

**Form 45-106F6**

***British Columbia Report of Exempt Distribution***

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution in British Columbia.

**Issuer/underwriter information**

**Item 1: Issuer/underwriter name and contact information**

A. State the following:

- the full name of the issuer of the security distributed. Include the former name of the issuer if its name has changed since this report was last filed;
- the issuer's website address; and
- the address, telephone number and email address of the issuer's head office.

**NY85 Capital Inc.**

**Suite 2606 – 400 Capilano Road**

**Port Moody, B.C. V3H 0E1**

**Tel: (604) 469-6855**

**Fax: (604) 469-6857**

B. If an underwriter is completing this report, state the following:

- the full name of the underwriter;
- the underwriter's website address; and
- the address, telephone number and email address of the underwriter's head office.

**N/A**

**Item 2: Reporting issuer status**

A. State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

***THE ISSUER IS A REPORTING ISSUER IN BRITISH COLUMBIA.***

B. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, name the investment fund manager and state the jurisdiction(s) where it is registered.

**Item 3: Issuer's industry**

Indicate the industry of the issuer by checking the appropriate box below.

- |   |   |
|---|---|
| <input type="checkbox"/> Bio-tech                       | Mining  |
| <input type="checkbox"/> Financial Services             | <input checked="" type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production                         |
| <input type="checkbox"/> mortgage investment companies  | <input type="checkbox"/> Oil and gas                        |
| <input type="checkbox"/> Forestry                       | <input type="checkbox"/> Real estate                        |
| <input type="checkbox"/> Hi-tech                        | <input type="checkbox"/> Utilities                          |
| <input type="checkbox"/> Industrial                     | <input type="checkbox"/> Other (describe)                   |
- 

**Item 4: Insiders and promoters of non-reporting issuers**

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or promoter is not an individual, complete the table for directors and officers of the insider or promoter.

Information about insiders and promoters			
Full name, municipality and country of principal residence	All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities)	Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution	Total price paid for all securities beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution (Canadian \$)

**Details of distribution****Item 5: Distribution date**

State the distribution date. If this report is being filed for securities distributed on more than one distribution date, state all distribution dates. May 31, 2012

**Item 6: Number and type of securities**

For each security distributed:

- describe the type of security;
- state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and
- if the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, state the exemption(s) relied on. If more than one exemption is relied on, state the amount raised using each exemption.

***Non Brokered Private Placements:***

- 1) *2,500,000 flow-through units (the "FTUnits") of the Company at a price of \$0.08 per Unit for gross proceeds of \$200,000. Each Unit will be comprised of one common share and one common share purchase warrant, with each warrant entitling the holder to purchase an additional non-flow through common share at an exercise price of \$0.125 per share for a period of two years, until the close of business on May 31, 2014.\**
- 2) *5,000,000 non-flow-through units (the "NFTUnits") of the Company at a price of \$0.06 per Unit for gross proceeds of \$300,000. Each Unit will be comprised of one common share and one common share purchase warrant, with each warrant entitling the holder to purchase an additional common share at an exercise price of \$0.10 per share for a period of two years, until the close of business on May 31, 2014.\**

*\* In the event that the Company's shares trade at \$0.25 or above for a period of 30 consecutive days, a forced exercise provision will come into effect for the warrants issued.*

*The net proceeds of the Private Placements will be used by the Company to complete the required exploration expenditures with respect to the Carscallen Property, for general working capital expenses, and in contemplation of the possibility of securing additional property assets.*

***Property Option Agreement with Newcastle Minerals Ltd.***

*Upon receiving TSX Venture Exchange acceptance, the Company issued 150,000 common shares to Newcastle Minerals Ltd. in accordance with the property option agreement. These shares have a deemed value of \$0.06 per share or \$9,000.*



**Item 7: Geographical information about purchasers**

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

Each Canadian and foreign jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) <sup>1</sup>	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
British Columbia, Canada	18	0.06	\$ 120,000
Manitoba, Canada	1	0.06	\$ 15,000
Ontario, Canada	8	0.06	\$ 123,000
Bermuda	1	0.06	\$ 30,000
Panama	1	0.06	\$ 6,000
Luxembourg	1	0.06	\$ 6,000
British Columbia, Canada	17	0.08	\$ 103,400
Ontario, Canada	6	0.08	\$ 79,000
Quebec, Canada	4	0.08	\$ 16,000
Mexico	1	0.08	\$ 1,600
Total number of Purchasers	58		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$500,000

Note 1: If securities are issued at different prices, list the highest and lowest price for which the securities were sold.

**Item 8: Information about purchasers***Instructions*

A. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

B. Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete

- the following table for each purchaser that is not an individual, and
- the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

C. An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus and Registration Exemptions* may choose to replace the information in the first column with the total number of purchasers, whether individuals or not, by jurisdiction. If the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the second column or the tables in Schedules I and II.

<b>Information about non-individual purchasers</b>					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
<i>2128700 Ontario Inc., 84 Cedar Street S, Timmins, ON, P4N 2G6 Phil Black (705) 267-1766</i>	n/a	450,000 NFT Units <sup>(1)</sup>	\$27,000	<i>2.3 of NI 45-106</i>	2012-05-31
<i>Canal Front Investments Inc., 3102-788 Richards Street, Vancouver, BC, V6B 0C7 Blair Naughty (604) 346-7613</i>	n/a	65,000 NFT Units <sup>(1)</sup>	\$3,900	<i>2.3 of NI 45-106</i>	2012-05-31
<i>Kidridge Capital Inc., 1050 #1 Side Road, Burlington, ON, L7R 3X4 Leigh Parnham (905) 825-9018</i>	n/a	300,000 NFT Units <sup>(1)</sup>	\$18,000	<i>2.3 of NI 45-106</i>	2012-05-31
<i>Hough Capital Management Ltd., 35 Crow Lane, East Broadway, Paget, HM20, Bermuda Christopher Hough (246) 824-4506</i>	n/a	500,000 NFT Units <sup>(1)</sup>	\$30,000	<i>2.3 of NI 45-106</i>	2012-05-31

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
<i>Dragon Alternative Fund, 2A Camino Real, Calle Winston Churchill, Paetilla, Panama City, Panama Mohammad Shaygan, +507 6004 1530</i>	n/a	100,000 NFT Units <sup>(1)</sup>	\$6,000	<i>2.3 of NI 45-106</i>	2012-05-31
<i>Commodity Capital Sicav FIS Midas Letter Opportunity Fund, 2, rue Heinrich Heine, L-1720 Luxembourg Tobias Tretter 0641-719111811</i>	n/a	100,000 NFT Units <sup>(1)</sup>	\$6,000	<i>2.3 of NI 45-106</i>	2012-05-31
<i>Homeward Bound Ventures, 3258 Camelback Lane, Coquitlam, BC, V3E 3R1 Tom Cox (604) 643-0167</i>	R	100,000 NFT Units <sup>(1)</sup>	\$6,000	<i>2.3 of NI 45-106</i>	2012-05-31
<i>Newcastle Minerals Ltd., Suite 416, 108-800 Kelly Road, Victoria, BC, V9B 6J9 Mike Romanik (250) 474-7999</i>	n/a	150,000 common shares <sup>(2)</sup>		<i>2.13(2) of NI 45-106</i>	2012-05-31

(1) Each Non-Flow-Through (NFT) Unit at \$0.06 per Unit consisting of one common share and one share purchase warrant entitling the holder to purchase one common share for a period of two years with an exercise price of \$0.10 per warrant share until the close of business on May 31, 2014.

(2) The share issuance of 150,000 common shares of the Issuer to Newcastle Minerals Ltd., is pursuant to a Property Option Agreement approved by the TSX Venture Exchange and represents the initial share payment over a potential three year period.

## Commissions and finder's fees

### Item 9: Commissions and finder's fees

#### NO COMMISSIONS/FINDER'S FEES PAID

#### Instructions

A. Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include information about payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

B. If the securities being issued as compensation are or include convertible securities, such as warrants or options, add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R)	Compensation paid or to be paid (cash and/or securities)				
		Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
			Number and type of securities issued	Price per security (Canadian \$)	Exemption relied on and date of distribution (yyyy-mm-dd)	



## Certificate

On behalf of the [issuer/underwriter], I certify that the statements made in this report are true.

Date: June 4, 012

NY85 Capital Inc.

Name of [issuer/underwriter] (please print)

Keith Anderson, President, (604) 469-6855

Print name, title and telephone number of person signing

X

  
Signature

### *Instruction*

*The person certifying this report must complete the information in the square brackets by deleting the inapplicable word. For electronic filings, substitute a typewritten signature for a manual signature.*

### **Item 10: Contact information**

State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

**Kelly Young, Administrator, (604) 469-6855**

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.**

### **Notice - Collection and use of personal information**

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

### **British Columbia Securities Commission**

P.O. Box 10142, Pacific Centre

701 West Georgia Street

Vancouver, British Columbia V7Y 1L2

Telephone: (604) 899-6500

Toll free across Canada: 1-800-373-6393