation to execute agreements which contain confidentiality clauses and non-disclosure agreements and which assign any new intellectual property to the Corporation.

The Corporation believes that one of the best intellectual property control policies is a strong human resources policy to ensure that technical leaders with access to proprietary intellectual property do not consider leaving the Corporation for other employment. The Corporation intends that all staff be compensated through competitive salaries and that key staff participate in the Corporation's stock option program.

Currently, the Corporation has Canadian trademarks on the logo, the company name, the tag line and the application name of e-SOAP. The Corporation also has a U.S. trademark for "e-SOAP". All of the applications and the programming code associated with them are owned directly by Solium. None of the Corporation's software or programming code have been patented.

PLAN OF DISTRIBUTION

Pursuant to an underwriting agreement dated April 30, 2001 between the Corporation and the Underwriter (the "Underwriting Agreement"), the Underwriter has agreed, subject to the terms and conditions set forth in the Underwriting Agreement, to purchase 2,300,000 Common Shares at $1.00 per share on May 10, 2001 or such other date as the Corporation and the Underwriter agree, but in any event not later than May 24, 2001. The obligations of the Underwriter under the Underwriting Agreement may be terminated at its discretion on the basis of its assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events. The Underwriter, is however, obligated to take up and pay for all of the Common Shares if any of the Common Shares are purchased under the Underwriting Agreement. The Offering Price was determined by negotiation between the Corporation and the Underwriter. The Underwriter may retain, as subagents, other registered securities dealers and may obtain subscriptions that have been arranged through such subagents and, in the Underwriter's discretion, may pay a fee and transfer part of the Underwriter's Options as agreed between the Underwriters and any such subagent. The Corporation has granted an option to the Underwriter, exercisable on or before sixty (60) days after the date of closing of the Offering, (the "Greenshoe Option") to purchase up to an additional 345,000 Common Shares to cover over-allotments, if any, in connection with the Offering. The distribution of the additional Common Shares issuable upon exercise of the Greenshoe Option is also qualified under this Prospectus.

Pursuant to the terms of the Underwriting Agreement, the Underwriter will be paid a cash commission equal to 7% of the gross proceeds from the Offering. The Corporation will also grant the Underwriter a number of Underwriter's Options equal to 10% of the number of Common Shares issued pursuant to the Offering (including pursuant to the Greenshoe Option) for no additional consideration. Each Underwriter's Option entitles the holder thereof to acquire, subject to adjustment, one Common Share at a price of $1.00 per share at any time and from time to time prior to the date which is 18 months after the closing of the Offering. The Underwriter's Options are being qualified for distribution pursuant to this Prospectus.

Larger subscriptions may be given priority. All subscriptions will be received subject to rejection or allotment in whole or in part. If a subscription is rejected, the Corporation will promptly return all documents and cheques representing such subscription funds without interest, deduction or penalty.

The Underwriter's obligation to complete the sale of the Common Shares pursuant to the Underwriting Agreement is subject to a number of conditions as more particularly described in the Underwriting Agreement, including the giving by the Corporation to the Underwriter of certain representations and warranties typical in a transaction of this nature.

Certificates for the Common Shares will be available for delivery on closing of the Offering which is expected to occur on or about May 10, 2001, or such other date as may be agreed to by the Corporation and the Underwriter, but in any event not later than May 24, 2001.

The Common Shares offered hereby 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 or to U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act.

3,333,333 Common Shares and 1,666,667 Purchase Warrants are also being qualified for distribution pursuant to this Prospectus, such Common Shares and Purchase Warrants to be issued for no additional consideration upon exercise or deemed exercise of an aggregate of 3,333,333 Special Warrants of the Corporation previously issued under the Private Placement. The Special Warrants were issued and sold at a price of $0.90 per Special Warrant. Each Special Warrant entitles the holder thereof to acquire, subject to adjustment, one Common Share and one-half of one Purchase Warrant at no additional cost, at any time and from time to time on or before 4:30 p.m. (Calgary time) on the Expiry Date. Each whole Purchase Warrant entitles the holder thereof to purchase one Common Share at a price of $1.50 per share until December 31, 2001. Certificates representing the Common Shares and Purchase Warrants will be available for mailing within five business days following the exercise or deemed exercise of Special Warrants.

CDNX has conditionally approved the listing of the Common Shares, subject to the Corporation fulfilling the requirements of CDNX.

In connection with a credit agreement between the Corporation and an officer of the Underwriter, the Corporation agreed to grant to such officer an option to purchase 10,000 Common Shares exercisable at the Offering Price, or if the Offering has not been completed by June 15, 2001, at $1.50, and exercisable at any time on or before March 2, 2003. The credit agreement has since been terminated. The distribution of the option granted to the officer is qualified under this Prospectus.

USE OF PROCEEDS

The net proceeds from the sale of the Common Shares are estimated to be $1,989,000 after deducting expenses of the issue estimated at $150,000 and the Underwriter's fees. The net proceeds received by the Corporation from the issue and sale of the Special Warrants were $2,822,113. The combined net proceeds of approximately $4,811,000 are planned to be used or have been used to pursue the business plan of the Corporation and for general corporate purposes. In particular the net proceeds are planned to be used or have been used as follows:

To develop the e-SOAP application	$1,151,000
To develop the e-SPP application	$738,000
To develop the corporate website	$165,000
To establish a sales office in Toronto, and to expand sales and marketing efforts in Montreal, Vancouver and Ottawa markets	$485,000
To fund capital expenditures	$640,000
To provide funding sufficient to meet administrative costs and general working capital for the twelve month period immediately following the Offering	$1,632,000
Total:	$4,811,000

As at March 1, 2001, the net proceeds of $2.8 million from the Special Warrants have been used as follows:

To develop the e-SOAP application	$621,000
To develop the e-SPP application	$143,000
To develop the corporate website	$163,000
To fund capital expenditures	$256,000
To fund administrative and operating costs	$501,000
Total:	$1,684,000

The Corporation's working capital available to fund ongoing operations after the Offering is expected to be sufficient to meet its administrative costs for 12 months. The Corporation's working capital at March 31, 2001 was approximately $594,000.

The Corporation intends to spend the funds available to it as stated in this Prospectus. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Corporation to achieve its business objectives. The amount actually expended by the Corporation for the purposes described above may vary depending upon, among other things, changes in regulatory requirements, technological advances, the terms of any collaborative arrangements entered into, and the status of any competitive product or service that may be introduced in the marketplace.

DESCRIPTION OF SHARE CAPITAL

The Corporation has authorized capital consisting of an unlimited number of Common Shares. The following summarizes the material attributes of such shares.

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares, of which 7,222,005 Common Shares are issued and outstanding as at the date hereof. The Common Shares are not subject to any future call or assessment. Each common share entitles the holder thereof to one vote. There are no special rights or restrictions of any nature attached to any of the Common Shares and they all rank pari passu, each with the other as to all benefits which might accrue to the holders of the Common Shares. All registered holders of Common Shares are entitled to receive a notice of any general meeting to be convened by the Corporation. At any general meeting, subject to the restrictions on joint registered owners of Common Shares, on a show of hands, every registered holder of Common Shares who is present in person and entitled to vote has one vote and on a poll, every registered holder of Common Shares has one vote for each Common Share of which he or she is the registered owner and may exercise such vote either in person or by proxy.

The Common Shares and any shares acquired upon exercise of the Underwriter's Option are not subject to any future call or assessments and do not have any pre-emptive rights, conversion rights or redemption rights.

Special Warrants

The Corporation issued 2,745,401 Special Warrants on May 29, 2000, 234,111 Special Warrants on June 26, 2000, 333,333 Special Warrants on July 4, 2000, and 20,488 Special Warrants on August 22, 2000, for a total of 3,333,333 Special Warrants, all at a price of $0.90 per Special Warrant pursuant to a special warrant indenture dated May 29, 2000 between the Corporation and Montreal Trust Company of Canada. These Special Warrants were sold by the Corporation while the Corporation was not a reporting issuer. The issue price of the Special Warrants was determined by the Corporation. The Special Warrants were issued pursuant to exemptions from prospectus requirements of applicable securities legislation.

Each Special Warrant entitles the holder thereof, upon exercise or deemed exercise of the Special Warrant and without payment of additional consideration, to receive one Common Share and one-half of one Purchase Warrant for each Special Warrant that is exercised. Each whole Purchase Warrant then entitles the holder thereof to purchase a further Common Share at $1.50 per share until December 31, 2001. This Prospectus qualifies 3,333,333 Common Shares and 1,666,667 Purchase Warrants issuable upon the exercise of the Special Warrants.

Warrants

1,666,667 Purchase Warrants are issuable upon the exercise of the Special Warrants. No fractional Purchase Warrants shall be issued nor will consideration be given in lieu thereof. The Purchase Warrants were issued pursuant to a warrant indenture dated May 29, 2000 between the Corporation and Montreal Trust Company of Canada.

Each whole Purchase Warrant entitles the holder thereof to purchase one Common Share at a price of $1.50 per share until December 31, 2001. The number of Common Shares issuable upon the exercise of the Purchase Warrants, or the exercise price per Common Share, or both, are subject to adjustment in the event of a consolidation or subdivision of Common Shares and may also be subject to adjustment in certain circumstances if the Corporation issues Common Shares and in certain other events.

Holders of Purchase Warrants do not have any voting rights or any other rights which a holder of Common Shares would have. The Purchase Warrants are transferable.

The Purchase Warrants have not been registered under the U.S. Securities Act or the securities laws of any state. The Purchase Warrants may not be exercised in the United States by a U.S. person as defined in Regulation S under the U.S. Securities Act, unless the Common Shares have been registered under the U.S. Securities Act and applicable state securities laws, or an exemption from registration is available and an opinion of counsel to such effect is received by the Corporation.

CAPITALIZATION

The following table sets forth the Corporation's capitalization before and after giving effect to the Offering:

Description of Capital	Authorized	Outstanding as at December 31, 2000	Outstanding as at January 31, 2001	After giving effect to the Offering(1)
Long-Term Debt	Nil	Nil	Nil	Nil
Common Shares(2)	Unlimited	$1,390,276 (7,222,005 shares)	$1,390,276 (7,222,005 shares)	$6,201,389 (12,855,338 shares)
Special Warrants(3)	3,333,333	$2,822,113 (3,333,333 special warrants)	$2,822,113 (3,333,333 special warrants)	Nil

Notes:

(1) Gives effect to the issue of 2,300,000 Common Shares pursuant to the Offering (prior to any exercise of the Greenshoe Option) and 3,333,333 Common Shares upon the exercise of the 3,333,333 Special Warrants. The Corporation has granted a Greenshoe Option to the Underwriter, exercisable on or before sixty (60) days after the date of closing of the Offering, to purchase up to an additional 345,000 Common Shares to cover over-allotments in connection with the Offering.

(2) As at the date hereof, the Corporation has reserved 1,300,167 Common Shares for issuance on exercise of outstanding stock options granted pursuant to its stock option plan. See "Options to Purchase Securities". Upon the exercise of the Special Warrants, 1,666,667 Purchase Warrants will be issued and outstanding, each entitling the holder to purchase, subject to adjustment one Common Share for $1.50 on or before December 31, 2001. Pursuant to the Underwriting Agreement, the Underwriter will be granted Underwriter's Options equal to 10% of the Common Shares issued under the Offering (including pursuant to the Greenshoe Option) each of which will entitle the holder to acquire, subject to adjustment, one Common Share at a price of $1.00 per share at any time and from time to time prior to 5:00 p.m. (Calgary time) on the date that is 18 months from the date of the closing of the Offering.

(3) Represents gross proceeds of the Special Warrants of $3,000,000, less issuance costs of $177,887.

(4) In compliance with the rules of the Alberta Securities Commission, 1,543,504 shares representing founders shares will be placed in escrow on closing of the initial public offering.

(5) As at December 31, 2000, the Corporation had a deficit of $2,483,100.

SELECTED FINANCIAL INFORMATION

The following is a summary of selected consolidated financial information of the Corporation as at or for the year ended December 31, 2000 and for the period from the date of incorporation, September 16, 1999, to December 31, 1999. Reference should be made to the consolidated financial statements of the Corporation included in this Prospectus.

	2000 $	1999 $
Consolidated Balance Sheets		
Assets		
Current Assets	1,994,693	1,300,087
Non-current Assets	245,734	58,672
	2,240,427	1,358,759
Liabilities		
Current Liabilities	511,138	40,783
Shareholders' Equity	1,729,289	1,317,976
	2,240,427	1,358,759
Consolidated Statements of Loss		
Revenues	91,976	1,315
Expenses		
Development Costs	813,820	-
Operations	11,057	-
General Administration	1,633,682	48,004
Total	2,458,559	48,004
EBITDA	(2,366,583)	(46,689)
Amortization	69,217	611
Net Loss	(2,435,800)	(47,300)
Loss per share	(0.34)	(0.07)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This discussion and analysis of financial condition and results of operations for the year ended December 31, 2000 and the period from incorporation, September 16, 1999, to December 31, 1999 should be read in conjunction with the consolidated financial statements and related notes thereto contained in this Prospectus.

Comparison of the year ended December 31, 2000 and the period from incorporation, September 16, 1999, to December 31, 1999

Results of Operations

For the year ended December 31, 2000, the Corporation incurred a loss of $2.4 million as compared to a loss of $47,000 for the three and one-half months ended December 31, 1999. This increase is in line with the Corporation's business plan during the year, which included the development of the Corporation's first corporate services products, e-SOAP and e-SPP, the development of the Corporation's website, and the establishment of the Corporation's online brokerage operations. In addition, the marketing plan for the Corporation got underway during 2000.

Operating Expenses

Salaries and benefits totalled $873,000 in the first full year of operations ended December 31, 2000, compared to $19,000 for the three and one-half months ended December 31, 1999. Staffing levels increased by 18 people during the period, reflecting the addition of a full management team, a sales and marketing team, a customer service and client implementation team, and technical development personnel.

Development costs for the year ended December 31, 2000 were $814,000. Included in this amount was $572,000 related to the development of e-SOAP, $79,000 for the development of e-SPP, and $163,000 for the development of the Corporation's website. These amounts represent hard costs such as external consultants and costs of materials incurred in the development of the products. No allocations of administrative overhead or management salaries are included in these amounts.

Marketing costs for the year ended December 31, 2000 were approximately $90,000, reflecting the Corporation's initiation of business development and marketing efforts. In particular, the Corporation began to develop the branding of its corporate services solutions through advertising in human resource publications, attendance at human resource conferences and tradeshows, and the development of marketing and promotional materials. During the year, the Corporation utilized a public relations consulting firm to help establish an overall marketing strategy.

General and administrative expenses for the year ended December 31, 2000 were $761,000, compared to $29,000 for the three and one-half months ended December 31, 1999. This correlates with the expansion of the Corporation's workforce during the period. In addition, the Corporation incurred additional general and administrative expenses related to increased insurance premiums, additional office space, and increased accounting and legal fees.

Sales revenues were minimal for the year ended December 31, 2000. Revenue from online trading commissions were only $2,000 in 2000. This represents activity from approximately 60 customers signed on during the year. The Corporation currently operates under an Introducer/Carrier Broker Agreement with another Canadian brokerage firm. Under this agreement, the Corporation is charged a minimum monthly amount of $10,000 for clearance services beginning in December 2000. Excluding this minimum charge, for the year ended December 31, 2000, execution and clearing costs would have totalled $1,900.

Interest income for the year ended December 31, 2000 was $90,000 compared to $1,300 for the three and one-half months ended December 31, 1999. The income for both periods related entirely to interest earned on proceeds from equity issuances which were invested prior to usage.

Financial Condition and Liquidity

Net cash outflow from operations was $2 million for the year ended December 31, 2000. This outflow was due mainly to the Corporation's development efforts and the increase in personnel during the year.

Investing activities during the year ended December 31, 2000 included capital expenditures of $256,000. Capital expenditures related to the purchase of furniture, computer equipment, computer software, leasehold improvements and trademarks.

Special Warrants were issued during 2000 by way of a private placement, raising net proceeds of $2.8 million. These net proceeds, along with the net proceeds of $1.4 million from the Common Shares issued in 1999, have funded the operations of the Corporation since the date of incorporation.

As at December 31, 2000, working capital was $1.5 million compared to $1.3 million a year ago. This working capital position will be used to fund ongoing software development and operations.

The online brokerage operations are subject to regulatory requirements specifying the maintenance of certain minimum capital requirements. These regulations generally prohibit the repayment of external or inter-company borrowings, paying cash dividends, making loans to affiliates, or otherwise entering into transactions which would result in a significant reduction in the operations' regulatory capital position, without prior notification and/or approval of the IDA.

The Corporation has entered into two subordinated loan agreements with Solium Online. The Corporation transferred $2,600,000 to Solium Online under the terms of the subordinated loans, which bear interest at the prime rate. Interest has been waived until at least January 4, 2002. The Corporation has subordinated its claim in respect of the repayment of principal as required by the IDA and there are no specified terms of repayment. Solium has taken a general security interest in the assets of Solium Online.

Cash Requirements Outlook

As at December 31, 2000, the Corporation has cash and cash equivalents of $1.9 million. As a result of the proceeds from the Offering, management is confident that the Corporation will have adequate cash flow to meet regulatory capital requirements, to complete the software development of its e-SOAP and e-SPP products as planned, and to expand its business development and marketing efforts over the next eighteen months.

Potential Risks and Uncertainties

The Corporation's reported operating results will continue to be subject to significant fluctuations for the foreseeable future. These fluctuations result from several factors including, among others, the nature, timing and amount of sales revenue involving relatively long sales lead times and evolving product and service offerings; the addition (or loss) of significant customers and/or strategic business partners; variable costs involved in penetrating international business markets; and unforeseen challenges and/or new targets in research and product development.

While a demand for corporate services and online brokerage services exist, there is no assurance that an adequate market will develop for the Corporation's product or service offerings. The Corporation's products and its branding are new and unproven. The Corporation's future success and growth will depend upon its ability to develop and market the e-SOAP and e-SPP products, to manage financial risks including the ability to meet financial requirements, and to protect its intellectual property. The Corporation is subject to the risk of competitors producing a superior product, providing superior service or achieving superior marketing initiatives. See "Risk Factors".

PRIOR SALES

Since its incorporation, the Corporation has issued 7,222,005 Common Shares and 3,333,333 Special Warrants as follows:

Date	Number of Shares	Issue Price per Share	Aggregate Issue Price	Nature of Consideration Received
November 1999	2,000,005	$0.05	$100,000	Cash
November to December 1999	5,222,000	$0.25	$1,305,500	Cash
May to August 2000	3,333,333[(1)]	$0.90	$3,000,000	Cash

Notes:
(1) Special Warrants issued pursuant to exemptions from prospectus requirements of applicable securities commissions. See "Description of Share Capital - Special Warrants".

PRINCIPAL SHAREHOLDERS

As at the date hereof, no shareholders of the Corporation beneficially own, directly or indirectly, or exercise control or direction over voting securities carrying more than 10% of the voting rights attached to all of the issued and outstanding voting securities of the Corporation.

As at the date hereof, the number of voting shares beneficially owned, directly or indirectly, by all directors and officers of the Corporation, as a group, is 1,715,004 Common Shares representing 23.7% of the issued and outstanding Common Shares on such date, or 13.3% of the issued and outstanding Common Shares at the completion of the Offering including the exercise or deemed exercise of the Special Warrants.

DIRECTORS AND OFFICERS OF THE CORPORATION

The names and municipalities of residence of the directors and officers of the Corporation or its operating subsidiary, their principal occupations, positions and offices with the Corporation and the dates upon which each such person first became a director or officer of the Corporation and the number and percentage of each class of securities of the Corporation owned directly or indirectly, or over which control or direction is exercised are as set forth below:

Name and Municipality of Residence	**Position(s) Currently Held with the Corporation**	**Principal Occupation during preceding 5 years**	**No. of Securities(3)**	**Percentage Ownership(4)**
Mark van Hees Calgary, Alberta	Director and President	President of Solium since September 1999 and Solium Online since December 1999; Investment Advisor at RBC Dominion Securities Inc. from 1996 to 1999.	665,001 shares 250,000 options	9.2%
John D. Kenny Calgary, Alberta	Director and Executive Vice President	Executive Vice President of Solium since September 1999; Investment Advisor at RBC Dominion Securities Inc. from 1987 to 1999.	700,001 shares 250,000 options	9.7%
Kelly Grosky Calgary, Alberta	VP Operations, Solium Capital Online Inc.	VP Operations of Solium Online since October 2000; Manager, Retail Client Services of Solium Online from March 2000 to September 2000; Team Leader and Investment Representative at Royal Bank Action Direct Inc. from 1997 to 2000; Investment Advisor at TD Securities (Greenline Division)from 1996 to 1997.	Nil shares 50,000 options	Nil
Lynn Leong Calgary, Alberta	Chief Financial Officer	Chief Financial Officer of Solium and Controller of Solium Online since November 2000; Controller of Net Shepherd Inc. from 1999 to 2000; Senior Manager at Deloitte & Touche LLP Chartered Accountants from 1989 to 1999	Nil shares 40,000 options	Nil

Name and Municipality of Residence	Position(s) Currently Held with the Corporation	Principal Occupation during preceding 5 years	No. of Securities[3]	Percentage Ownership[4]
Rob Coutts Calgary, Alberta	Interim Chief Technology Officer	Interim Chief Technology Officer of Solium since November 2000; Principal at Sierra Systems Group Inc. from 1998 to present; Director of Business Development and Delivery at NrG Information Services Inc. from 1995 to 1998.	Nil shares Nil options	Nil
Christopher Wright Montreal, Quebec	Vice President, Quebec	Vice President, Quebec of Solium since September 2000; Investment Advisor at RBC Dominion Securities Inc. from 1993 to 2000.	Nil shares 85,000 options	Nil
Andrew T. Pepper, Montreal, Quebec	Vice President, Quebec	Vice President, Quebec of Solium since July 2000; Investment Advisor at RBC Dominion Securities Inc. from 1994 to 2000.	Nil shares 85,000 options	Nil
Christopher W. Nixon [1] Calgary, Alberta	Director and Secretary	Director of Solium since September 1999; Partner at Stikeman Elliott from 2000 to present; Partner at Osler, Hoskin & Harcourt LLP from 1995 to 2000.	100,001 shares 45,000 options	1.4%
Preston Maddin[1][2] Calgary, Alberta	Director	Director of Solium since September 1999; President and CEO of SeaHawk Capital Corporation from 1997 to present and PanMeridian Capital Corporation from 1983 to present; Founder, Director and Chief Operating Officer of Oxbow Equities Inc. and Oxbow Equity Advisors Inc. from 1997 to 1999; Vice-President and Chief Financial Officer of Oxbow Capital Corporation from 1996 to 1999.	100,001[5] shares 45,000 options	1.4%
Brian Craig[2] Calgary, Alberta	Director	Director of Solium since February 2001; President, CEO and Director of Stormworks Inc. since October 1999; COO of Panther Software Corp. from October 1998 to August 2001; President of Radiant Solutions Inc. from January 1998 to November 1998; President of Quadrus Development Inc. from April 1997 to January 1998; President of Merak Projects Ltd. from 1993 to 1996.	Nil shares 45,000 options	Nil

Name and Municipality of Residence	Position(s) Currently Held with the Corporation	Principal Occupation during preceding 5 years	No. of Securities[3]	Percentage Ownership[4]
Barbara Richardson[2] Calgary, Alberta	Director	Director of Solium since July 2000; Principal at SpringBank TechVentures Management Inc. since September 2000; Vice President Integration, AT&T Canada from June 1999 to March 2000; Vice President Strategic Planning at MetroNet Communications Inc. from 1996 to 1999.	50,000 shares 45,000 options	0.7%

Notes:

(1) Member of the Audit Committee.

(2) Member of the Compensation Committee.

(3) Refer to "Options to Purchase Securities" for further details.

(4) Percentage ownership is based on the number of Common Shares owned as a percentage of the total outstanding Common Shares of 7,222,005.

(5) In addition, 100,000 Common Shares are held in the name of M5 Trust, a trust set up for the benefit of the immediate family of Preston Maddin and their beneficiaries.

The following are brief biographies of each of the Corporation's officers and directors. With the exception of Rob Coutts, all officers are full-time employees of the Corporation. All directors and officers have signed non-disclosure agreements with the Corporation and some officers have signed non-competition agreements with the Corporation.

Mark van Hees, Co-founder, President, Director: Mr. van Hees obtained a Bachelor of Arts in Economics from the University of Calgary in 1994, and has completed the Canadian Securities Course (CSC), the Registered Options Principle, the Canadian Options Course (OLC), the Partners Directors and Senior Officers Exam (PDO), the Canadian Investment Management Course (CIM) level I and II, and is also a Fellow of the Canadian Securities Institute (FCSI). Mr. van Hees has four years experience as an Investment Advisor at RBC Dominion Securities Inc. Mr. van Hees is responsible for the overall strategic direction of Solium and reports directly to the Board of Directors.

John D. Kenny, Co-founder, Executive Vice-President, Director: Mr. Kenny obtained a Bachelor of Commerce in Finance from Concordia University in 1983. Mr. Kenny has 15 years experience as an Investment Advisor at RBC Dominion Securities Inc. where he facilitated the exercise of stock options for numerous large Canadian corporations. Mr. Kenny's duties at Solium include the overall strategic direction of the Corporation, advising on corporate sales strategies, and the management and development of e-SOAP.

Kelly Grosky, Vice-President Operations, Solium Capital Online Inc.: Mr. Grosky obtained a Bachelor of Arts in Political Science from the University of Calgary in 1992. Mr. Grosky brings extensive trading, compliance, business planning and management experience to the Corporation through his work with discount brokerages, specifically TD Securities (Greenline Division) and most recently Royal Bank Action Direct Inc. He has completed the Canadian Securities Course (CSC), the Conduct and Practices Handbook Exam (CPH), the Canadian Options Course (OLC), the Options Supervisor Course (OSC), the Branch Manager's Qualifying Examination (BME), the Effective Management Seminar (EMS) and the Partners, Directors and Officers Examination (PDO). Mr. Grosky developed his team centric attitude and competitive drive during his six years in the Canadian Men's National Volleyball Team program and two years playing semi-professional volleyball in Europe.

Lynn Leong, Chief Financial Officer: Ms. Leong obtained her Bachelor of Commerce degree from the University of Calgary in 1989 and received her Chartered Accountant designation in 1993. Prior to joining the Corporation in November 2000, Ms. Leong was Corporate Controller for Net Shepherd Inc., an Alberta-based public high-technology company listed on the CDNX, with U.S. offices in California, New Jersey and Georgia. For the ten years prior to joining Net Shepherd Inc. in December 1999, Ms. Leong was employed at Deloitte & Touche Chartered Accountants, where she was a Senior Manager and the Chairperson of the High-Technology Industry specialty group in the Calgary office. In addition to being a specialist in the high-technology sector, Ms. Leong has experience in a variety of industries in Calgary. Ms. Leong brings to Solium her experience with regulatory compliance, business modelling, budgeting, finance, treasury, financial planning and taxation, as well as accounting and financial reporting skills.

Rob Coutts, Interim Chief Technology Officer: Mr. Coutts is a principal with Sierra Systems Group Inc. and is currently filling the Chief Technology Officer role under a consulting contract. Mr. Coutts is a senior information technology professional with over 20 years of experience in delivering system solutions to various industries.

Christopher Wright, Vice President Quebec: Mr. Wright obtained his Bachelor of Arts, Business and Economics from Bishop's University in 1991. Mr. Wright brings ten years of experience in the financial services sector in the insurance and full service brokerage business. Prior to joining the Corporation in September 2000, Mr. Wright was an Investment Advisor with RBC Dominion Securities Inc. Mr. Wright has the responsibility for the sales and operational efforts in Eastern Canada.

Andrew T. Pepper, Vice-President Quebec: Mr. Pepper had an extensive career as a marketing and advertising executive from 1987 through 1994. Over this seven year period, he sold advertising properties and participated in the development and sales of corporate advertising/promotional concepts. These were exclusive programs associated with professional sports teams and venues in Canada, as well as the movie industry in Canada, the United States and Europe. He leveraged this experience to build a significant retail business with RBC Dominion Securities Inc. as an Investment Advisor from 1994 until he joined Solium in July of 2000. Mr. Pepper's responsibilities include corporate strategy and the development of sales in Eastern Canada.

Preston Maddin, Director: Mr. Maddin is a businessman based in Calgary, Alberta and since 1997 has been the President and CEO of SeaHawk Capital Corporation and since 1983 has been the President and CEO of Pan-Meridian Capital Corporation, private management and investment corporations. A business graduate of the University of Saskatchewan and certified management accountant, Mr. Maddin has significant venture capital, corporate finance and international transactional experience. He is currently a director, Chief Operating Officer and Vice-President, Corporate Development of CDNX listed International Tako Industries Inc. and a Director and founder of Wireless DataScan Inc., a private company currently initiating a public listing. Mr. Maddin previously was a founder, Director and Chief Operating Officer of Oxbow Equities Inc., a TSE listed venture capital corporation, and Oxbow Equity Advisors Inc., and portfolio manager and administrator to Oxbow Equities Inc. from 1997 to 1999. He was Vice-President and Chief Financial Officer of Oxbow Capital Corporation from 1996 to 1999. Prior thereto, Mr. Maddin was Senior Vice-President and Chief Financial Officer of Inuvialuit Investment Corporation and Inuvialuit Regional Corporation from 1992 to 1995. Mr. Maddin is a director of a number of junior private companies and former founder, director and officer of a number of junior publicly listed companies.

Christopher W. Nixon, Director: Mr. Nixon was called to the bar in 1980 and began his career as an Associate with Field & Field, Edmonton. He then joined Burnet, Duckworth & Palmer LLP in 1981 and became a partner in 1986. He was a partner at Osler, Hoskin & Harcourt LLP from 1995 to 2000, and is currently a partner with Stikeman Elliott. Mr. Nixon focuses on corporate and commercial law, particularly in corporate finance, mergers and acquisitions, corporate reorganizations and commercial arrangements. He acts as an advisor to issuers, investment dealers and investing institutions in Canada and the United States. He is a director of a number of companies including Petromet Resources Limited and Player Petroleum Corporation.

Brian Craig, Director: Since October 1999, Brian Craig has been the CEO and a Director of Stormworks Inc., a privately held e-business services company based in Calgary, Alberta. Brian has had operating roles in many high technology firms in Calgary and from 1993 to 1996 was the President of Merak Projects Ltd., a company involved in the supply of economics solutions for the worldwide oil and gas industry. Brian has experience in successful start-ups and in 1998 co-founded publicly traded Peyto Exploration & Development Corp. ("Peyto"), a Calgary-based oil and gas firm. Brian remains a Director of Peyto. Brian is an engineer, graduating with a Bachelor of Science degree in Engineering from the University of New Brunswick (Fredericton) in 1981.

Barbara Richardson, Director: Ms. Richardson brings more than 15 years of experience in the high-technology and telecommunications industries to the Corporation. Ms. Richardson is currently a Principal in SpringBank TechVentures Management Inc. From June 1999 to March 2000, Ms. Richardson was Vice-President Integration at AT&T Canada and from 1996 to 1999, she was Vice-President Strategic Planning at MetroNet Communications Inc. ("MetroNet"). At MetroNet, Ms. Richardson was responsible for the company's strategic and business planning initiatives, including the development of MetroNet's first business plan that lead to the financing of more than $1 billion in the debt and equity markets in 1997. While at MetroNet, Ms. Richardson also held the position of Director, Business Planning. From 1994 to 1996, she was Customer Service Manager for TELUS Mobility Inc. and from June 1984 to November 1994 she was in Sales, Project Management and Marketing with IBM Canada. Ms. Richardson is a business graduate of the University of Calgary.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth information concerning the total compensation paid during the most recently completed financial year ended December 31, 2000 and the period from incorporation, September 16, 1999 to December 31, 1999 to the Chief Executive Officer and other executive officers of the Corporation and its subsidiary (the "Named Executive Officers").

		Annual Compensation			Long-Term Compensation			
					Awards		Payouts	
Name and Principal Position	Year	Salary ($)	Bonus ($)	Other Annual Compensation ($)	Securities Under Options Granted (#)	Restricted Shares or Restricted Share Units ($)	LTIP Payouts ($)	All Other Compensation ($)
Mark van Hees[(1)] President	2000 1999	80,500 7,500	Nil Nil	Nil Nil	165,000 85,000	Nil Nil	Nil Nil	Nil Nil
John Kenny[(2)] Executive Vice President	2000 1999	80,500 7,500	Nil Nil	Nil Nil	165,000 85,000	Nil Nil	Nil Nil	Nil Nil
Kelly Grosky[(3)] Vice President, Operations of Solium Capital Online Inc.	2000	43,542	Nil	Nil	50,000	Nil	Nil	Nil
Tim Daly[(4)] Former Chief Financial Officer	2000	113,013	Nil	Nil	Nil	Nil	Nil	Nil
Lynn Leong[(5)] Chief Financial Officer	2000	11,742	Nil	Nil	40,000	Nil	Nil	Nil

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation			All Other Compensation ($)
					Awards		Payouts	
		Salary ($)	Bonus ($)	Other Annual Compensation ($)	Securities Under Options Granted (#)	Restricted Shares or Restricted Share Units ($)	LTIP Payouts ($)	
Chris Wright(7) Vice President, Quebec	2000	37,273	Nil	Nil	85,000	Nil	Nil	Nil
Andrew Pepper(8) Vice President, Quebec	2000	52,727	Nil	Nil	85,000	Nil	Nil	Nil

Notes:

(1) Mr. van Hees has been an officer of the Corporation since September 16, 1999.

(2) Mr. Kenny has been an officer of the Corporation since September 16, 1999.

(3) Mr. Grosky joined the Corporation in March 2000 and became an officer of Solium Online in October 2000.

(4) Mr. Daly was an officer of the Corporation from January 2000 to October 2000.

(5) Ms. Leong joined the Corporation in November 2000.

(6) Mr. Patterson joined the Corporation in May 2000.

(7) Mr. Wright joined the Corporation in September 2000.

(8) Mr. Pepper joined the Corporation in July 2000.

Options to Acquire Common Shares Granted

The following table sets forth the options to acquire Common Shares granted to the Named Executive Officers during the most recently completed financial year ended December 31, 2000 and the period from incorporation, September 16, 1999, to December 31, 1999.

Name	Securities Under Options Granted (#)	% of Total Options Granted to Employees	Exercise or Base Price ($/Security)	Market Value of Securities Underlying Options on the Date of Grant ($/Security)	Expiration Date
Mark van Hees President	85,000 115,000 50,000	6.4% 8.7% 3.8%	$0.25 $0.90 $0.90	$0.25 $0.90 $0.90	November 28, 2004 May 15, 2005 May 19, 2005
John Kenny Executive Vice President	85,000 115,000 50,000	6.4% 8.7% 3.8%	$0.25 $0.90 $0.90	$0.25 $0.90 $0.90	November 28, 2004 May 15, 2005 May 19, 2005
Kelly Grosky Vice President, Operations of Solium Capital Online Inc.	20,000 30,000	1.5% 2.3%	$0.25 $0.90	$0.25 $0.90	April 3, 2005 September 18, 2005
Lynn Leong Chief Financial Officer	40,000	3.0%	$0.90	$0.90	November 20, 2005
Chris Wright Vice President, Quebec	85,000	6.4%	$0.90	$0.90	October 1, 2005
Andrew Pepper Vice President, Quebec	85,000	6.4%	$0.90	$0.90	October 1, 2005

Aggregated Option Exercises during the Year Ended December 31, 2000 and Option Values as at December 31, 2000.

The following table sets forth all options exercised during the financial year ended December 31, 2000 and the financial year-end values for options granted to the Named Executive Officers.

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized ($)	Unexercised Options/SARs at FY-End (#) Exercisable/ Unexercisable(1)	Value of Unexercised in-the-Money Options/SARs at FY-End ($) Exercisable/ Unexercisable(1)(2) (3)
Mark van Hees President	Nil	Nil	111,668/138,332	$48,000/$32,250
John Kenny Executive Vice President	Nil	Nil	111,668/138,332	$48,000/$32,250
Kelly Grosky Vice President Operations of Solium Capital Online Inc.	Nil	Nil	16,667/33,333	$6,000/$12,000
Lynn Leong Chief Financial Officer	Nil	Nil	Nil/40,000	Nil/$4,000
Chris Wright Vice President, Quebec	Nil	Nil	28,333/56,667	$2,833/$5,667
Andrew Pepper Vice President, Quebec	Nil	Nil	28,333/56,667	$2,833/$5,667

Notes:

(1) Options are exercisable based on a vesting schedule determined at the date of grant. See "Options to Purchase Securities".

(2) The market price is based on the Offering Price per share.

(3) Calculated by multiplying the number of Common Shares purchasable on exercise of the options by the difference between the market price of the Common Shares and the exercise price of the options.

Compensation of Directors

The Corporation has no standard arrangement pursuant to which directors of the Corporation are compensated by the Corporation for their services in their capacity as directors, except for stock options which may be granted to directors of the Corporation. During the fiscal year ended December 31, 2000, 110,000 options to acquire Common Shares were granted to directors of the Corporation, other than those who are also officers of the Corporation. See "Options to Purchase Securities".

Executive Employment Agreements

The Corporation has entered into employment agreements with Mark van Hees as President and Chief Executive Officer, John Kenny as Executive Vice-President, Lynn Leong as Chief Financial Officer and Kelly Grosky as Vice President, Operations. Annual base salaries are $84,000, $84,000, $100,000 and $85,000 respectively and include provisions for bonus and stock options. Further, the agreements provide that upon termination other than for cause, with respect to Mark van Hees and John Kenny, they shall be entitled to notice consistent with industry standards, with respect to Lynn Leong, she shall be entitled to 4 months notice in her first year of service, 6 months notice for 2 to 5 years of service and one month per year of service from 6 to 10 years of service, and with respect to Kelly Grosky, he shall be entitled to 6 months notice.

The Corporation has also entered into change of control agreements with the same executive officers entitling such officers to compensation equal to 20 times their monthly salary upon a change of control.

Composition of Compensation Committee

The Compensation Committee is composed of Preston Maddin, Brian Craig and Barbara Richardson.

Report on Executive Compensation

The policy of the Compensation Committee is to provide a competitive base compensation package consisting of a base salary that is competitive with similarly sized technology corporations, as well as stock options which are awarded based on corporate and individual performance.

Base Salaries

Base salaries are reviewed annually by the Compensation Committee and are determined with reference to other similarly sized technology corporations and through negotiations with the executive officers.

Bonus Plan

The Corporation does not currently have a bonus plan in place.

Stock Options

Stock options are granted to executive officers based on the recommendation of the Compensation Committee, and decisions are made as part of the executive's overall compensation package.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There are no material interests, direct or indirect, of directors, senior officers, any shareholder who beneficially owns, directly or indirectly, more than 10% of the outstanding Common Shares or any known associate or affiliates of such persons, in any transaction within the last three years or in any proposed transaction which has materially affected or would materially affect the Corporation.

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

As of the date hereof, there is no indebtedness owing to the Corporation by the directors or senior officers of the Corporation, or any of their associates or affiliates, except a non-interest bearing loan in the amount of $44,500 which was made by the Corporation to Mr. van Hees in October 2000. This amount is due on December 31, 2001 or upon termination of employment with the Corporation. The loan is secured by 49,445 Common Shares.

DIVIDEND POLICY

No dividends have been paid on any Common Shares since the date of incorporation. It is not contemplated that any dividends will be paid in the immediate or foreseeable future with respect to the Common Shares. The future payment of dividends will be dependent upon the financial requirements of the Corporation to finance future growth, the financial condition of the Corporation and other factors which the board of directors of the Corporation may consider appropriate in the circumstances.

ESCROWED SHARES

Under the applicable policies and notices of the Canadian Securities Administrators including the Alberta Securities Commission, securities held by Principals (as defined below) are required to be held in escrow in accordance with the national escrow regime applicable to initial public distributions. Equity securities owned or controlled by Principals (except for 10% of each Principal's holdings of Common Shares and Common Shares issuable pursuant to incentive stock options) are subject to the escrow requirements.

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

(1) directors and senior officers of the Corporation or of a material operating subsidiary of the Corporation, as listed in this Prospectus;

(2) promoters of the Corporation during the two years preceding the Offering;

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

(4) those who own and/or control more than 20% of the Corporation's voting securities immediately after completion of the Offering; and

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

The Principals of Solium are all of its directors and senior officers (as listed under "Directors and Officers of the Corporation").

Pursuant to agreements (the "Escrow Agreement") to be dated as of the closing date of the Offering among the Corporation and Computershare Trust Company of Canada (the "Escrow Agent") and the Principals of the Corporation, the Principals agreed to deposit in escrow 90% of the Common Shares and options to purchase Common Shares (the "Escrowed Securities") held by them with the Escrow Agent. Fifteen percent of the Escrowed Securities will be released from escrow on each of the 6 month, 12 month, 18 month, 24 month, 30 month and 36 month anniversaries of the date of listing of the Common Shares on CDNX.

The Corporation is an "emerging issuer" as defined in the applicable policies and notices of the Canadian Securities Administrators.

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

(1) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Corporation or of a material operating subsidiary, with approval of the Corporation's board of directors;

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

(3) transfers upon bankruptcy to the trustee in bankruptcy, and

(4) pledges to a financial institution as collateral for a bona fide loan, provided that upon a realization the securities remain subject to escrow. Tenders of escrowed securities to a take-over bid are permitted provided that, if the tender is a Principal of the successor company upon completion of the take-over bid, securities received in exchange for tendered escrowed securities are substituted in escrow on the basis of the successor company's escrow classification.

The following table sets forth details of the issued and outstanding Common Shares and Common Shares issuable upon exercise of options that are subject to the Escrow Agreement:

Name	No. of Escrowed Common Shares	Percentage[1]	No. of Escrowed Options
Mark van Hees	598,501	4.66	225,000
John D. Kenny	630,001	4.90	225,000
Christopher Nixon	90,001	0.70	40,500
Preston Maddin[2]	180,001	1.40	40,500
Barbara Richardson	45,000	0.35	40,500
Brian Craig	Nil	Nil	40,500
Lynn Leong	Nil	Nil	36,000
Kelly Grosky	Nil	Nil	45,000
Christopher Wright	Nil	Nil	76,500
Andrew T. Pepper	Nil	Nil	76,500
TOTAL	1,543,504		846,000

Notes:

(1) The percentage that the Escrowed Common Shares will represent of the total issued and outstanding Common Shares upon the completion of the Offering and upon exercise or deemed exercise of the Special Warrants.

(2) 90,000 of the Escrowed Common Shares are held in the name of M5 Trust, a trust set up for the benefit of the immediate family of Preston Maddin and their beneficiaries.

OPTIONS TO PURCHASE SECURITIES

The directors of the Corporation have approved stock option plans (the "Plans") pursuant to which options to acquire Common Shares may be granted to the directors, officers and employees of the Corporation and to consultants retained by the Corporation. Under the Plans, the Board of Directors of the Corporation is authorized to grant options to purchase Common Shares to eligible persons.

The Plans provide that the aggregate number of Common Shares issuable upon the exercise of options granted under the Plan may not exceed 15% of the total number of issued and outstanding Common Shares and the aggregate number of Common Shares issuable to any one insider of the Corporation and such insider's associates, within a one year period, may not exceed 5% of the total number of issued and outstanding Common Shares. A committee of the Board of Directors may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist. The price at which Common Shares may be acquired upon the exercise of an option may not be less than the market price of the Corporation's stock on the date of grant on the stock exchange on which such shares are then traded (less the permissible discount permitted by the rules of any stock exchange or other regulatory body having jurisdiction) or, for so long as the common shares are not then traded, that price that a committee of the Board of Directors determines in good faith is not less than the fair equivalent of the money that the Corporation would receive if the Common Shares were issued for cash.

Subject to the foregoing restrictions, and certain other restrictions set forth in the Plan, the Board of Directors is authorized to provide for the granting of options and the exercise and method of exercise of options granted under the Plan.

Options granted under the Plan are non-assignable. Such options are subject to early termination in the event of the death of a participant or in the event that a participant ceases to be an officer, director, employee or consultant of the Corporation, as the case may be.

The following table sets forth as at the date hereof the details with respect to all options which have been granted by the Corporation and which are unexercised:

Holder	Number of Common Shares Under Option	Date of Grant	Exercise Price Per Common Share	Expiry Date
Named Executive Officers (6)	170,000	November 28, 1999	$0.25	November 28, 2004
	20,000	April 3, 2000	$0.25	April 3, 2005
	230,000	May 15, 2000	$0.90	May 15, 2005
	100,000	May 19, 2000	$0.90	May 19, 2005
	30,000	September 18, 2000	$0.90	September 18, 2005
	170,000	October 1, 2000	$0.90	October 1, 2005
	40,000	November 20, 2000	$0.90	November 20, 2000
Directors who are not Executive Officers(4)	70,000	November 28, 1999	$0.25	November 28, 2004
	20,000	May 15, 2000	$0.90	May 15, 2005
	45,000	July 19, 2000	$0.90	July 19, 2005
	45,000	October 1, 2000	$0.90	October 1, 2005
Employees (14)	35,000	November 28, 1999	$0.25	November 28, 2004
	80,000	January 4, 2000	$0.25	January 4, 2005
	70,000	March 14, 2000	$0.25	March 14, 2005
	10,000	May 15, 2000	$0.90	May 15, 2005
	40,000	July 1, 2000	$0.90	July 1, 2005
	55,000	September 18, 2000	$0.90	September 18, 2005
	15,000	December 5, 2000	$0.90	December 5, 2005
	5,000	December 11, 2000	$0.90	December 11, 2005
	15,500	February 7, 2001	$0.90	February 7, 2006
Consultants (1)	20,000	November 28, 1999	$0.25	November 28, 2004
	14,667	February 7, 2001	$0.90	February 7, 2006
	1,300,167			

DILUTION

After giving effect to the Offering and the exercise or deemed exercise of all Special Warrants, the issue price of each Common Share will exceed the net tangible book value per Common Share as at March 31, 2001 by $0.76 (or 76 %) determined as follows:

Issue Price		$1.00
Net tangible book value per Common Share as at March 31, 2001, after giving effect to the Private Placement but without giving effect to the Offering	$0.08	
Increase of net tangible book value per Common Share attributable to the Offering	$0.16	
Net tangible book value per Common Share as at March 31, 2001, after giving effect to the Offering (1)		$0.24
Dilution per share to subscribers for Common Shares pursuant to the Offering		$0.76
Percentage of dilution in relation to the Offering Price		76%

Note:
(1) Prior to deducting the estimated expenses of the Offering and fee to be paid to the Underwriter, and prior to giving effect to the exercise of the Purchase Warrants.

RISK FACTORS

An investment in the Common Shares involves a number of significant risks and should be considered to be speculative due to the nature of the Corporation's business and its present stage of development. There is no assurance of a return on or repayment of a subscriber's capital contribution to the Corporation. In addition to the other information contained herein, investors should consider the following factors.

Management of Growth

The Corporation's planned expansion is expected to place a significant strain on its financial, operational and managerial resources. There can be no assurance that the Corporation will be able to implement and subsequently improve its operations and financial systems successfully and in a timely manner in order to manage its growth. There can be no assurance that the Corporation will be able to manage its growth successfully. Any inability of the Corporation to manage its growth successfully could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Future Capital Requirements

The inability of the Corporation to complete a subsequent significant financing would pose a substantial risk to the overall success of the Corporation. The Corporation will need to employ aggressive marketing tactics to establish it as a leader in its field. This will require a significant additional round of financing within 24 months. There can be no assurance that additional financing will be available or, if available, will be on terms satisfactory to the Corporation.

Competition

The Corporation faces competition from four different sources. First, trust company corporate services, which already have a commercialized desktop solution for the administration component of employee stock option plans. Second, large financial institutions have committed to developing a similar solution to the e-SOAP application. The launch dates of these applications are not known. Third, American applications could be adapted to service the Canadian market. Fourth, one large Canadian mutual fund company has a commercialized web-based employee share purchase plan application. The majority of the Corporation's competitors have more established and larger sales and marketing organizations, larger technical staff and significantly greater financial resources than the Corporation. In addition, there can be no assurance that additional competitors will not emerge in the near to medium term, which could result in the Corporation's solution being uncompetitive.

Timing

The Corporation is the first to market in Canada with a complete web-based solution for the management, administration and execution of employee stock option plans. Broad based employee stock option plans are relatively new to corporations. Therefore identifying an efficient method of dealing with the administration of such plans is a recent phenomena. The market for the Corporation's products may develop earlier or later than when the Corporation anticipates and is prepared for and as a result, the timing of the growth of the market could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Reliance Upon the Internet

The Corporation's revenues are dependent on the continued use and expansion of the Internet. Use of the Internet has grown dramatically, but no assurance can be given of the continued use and expansion of the Internet as a medium of communication and commerce. A decrease in the demand for Internet services or a reduction in the currently anticipated growth for such services could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Risk of Technological Defects

The software developed and to be developed in the future by the Corporation may contain undetected errors due to programming errors, miscommunication between marketing and software development departments or for other unforeseen reasons. Although the Corporation engages in extensive testing of its software, there can be no assurance that errors will not be found in software after commencement of use of such software. Any such defects and errors could result in adverse customer reactions, negative publicity regarding the Corporation and its products, harm to the Corporation's reputation, loss of or delay in market acceptance or required product changes, any of which could have a material adverse effect on the Corporation's business, results of operations and financial condition.

Product Acceptance

The newness of the end-to-end web-based solution means that the product is not clearly or consistently defined, therefore product design is based on assumptions made by the Corporation involving how people interact with computers and the Internet. An underlying assumption made by the Corporation is that human resource departments are making a shift to employee self-management solutions. The Corporation is also assuming that issuers will be seeking a standardized solution for the management of such plans in accordance with the rules set out by the regulatory bodies. There can be no assurance that the Corporation's assumptions with respect to product design will prove to be true which could have a material adverse effect on the Corporation's business, results of operations and financial condition.

Early Stage of Development

The Corporation is in the early stages of development and commercialization of its solutions and may never achieve the goals of its business plan. The Corporation's business is therefore subject to the risks inherent in the development of an early stage business enterprise, such as the need:

- to obtain sufficient capital to support the expenses of developing technology and commercializing products;

- to develop a sufficient market for the Corporation's products; and

- to attract and retain qualified management, sales, technical and scientific staff.

If the Corporation fails to properly address these risks and attain its business objectives, the Corporation's business, results of operations and financial condition will suffer.

Regulatory Risks

The Corporation is subject to various laws, regulations, regulatory actions and court decisions that may have negative effects on the company. Changes in the regulatory environment imposed upon the Corporation could adversely affect the ability of the Corporation to attain its corporate objectives.

Product Development

The Corporation faces the risk that its software may not prove to be commercially successful or may be rendered obsolete by further technological developments. In the market in which the Corporation operates, timing and technology have a strong bearing on market demand, particularly involving software products attempting to establish a new niche in the financial services industry where there are large organizations which have significant product development budgets. There can be no assurance of the ability of the Corporation to establish and maintain a position at the forefront in the face of such technological developments and failure to do so could have a material adverse effect on the Corporation's business, results of operations and financial condition.

Intellectual Property Claims

No assurance can be given that actions or claims alleging intellectual property infringement will not be brought against the Corporation with respect to current or future products or services, or that, if such actions are brought, the Corporation will ultimately prevail. Any such claiming parties may have significantly greater resources than the Corporation to pursue litigation of such claims. Any such claims, whether with or without merit, could have a material adverse effect on the Corporation.

Absence of Public Market

Prior to the Offering, there will have been no public market for the Common Shares or Purchase Warrants. There can be no assurance that an active trading market will develop after the Offering or, if developed, that such a market will be sustained at the price level of the Offering. The Offering Price of the Common Shares has been determined by negotiation between the Corporation and the Underwriter, yet may not be indicative of the market price of the Common Shares after distribution.

Volatility of Market Price

The market price of the Common Shares could be subject to significant fluctuation in response to variations in quarterly and yearly operating results, the success of the Corporation's business strategy, competition, technological innovations, new commercial products, patents and other factors. In addition, the stock market experiences price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of affected companies. These fluctuations may adversely affect the market price of the Common Shares.

Risk of Currency Fluctuations

At present, virtually all of the operations of the Corporation are in Canada and the Corporation incurs most of its expenses in Canadian dollars. The Corporation plans to increase its operations in the United States and as it does, some of its business will be conducted in currencies other than the Canadian dollar. To the extent that the Corporation conducts business in the United States, fluctuations in the value of the Canadian dollar against the U.S. dollar could cause the Corporation to incur foreign currency losses.

Dependence on Proprietary Technology

Currently, the Corporation has trademarks on the logo, the company name, the tag line and the name of its e-SOAP application. The Corporation relies on trademark laws, trade secrets, confidentiality procedures and contractual provisions to protect its proprietary rights. Despite the Corporation's efforts to protect its proprietary rights, unauthorized parties may attempt to copy aspects of the Corporation's products or obtain and use information that the Corporation regards as proprietary. Policing unauthorized use of the Corporation's products is difficult, time-consuming and costly. Although the Corporation is unable to determine the extent to which piracy of its products exists, piracy is a possibility. There is no assurance that the Corporation's means of protecting its proprietary rights will be adequate or that the Corporation's competitors will not independently develop similar technology, the effect of either of which may be materially adverse to the Corporation's business, results of operations and financial condition.

Dependence on Key Personnel

The success of the Corporation will depend on management and the performance of key personnel in the areas of finance, product development, marketing and sales. There is intense competition for qualified personnel, particularly highly specialized Java programmers, and there can be no assurance that the Corporation will be able to attract and retain qualified personnel. The failure to attract or the loss of any key personnel could adversely affect the success of the Corporation.

Dependence on a Limited Number of Products

Substantially all of the Corporation's revenues are currently derived from one product. Accordingly, the Corporation's future results of operations will depend, in part, on maintaining and increasing market acceptance of the product, as well as on the Corporation's ability to complete development of new products and continue to enhance these products to meet the evolving needs of its customers. A reduction in demand, increase in competition or a decline in sales of the Corporation's products and related services could have a material adverse effect on the Corporation's business, results of operations and financial condition.

Delivery of Products

The Corporation currently uses an Application Service Provider ("ASP") model as a means of delivering its products. The alternative to an ASP model is a client server model. Client server systems are well accepted as the more traditional means of delivering software. The Corporation is at risk if it chooses the incorrect method of delivery of products.

Limited Profitability

The Corporation has incurred operating losses since it began operations in 1999. These losses have resulted principally from costs incurred in research and development and from selling, general and administrative costs associated with development. The Corporation expects to incur continuing operating losses in the near term. The ability of the Corporation to be profitable depends in part on its ability to market its existing products. There can be no assurance that the Corporation will be profitable in the future. See "Management's Discussion and Analysis of Financial Condition and Results of Operations".

Dependence on Certain Suppliers

The Corporation relies on third-party suppliers and service providers. Although the Corporation seeks to reduce exposure to single source suppliers and service providers, loss of certain of these suppliers and service providers, or the inability of certain of these suppliers or service providers to deliver to the Corporation on a timely basis could have a material adverse effect on the Corporation's business operations and prospects.

PROMOTERS

Mark van Hees and John D. Kenny may each be considered to be promoters of the Corporation by virtue of having taken the initiative in reorganizing the affairs of the Corporation within the two years immediately preceding the date hereof. Mark van Hees and John D. Kenny beneficially own, directly or indirectly, 665,001 Common Shares and 700,001 Common Shares, respectively.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only material contracts entered into by the Corporation in the two years immediately prior to the date hereof or to be entered into which can reasonably be regarded as presently material are:

1. Underwriting Agreement referred to under "Plan of Distribution";

2. Special Warrant Indenture referred to under "Description of Share Capital – Special Warrants"; and

3. Warrant Indenture referred to under "Description of Share Capital – Warrants".

Copies of these agreements will be available for inspection at the head office of the Corporation, at the offices of Stikeman Elliott in Calgary, Alberta and Toronto, Ontario, and at the offices of the Alberta Securities Commission during ordinary business hours until the closing of the Offering.

AUDITORS, REGISTRAR AND TRANSFER AGENT

The auditors of the Corporation are currently Deloitte & Touche LLP, Chartered Accountants, at their offices at 3000, 700 – 2 Street SW, Calgary, Alberta T2P 0S7. The Registrar and Transfer Agent for Common Shares is Computershare Trust Company of Canada through its offices in Calgary, Alberta.

LEGAL PROCEEDINGS

The Corporation is not a party to any legal proceedings nor are any such proceedings know to be contemplated.

LEGAL MATTERS

Certain legal matters relating to the distribution of the Common Shares will be passed upon by Stikeman Elliott on behalf of the Corporation and by McCarthy Tétrault, Calgary on behalf of the Underwriter. Partners and associates of Stikeman Elliott beneficially owned, directly or indirectly, less than 1.5% of the outstanding Common Shares as at the date hereof. Partners and associates of McCarthy Tétrault, Calgary beneficially owned, directly or indirectly, less than 1.0% of the outstanding Common Shares as at the date hereof.

ELIGIBILITY FOR INVESTMENT

In the opinion of Stikeman Elliott, counsel for the Corporation, and McCarthy Tétrault, counsel for the Underwriter, subject to compliance with prudent investment standards and general investment provisions of the following statutes (and where applicable, the regulations thereunder), and, in certain cases, subject to the satisfaction of additional requirements relating to investment or lending policies, procedures or goals and, in certain circumstances, the filing of such policies, procedures and goals, the Common Shares offered hereby are not, as at the date hereof, precluded as investments under or by the following statutes:

Insurance Companies Act (Canada)	*Employment Pension Plans Act* (Alberta)
Trust and Loan Companies Act (Canada)	*Insurance Act* (Alberta)
Pension Benefits Standards Act, 1985 (Canada)	*Loan and Trust Corporations Act* (Alberta)
Financial Institutions Act (British Columbia)	*Loan and Trust Corporations Act* (Ontario)
Pension Benefits Standards Act (British Columbia)	*Pension Benefits Plan* (Ontario)
Alberta Heritage Savings Trust Fund (Alberta)	*Trustee Act* (Ontario)

In the opinion of such counsel, provided that the Common Shares are listed on a prescribed stock exchange in Canada (which will include CDNX, provided that the Regulations to the Tax Act are amended effective on or before the closing date of the Offering to include CDNX in the list of prescribed stock exchanges), the Common Shares offered hereby will, on at the date of listing of such shares, be eligible for investment by registered retirement savings plans. **Subscribers should consult their own professional advisers to assess the income tax, legal and other aspects of the investment.**

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. The right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, 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 such remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. **A purchaser should refer to the applicable provisions of the securities legislation of his or her province for the particulars of these rights or consult with a legal advisor.**

CONTRACTUAL RIGHTS OF ACTION FOR RECISSION

In the event that a holder of a Special Warrant, who acquires a Common Share upon the exercise of a Special Warrant as provided for in this Prospectus, is or becomes entitled under applicable legislation to the remedy of rescission by reason of this Prospectus or any amendment thereto containing a misrepresentation, the holder shall be entitled to rescission not only of the holder's exercise of its Special Warrant but also of the private placement transaction pursuant to which the Special Warrant was initially acquired and shall be entitled, in connection with such rescission, to a full refund of all consideration paid to the Corporation on the acquisition of the Special Warrant. In the event the holder is a permitted assignee of the interest of the original Special Warrant subscriber, that permitted assignee shall be entitled to exercise the rights of rescission and refund described herein as if the permitted assignee was the original subscriber. The foregoing is in addition to any other right or remedy available to a holder of a Special Warrant under Section 114 of the *Securities Act* (British Columbia), Section 168 of the *Securities Act* (Alberta), Section 130 of the *Securities Act* (Ontario) or otherwise at law.

CONSOLIDATED FINANCIAL STATEMENTS

OF

SOLIUM CAPITAL INC.

December 31, 2000 and 1999

Auditors' Report

To the Directors of
Solium Capital Inc.:

We have audited the consolidated balance sheets of **Solium Capital Inc.** as at December 31, 2000 and 1999, and the consolidated statements of loss and deficit and cash flows for the year ended December 31, 2000 and the period from date of incorporation, September 16, 1999 to December 31, 1999. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2000 and 1999, and the results of its operations and its cash flows for the year ended December 31, 2000 and the period from date of incorporation, September 16, 1999 to December 31, 1999 in accordance with Canadian generally accepted accounting principles.

(signed) "Deloitte & Touche LLP"
Chartered Accountants

Calgary, Alberta
January 15, 2001
(Except as to Note 11, which is dated April 30, 2001)

SOLIUM CAPITAL INC.

Consolidated Statements of Loss and Deficit

Year Ended December 31, 2000 and Period from Incorporation, September 16, 1999 to December 31, 1999

	2000 $	1999 $
REVENUE		
Commissions	**2,409**	-
Interest and other	**89,567**	1,315
	91,976	1,315
EXPENSES		
Salaries and wages	**872,845**	18,623
Development costs	**813,820**	-
General and administrative	**760,837**	29,381
Amortization	**69,217**	611
Execution and clearing costs (Note 9)	**11,057**	-
	2,527,776	48,615
NET LOSS	**2,435,800**	47,300
DEFICIT, BEGINNING OF PERIOD	**47,300**	-
DEFICIT, END OF PERIOD	**2,483,100**	47,300
NET LOSS PER SHARE	**0.34**	0.07

SOLIUM CAPITAL INC.

Balance Sheets
As at December 31, 2000 and 1999

	2000	1999
	$	$
ASSETS		
CURRENT		
Cash and cash equivalents	**1,851,391**	1,288,314
GST and sales taxes receivable	**52,785**	-
Employee loan receivable (Note 4)	**44,500**	-
Prepaid expenses	**46,017**	11,773
	1,994,693	1,300,087
Capital assets (Note 3)	**245,734**	58,672
	2,240,427	1,358,759
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	**511,138**	40,783
SHAREHOLDERS' EQUITY		
Special warrants (Note 5)	**2,822,113**	-
Share capital (Note 6)	**1,390,276**	1,365,276
Deficit	**(2,483,100)**	(47,300)
	1,729,289	1,317,976
	2,240,427	1,358,759

APPROVED BY THE BOARD:

Signed: "Mark van Hees"

Signed: "John Kenny"

SOLIUM CAPITAL INC.

Consolidated Statements of Cash Flows

Year Ended December 31, 2000 and Period From Date of Incorporation, September 16, 1999, to December 31, 1999

	2000 **$**	1999 $
CASH FLOWS RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Net loss	**(2,435,800)**	(47,300)
Adjustment for:		
Amortization	**69,217**	611
	(2,366,583)	(46,689)
Changes in non-cash working capital	**383,326**	29,010
	(1,983,257)	(17,679)
FINANCING		
Issuance of common shares, net of issue costs	**25,000**	1,365,276
Issuance of special warrants, net of issue costs	**2,822,113**	-
	2,847,113	1,365,276
INVESTING		
Provision of employee loan	**(44,500)**	-
Purchase of capital assets	**(256,279)**	(59,283)
	(300,779)	(59,283)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**563,077**	1,288,314
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	**1,288,314**	-
CASH AND CASH EQUIVALENTS, END OF PERIOD	**1,851,391**	1,288,314

1. **DESCRIPTION OF BUSINESS**

Solium Capital Inc. (the "Company" or "Parent") was incorporated under the *Business Corporations Act* (Alberta). The consolidated financial statements include the accounts of the Company's wholly owned subsidiary Solium Capital Online Inc. (the "Subsidiary").

The Parent is in the development stage to create and market proprietary web-based solutions for the administration of employee share ownership plans ("corporate services"). The Subsidiary is a provider of online financial services to investors in Canada.

2. **SIGNIFICANT ACCOUNTING POLICIES**

Financial Condition

These consolidated financial statements have been prepared using the accounting principles applicable to a going concern, which assumes the Company will continue operations in the foreseeable future and be able to realize assets and satisfy liabilities in the normal course of business. During the period, the Company established operations and proceeded to develop its proprietary technology. During this phase of its development, the Company has generated limited revenue. The Company's ability to continue as a going concern is principally dependent upon obtaining the necessary financing to fund ongoing activities, achieving successful sales of the Company's products and the establishment of profitable operations. If all going concern assumptions were not appropriate for these consolidated financial statements, adjustments would be necessary in the carrying value of assets and liabilities.

Cash Equivalents

Cash equivalents represent funds held in money market accounts.

Capital assets

Capital assets are recorded at cost and amortization is provided using the straight-line basis at the following rates:

Furniture and office equipment	20%
Computer equipment	30%
Computer software	12 months
Leasehold improvements	Term of the lease
Trademarks	33%

2. **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Income taxes

The Company follows the liability method of accounting for income taxes. Under this method, future income tax liabilities and assets are recorded based on temporary differences between the carrying amounts of assets and liabilities on the consolidated balance sheet and their tax bases.

Corporate solutions revenue

The Company plans to derive revenues from corporate solutions for the administration of employee stock option plans. These revenues will be recognized as they are earned over the term of the arrangement with the customer.

Transaction revenue

The Company derives revenues from commissions related to customer transactions in equity and debt securities, and options. Securities transactions are recorded on a trade date basis and are executed by independent broker-dealers.

Interest revenue

The Company derives revenues from interest earned by the Company on credit extended to its customers to finance their purchases of securities on margin, fees on customer assets invested in money market accounts and interest earned on investment securities. Interest revenue is recognized on the accrual basis.

Research and Development Costs

Research costs are expensed as incurred. Development costs are also expensed unless they meet specific criteria under generally accepted accounting principles, in which case they are deferred to be matched against future revenues.

Stock-Based Compensation Plans

The Company has a stock-based compensation plan, which is described in Note 7. No compensation expense is recognized for this plan when stock or stock options are issued to employees. Any consideration paid by employees on exercise of stock options or purchase of stock is credited to share capital. If stock or stock options are repurchased from employees, the excess of the consideration paid over the carrying amount of the stock or stock option cancelled is charged to retained earnings.

2. **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Financial Instruments

The Company's accounts receivable, accounts payable and accrued liabilities constitute financial instruments. Based on available market information, the carrying value of the Company's financial instruments approximates their fair value at December 31, 2000 and 1999

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

3. **CAPITAL ASSETS**

	2000		
	Cost $	Accumulated Amortization $	**Net Book Value $**
Furniture and office equipment	119,908	11,904	**108,004**
Computer equipment	93,209	20,030	**73,179**
Computer software	53,636	24,765	**28,871**
Leasehold improvements	34,485	1,174	**33,311**
Trademarks	2,823	454	**2,369**
	304,061	58,327	**245,734**

	1999		
	Cost $	Accumulated Amortization $	Net Book Value $
Furniture and office equipment	4,740	82	4,658
Computer equipment	14,603	367	14,236
Computer software	34,156	-	34,156
Leasehold improvements	5,784	162	5,622
	59,283	611	58,672

4. RELATED PARTY TRANSACTIONS

In 1999, the Company entered into an agreement with Media Dog Productions Inc. ("Media Dog") to develop the proprietary web-based solutions for the administration of employee stock option plans. The president of Media Dog was a director of the Subsidiary and a shareholder of the Parent. Under the terms of this agreement the Company paid $34,156 in development costs to Media Dog in 1999. A further $173,674 was paid during the year ended December 31, 2000. There are no further obligations under this agreement.

On January 4, 2000 and June 5, 2000, the Parent entered into two subordinated loan agreements with the Subsidiary. The Parent transferred $2,600,000 to the Subsidiary under the terms of the subordinated loans, which bear interest at the prime rate. Interest has been waived until at least January 4, 2002. The Parent has subordinated its claim in respect of the repayment of principal as required by the Investment Dealers Association of Canada and there are no specified terms of repayment. The Parent has taken a general security interest in the assets of the Subsidiary.

On October 18, 2000, an employee loan in the amount of $44,500 was issued to an officer and shareholder of the Company. The loan is secured by 49,445 common shares of the Company, is non-interest bearing and is due on the earlier of December 31, 2001 or upon termination of employment with the Company. The 49,445 common shares will be held in escrow until the loan is satisfied in full.

5. SPECIAL WARRANTS

	Number of Special Warrants	**Amount $**
Issued for cash	3,333,333	**3,000,000**
Special warrant issue costs	-	**(177,887)**
Balance, December 31, 2000	3,333,333	**2,822,113**

During the year ended December 31, 2000, the Company issued 3,333,333 special warrants at a price of $0.90 per special warrant. The special warrants expire on the earlier of five business days following the date upon which the Company receives a final receipt for a prospectus by the securities regulatory authorities in each of the provinces of Alberta, British Columbia, Ontario and such other provinces of Canada in which holders of Special Warrants are resident; the first anniversary of the date upon which the Company becomes a reporting issuer in the province of residence of the holder of the special warrant; and May 29, 2002.

Each special warrant entitles the holder to acquire, at no additional cost, one common share and one-half of one purchase warrant. Each whole purchase warrant entitles the holder to acquire an additional one common share at a price of $1.50 until December 31, 2001.

6. SHARE CAPITAL

The Company has authorized an unlimited number of common shares.

	Number of Shares	**Amount $**
Issued - common shares		
Issued for cash in private placements	7,122,005	**1,380,500**
Share issue costs	-	**(15,224)**
Balance, December 31, 1999	7,122,005	**1,365,276**
Issued for cash in private placement	100,000	**25,000**
Balance, December 31, 2000	7,222,005	**1,390,276**

7. STOCK-BASED COMPENSATION PLAN

At December 31, 2000, the Company has a fixed stock option plan open to directors, officers, employees and other key consultants of the Parent or the Subsidiary. Under this plan, options granted to may not exceed 15% of the issued and outstanding common shares of the Company, including common stock equivalents. The exercise price shall not be less than the fair market value of the Company's common shares on the date of grant. Options generally expire in five years from the date of grant and generally vest in equal proportions over the first three years of the term.

Information regarding changes to options during the period is as follows:

	Number of Shares	**Weighted-Average Exercise Price**
Granted and outstanding, December 31, 1999	295,000	0.25
Granted	1,025,000	0.76
Cancelled	(50,000)	0.25
Outstanding, December 31, 2000	**1,270,000**	**0.66**
Vested options, December 31, 1999	218,334	0.25
Vested during year	370,004	0.79
Vested options, December 31, 2000	**588,338**	**0.59**

7. **STOCK-BASED COMPENSATION PLAN (Continued)**

Information regarding options outstanding as of December 31, 2000 is as follows:

Exercise Price $	Remaining Number Outstanding	Weighted Average Remaining Contractual Life	Number Vested	Weighted Average Exercise Price $
0.25	465,000	49 months	281,668	0.25
0.90	805,000	55 months	306,670	0.90
0.25 – 0.90	**1,270,000**	**52 months**	**588,338**	**0.59**

8. **INCOME TAXES**

The Company has non-capital losses carried forward for tax purposes which will begin to expire in 2006. Losses carried forward are approximately as follows:

Expiry	$
2006	**64,000**
2007	**2,367,000**
	2,431,000

The significant components of the Company's future income tax assets and liabilities as at December 31, 2000 and 1999 are as follows:

	2000 **$**	1999 $
Future tax assets (liabilities) arising from:		
Net operating losses for tax purposes	**1,033,030**	28,591
Capital assets	**43,342**	(622)
Net future tax assets before valuation allowance	**1,076,372**	27,969
Valuation allowance	**(1,076,372)**	(27,969)
Net future tax assets	**-**	-

9. COMMITMENTS

Operating Lease

The Company's obligations under operating leases for occupied premises are as follows:

	$
2001	**112,007**
2002	**152,882**
2003	**154,223**
2004	**156,140**
2005 and thereafter	**199,732**
	774,984

Introducer/Carrier Broker Agreement

On June 23, 2000, the Subsidiary entered into an Introducer/Carrier Broker Agreement with a Canadian brokerage firm (the "Broker") for a term of one year. Under this Agreement the Broker performs certain services including clearing and record-keeping activities in respect of the online financial services of the Subsidiary. Fees are paid to the Broker based on monthly trading activity executed by the Broker on behalf of the Subsidiary. Beginning in December 2000, the minimum monthly charge for clearance services is $10,000.

Net capital requirements

The Subsidiary is a member of the Investment Dealers Association of Canada and is required to meet its risk-adjusted capital rules, which require the maintenance of minimum risk-adjusted capital of $250,000.

10. **SEGMENT DISCLOSURES**

The Company has two reportable segments: corporate services operating in the Parent and online financial services operating in the Subsidiary. These two segments offer different products and services, and require different marketing strategies. The Parent allocates overhead charges to the Subsidiary based upon the number of individuals in the enterprise. The Parent allocates amortization expense to the Subsidiary on the same basis, however, the related capital assets are not allocated.

The following table presents financial information as at and for the periods ended December 31, 2000 and 1999 by reportable segment.

	2000			1999		
	Corporate Services	**Online Financial Services**	**Total**	Corporate Services	Online Financial Services	Total
Revenues from external customers	**-**	**2,409**	**2,409**	-	-	-
Amortization of capital assets	**69,217**	**-**	**69,217**	-	611	611
Segment loss	**1,985,773**	**450,027**	**2,435,800**	31,163	16,137	47,300
Segment assets	**3,483,547**	**2,176,264**	**5,659,811** (a)	1,295,370	1,163,389	2,458,759 (a)
Expenditures for segment capital assets	**256,279**	**-**	**256,279**	-	25,127	25,127

	2000 **$**	1999 $
a) Total assets for reportable segments	**5,659,811**	2,458,759
Elimination of inter-segment loans, advances, and investments	**(3,419,384)**	(1,100,000)
Enterprise total	**2,240,427**	1,358,759

11. SUBSEQUENT EVENTS

(a) Subsequent to year-end, the Company issued an additional 30,167 stock options to employees and a consultant of the Company. These options are exercisable at $0.90 per share and expire on February 7, 2006.

(b) Subsequent to year-end, the Company obtained a line of credit in the amount of $500,000 from an officer of the Underwriter. The credit agreement has since been terminated. In conjunction with the credit agreement, the Company has agreed to grant an option to purchase 10,000 Common Shares exercisable at the Offering Price, or if the Offering has not been completed by June 15, 2001, at $1.50, and exercisable at any time on or before March 2, 2003.

(c) In March 2001, the Company made an application to list the Company's shares on the Canadian Venture Exchange ("CDNX"). On April 30, 2001 the Company filed an Initial Public Offering Prospectus ("IPO") for 2,300,000 common shares at $1.00, totalling $2,300,000.

The Underwriter's commission includes 7% of the gross proceeds from the offering, and a reimbursement of the Underwriter's expenses estimated at $35,000, for a total of $196,000. In addition, the Company has agreed to grant the Underwriter an option entitling the Underwriter to purchase up to 10% of the number of common shares sold pursuant to the IPO at $1.00 per share on or before the date that is 18 months following the completion of the IPO.

The Underwriter is also entitled to over allot up to an additional 345,000 common shares in connection with this IPO. The Company has granted an option to the Underwriter (the "Greenshoe Option") to acquire shares to cover such over allotment.

12. COMPARATIVE FIGURES

Certain prior period amounts have been restated to conform to current year presentation.

CERTIFICATE OF THE CORPORATION

April 30, 2001

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 9 of the *Securities Act* (British Columbia), Part 8 of the *Securities Act* (Alberta)and Part XV of the *Securities Act* (Ontario), and the respective regulations thereunder.

(Signed) Mark van Hees President and Chief Executive Officer	(Signed) Lynn Leong Chief Financial Officer

On behalf of the Board of Directors

(Signed) Preston Maddin Director	(Signed) Barbara Richardson Director

CERTIFICATE OF THE PROMOTERS

April 30, 2001

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 9 of the *Securities Act* (British Columbia), Part 8 of the *Securities Act* (Alberta)and Part XV of the *Securities Act* (Ontario), and the respective regulations thereunder.

(Signed) Mark van Hees	(Signed) John D. Kenny

CERTIFICATE OF THE UNDERWRITER

April 30, 2001

To the best of our knowledge, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 9 of the *Securities Act* (British Columbia), Part 8 of the *Securities Act* (Alberta)and Part XV of the *Securities Act* (Ontario) and the respective regulations thereunder.

Canaccord Capital Corporation

By: (Signed) Stephen J. Mullie