April 30, 2022

Amber

Amber Mortgage Investment Corp.
www.amberfinancial.com

Offering Memorandum

This Offering Memorandum constitutes an offering of securities only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale. This Offering Memorandum is not, and under no circumstances is to be construed as, a prospectus or advertisement or a public offering of these securities. This Offering Memorandum is for the confidential use of only those persons to whom it is transmitted in connection with this Offering. By their acceptance of this Offering Memorandum, recipients agree that they will not transmit, reproduce or make available to anyone, other than their professional advisors, this Offering Memorandum or any information contained herein. No person has been authorized to give any information or to make any representation not contained in this Offering Memorandum. Any such information or representation, which is given or received, must not be relied upon.

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See Item 8 "Risk Factors".

OFFERING MEMORANDUM
AMBER MORTGAGE INVESTMENT CORP.

Date: April 30, 2022

THE ISSUER	
Name:	Amber Mortgage Investment Corp. (the "**Issuer**")
Head office:	415 - 5900 No. 3 Road, Richmond, British Columbia V6X 3P7 Phone: 1 (866) 268 0328 Email: info@amberfinancial.com Website: www.amberfinancial.com
Currently listed or quoted?	**No. These securities do not trade on any exchange or market.**
Reporting issuer?	No.
SEDAR filer?	No.
THE OFFERING	
Securities offered:	Series 1, Class A non-voting preferred shares (the "**Class A Preferred shares**") Series 1, Class B non-voting preferred shares (the "**Class B Preferred shares**") Series 1, Class C non-voting preferred shares (the "**Class C Preferred shares**") (collectively the "**Shares**") Unsecured, subordinated, one-year term non-convertible 5.5% debentures (the "**Debentures**")
Price per security:	$1.00 per Share
Minimum/Maximum offering:	**There is no minimum or maximum offering of the Shares. You may be the only purchaser of the Shares.** **The is no minimum offering of the Debentures. The offering of the Debentures is subject to a maximum of $20,000,000 in principal.**

	Funds available under the Offering may not be sufficient to accomplish our proposed objectives.
Minimum subscription amount:	Investors must subscribe for a minimum of 10,000 Shares ($10,000) or $100,000 in principal amount of the Debentures.
Payment terms:	Cheque or bank draft payable to the Issuer at the time of subscription. The full subscription price is due on closing. See Item 5.2 "Subscription Procedure".
Proposed closing date:	Closing dates will be determined from time to time by the Issuer as subscriptions for Shares or Debentures are received.
Income tax consequences:	There are important income tax consequences to these securities. See Item 6 "Income Tax Consequences and RRSP Eligibility".
Selling agent:	Yes. See Item 7.

Resale Restrictions

You will be restricted from selling your securities for an indefinite period. See Item 10 "Resale Restrictions". However, the Shares are redeemable in certain circumstances. See Item 5.1 "Terms of Securities".

Purchaser's Rights

You have two (2) business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel the agreement. See Item 11 "Purchaser's Rights".

FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains statements based on “forward-looking information” within the meaning of Canadian securities legislation (collectively, “forward-looking statements”), including with respect to the term of the mortgage loans that the Issuer will make, the types of loans the Issuer will make, the rate of return anticipated to be earned by the Issuer from its mortgage loans, the size of such loans, ongoing loan to value ratios of such loans, the continued performance of such loans relative to the Issuer's history, the frequency of anticipated distributions to be made by the Issuer, and the Issuer's anticipated expenses with respect to this Offering. These forward-looking statements are made as of the date of this Offering Memorandum.

In certain cases, forward-looking statements can be identified by use of words such as “believe,” “intend,” “may,” “will,” “should,” “plans,” “anticipates,” “believes,” “potential,” “intends,” “expects,” and other similar expressions. Forward-looking statements reflect our current expectations and assumptions as of the date of the statements, and are subject to a number of known and unknown risks, uncertainties and other factors, many of which are beyond the Issuer's control, which may cause our actual results, performance or achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements.

Investors are advised to carefully review and consider the risk factors identified in this Offering Memorandum under Item 8 “Risk Factors” for a discussion of the factors that could cause actual results, performance and achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements.

These risks, uncertainties and other factors include, but are not limited to: risks associated with an investment in the Shares or Debentures; risks associated with the Issuer; and risks associated with the mortgage investment corporation industry and the real estate investment industry generally.

Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking statements include that: the Issuer will primarily invest in mortgage loans made in British Columbia and Ontario; the mortgage loans will be short term in nature; the performance of the Issuer's ongoing mortgage portfolio will be consistent with that of its historic investments; the Issuer will be able to make distributions to holders of the Shares in accordance with current practice; and the Issuer will be able to make payments as they become due to holders of the Debentures in accordance with their terms. These assumptions should be considered carefully by investors. Investors are cautioned not to place undue influence on the forward-looking statements or assumptions on which forward-looking statements are based. Investors are further cautioned that the foregoing list of assumptions is not exhaustive and it is recommended that prospective investors consult the more complete discussion of the Issuer's business included in this Offering Memorandum.

Although the Issuer believes that the assumptions on which the forward-looking statements are made are reasonable, based on information available to the Issuer on the date such statements were made, no assurances can be made as to whether these assumptions will prove to be correct. Accordingly, readers should not place undue reliance on forward-looking information. The Issuer does not undertake to update any forward-looking information except as, and to the extent, required by applicable Canadian securities laws. The forward-looking statements contained in this Offering Memorandum are expressly qualified by this cautionary statement.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference into this Offering Memorandum from documents, which have been or will be filed, concurrent with this Offering Memorandum, with securities regulatory authorities in each of the provinces of British Columbia and Ontario. Copies of the documents incorporated herein by reference may be obtained upon requested without charge from the Issuer. These documents include the Chinese language marketing booklet dated March 31, 2022 and Chinese language marketing leaflet dated March 31,2022 relating to the Issuer.

The aforementioned documents are not incorporated by reference or deemed to be incorporated by reference to the extent that their contents are modified or superseded by this Offering Memorandum or in any other subsequently filed document that is incorporated by reference or deemed to be incorporated by reference in this Offering Memorandum. The modifying or superseding statement needed not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement when made constituted a misrepresentation or untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in the circumstances that they were made. Any statement so modified and superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Memorandum.

Any documents of the type required under National Instrument 45-106 *Prospectus Exemptions* to be incorporated by reference in an offering memorandum filed by the Issuer with the securities commissions or similar regulatory authorities in Canada subsequent to the date of this Offering Memorandum and prior to the termination of the Offering are deemed to be incorporated by reference in this Offering Memorandum.

In this Offering Memorandum, references to the "Offering Memorandum" means this offering memorandum and the documents incorporated by reference herein, each as amended or supplemented from time to time.

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ITEM 1 - USE OF AVAILABLE FUNDS

1.1 Funds

The following table discloses the estimated gross proceeds of the Offering and the estimated net proceeds that will be available to the Issuer after the Offering.

		Minimum Offering(1)	Maximum Offering(2)
A	Amount to be raised by this Offering	Nil	$100,000,000
B	Selling commissions and fees	Nil	(1,000,000)(5)
C	Estimated offering costs(3)	($20,000)	($20,000)
D	Available funds: D = A - (B + C)	Nil	$98,980,000
E	Additional sources of funding required	Nil	Nil
F	Working capital deficiency	Nil	Nil
G	Total: G = (D + E) - F	($20,000)(4)	$98,980,000

Notes:

(1) There is no minimum offering.

(2) There is no aggregate maximum offering of the Shares or Debentures, as there is no maximum offering of the Shares. This is a continuous offering. The value of "$100,000,000" is used for illustrative purposes only.

(3) Estimated legal, accounting and audit expenses.

(4) In the event that no funds are raised under the Offering, the offering costs will be paid from the Issuer's existing working capital.

(5) The Issuer may, in its discretion, pay sales fees to exempt market dealers, or where permissible under applicable laws, non-registrants, in an amount up to 1% of the subscription proceeds raised from subscribers introduced by such exempt market dealers or non-registrants. $1,000,000 is estimated by average of 1.00% based on targeted maximum amount of funds raised for $100,000,000 and used for illustrative purposes only. See Item 7.

1.2 Use of Available Funds

The Issuer intends to use the net proceeds of the Offering as follows:

Use of Available Funds	Minimum Offering(1)	Maximum Offering(1)
Investments in mortgages and other permitted investments	Nil	$98,980,000

Notes:

(1) There is no minimum or maximum offering. This is a continuous offering. The values of "$100,000,000" in Table 1.1 and the corresponding amount of "$98,980,000" above are used for illustrative purposes only.

1.3 Reallocation

We intend to spend the available funds as stated. We will reallocate funds only for sound business reasons.

ITEM 2 - BUSINESS OF THE ISSUER

2.1 Structure

The Issuer was incorporated under the British Columbia *Business Corporations Act* on August 26, 2016. Its head and principal office, as well as its registered and records office, is located at 415 - 5900 No. 3 Road, Richmond, British Columbia, V6X 3P7. Due to its business, the Issuer is registered under the *Mortgage Brokers Act* (British Columbia).

The Office of the Registrar of Mortgage Brokers at the Financial Institutions Commission (British Columbia) regulates the mortgage brokering and lending activities of mortgage investment corporations under the *Mortgage Brokers Act* (British Columbia). The Registrar and the *Mortgage Brokers Act* do not regulate the capital raising and investment marketing activities of mortgage investment corporations, which are subject to securities legislation and regulation.

2.2 Our Business

General

The Issuer is a "mortgage investment corporation" for the purposes of the *Income Tax Act* (Canada) (the "**ITA**"). It is in the business of investing in mortgages held by the Issuer as security against loans adjudicated by Amber Financial Services Corporation, as manager of the Issuer (the "**Manager**"), and advanced primarily to owners of residential real estate and owners of various other property types, including commercial properties. As at the date of this Offering Memorandum, underlying properties are located in the Province of British Columbia and in the Province of Ontario. To the extent that available funds are not invested in mortgage loans, such funds will generally be invested in cash or short-term deposits with banks or other financial institutions, subject to limitations and restrictions applicable to mortgage investment corporations under the ITA. Similarly, the Issuer may, from time to time, hold direct ownership of real property acquired by way of foreclosure under its mortgages, subject to limitations and restrictions applicable to mortgage investment corporations under the ITA.

The Issuer may fund its investments through equity financings (including through the issuance of Shares), or through the use of debt leverage by issuing debt obligations or otherwise borrowing funds up to a maximum of three times the net book value of the Issuer's assets, subject to limitations and restrictions applicable to mortgage investment corporations under the ITA.

Under the ITA, a mortgage investment corporation is allowed to deduct dividends that are paid from its income. The Issuer intends to pay out all of its net income and net realized capital gains as dividends within the time period specified in the ITA, and, as a result, it is not anticipated that the Issuer will be required to pay any income tax under the ITA.

Investment Policies

The Issuer has established certain policies respecting how it can invest its funds in mortgages, which, as at the date of this Offering Memorandum, include, but are not limited to, the following:

- The Issuer will conduct its operations so as to qualify as a "mortgage investment corporation" as defined under the ITA.
- The Issuer will invest in a diverse array of properties with a significant emphasis on residential properties primarily (but not exclusively) located in urban areas of the Province of British Columbia, with no more than 50% of its portfolio to be comprised of non-residential mortgages.
- The Issuer will generally provide short term mortgage loans only, with terms of no more than 12 months. In limited circumstances, a mortgage loan may be renewed or extended at the discretion of the Issuer. The Issuer anticipates that the majority of its loans will be interest-only, with a balloon payment at maturity.

- The Issuer will invest primarily in 1st and 2nd mortgage loans. Temporary surplus cash funds not invested in mortgages will be invested in cash or short-term deposits with banks or other financial institutions.

- No single investment will exceed 75% of the third-party assessment value of the underlying real property securing the mortgage, as calculated at the time of commitment. In certain limited circumstances, the loan to value ratio may exceed 75% where approved by the directors of the Issuer for sound business reasons.

- No single investment will exceed 40% of the value of the Issuer's assets.

- The Issuer may borrow funds in order to invest in specific mortgage investments in an amount as permitted by applicable laws. The interest rate of funds raised through the use of leverage is expected to be less than the interest rate charged by the Issuer on the corresponding mortgage investment.

- The Issuer may, in its sole discretion, participate in mortgages on a syndicated basis.

In addition to the above policies, the Issuer has established the following investment criteria:

- all mortgages will, prior to funding, be registered on the title of the approved property as the Manager and the Issuer's legal counsel shall direct;

- mortgages will be registered in the Issuer's name, including mortgages in which the Issuer provides less than 100% of the loan proceeds (for example, in syndicated loans);

- the Issuer's legal counsel will review each mortgage loan to ensure enforceability and perfection;

- the Issuer may offer mortgages held by the Issuer for sale in view of profitability, working capital or other considerations for the overall benefit of the Issuer;

- the Issuer requires a current appraisal with every mortgage application unless otherwise directed by the directors of the Issuer, such appraisal to be prepared by a member of the Appraisal Institute of Canada with an Accredited Appraisal Canadian Institute or a Canadian Residential Appraiser certification;

- the Issuer does not hold as part of its property any indebtedness, whether by way of mortgage or otherwise, of a person who is an annuitant, a beneficiary or an employee, as the case may be, under the governing plan of trust or of any other person who does not deal at arm's length with that person.

With respect to renewals of existing mortgage loans, the Issuer has established the following policies:

- Mortgage renewals will remain at the discretion of the Issuer, taking into consideration such factors as (but not limited to) market conditions at the time of maturity, potential loan participation with third parties, and changes in assessment values of the underlying real property, the credit rating of the borrower, the loan repayment history of the borrower, and the financial status of the borrower;

- The Issuer will retain discretion as to whether a new appraisal will be required at the time of maturity;
- The Issuer may, in its discretion, charge a renewal fee and/or vary the interest rate applicable to the mortgage loan at the time of renewal.

As a mortgage investment corporation, the Issuer's success is dependent, in part, on real estate markets remaining healthy and values of the real property securing its mortgage loans remaining above the amounts borrowed. To mitigate against any risk relating to market fluctuations, the Issuer has implemented the following policies:

- The Issuer will retain discretion to require borrowers to “top up” their equity investment in the underlying real property should the loan to value ratio increase beyond 75% during the term of the mortgage loan;
- The Issuer's mortgage loans will generally be on a short term basis, with a maximum term of 12 months, unless the Issuer's management should agree otherwise for sound business reasons;
- The Issuer will continuously monitor all of its mortgage loans for early “warning signals” and default events, such as defaults in payment;
- As part of its due diligence review of borrowers, the Issuer will verify the borrower's liquid assets in and out of Canada and review the borrower's financial and tax status, while considering such factors as debt serviceability, refinancing risk, etc.;
- As part of its due diligence review of real property being mortgaged, the Issuer will routinely consider a number of risk factors, including marketability of the property and subordination risk;
- The Issuer will generally require a maximum 75% loan to value ratio and an average 65% loan to value ratio across its mortgage portfolio, serving as a buffer for short term market volatility.

The investment, renewal, and mitigation policies may be changed from time to time by the Issuer with the approval of its Board of Directors, including but not limited to any changes required as a result of changes in the provisions of the ITA or other legislation applicable to the Issuer. See Item 8 “Risk Factors” for further discussion.

To address risks associated with mortgage fraud and market fluctuations, the Issuer generally requires information regarding the borrower's occupation, income, assets and liabilities, credit reports, purpose of borrowing, and proposed repayment plans. In most instances, the Issuer requires provision of notices of assessment with respect to income tax and bank statements as part of its due diligence investigations of borrowers. The Issuer requires property assessments for any new mortgage loan applications, and its counsel conducts title searches before advancing loan proceeds. Property appraisals are required for any loans with a loan to value ratio above 55%; site visits are required for all other loans. Each loan is reviewed by the Issuer's credit committee, which consists of seven members, who collectively have backgrounds in banking, property management, mortgage brokering and realty. Taking these measures together, the Issuer feels it adequately addresses these risks. See Item 8 “Risk Factors” for further discussion.

2.3 Development of Business

The Issuer has grown its portfolio of mortgage investments substantially since its incorporation in August 2016. Through that period, the Issuer has provided loans to owners of residential and commercial real estate properties located in both British Columbia and Ontario, each secured by a mortgage against the property. The Issuer has primarily taken first or second mortgages, though from time to time it has taken a third mortgage as discussed under “Investment Policies” above.

A portion of the mortgage loans in the Issuer's portfolio were made by the Manager prior to the Issuer's incorporation. These were purchased by the Issuer on a dollar for dollar basis. To fund the purchase, the Manager extended a loan facility to the Issuer, which the Issuer has been repaying over time. As at March 31, 2022, an amount of $12,516,609 was owed by the Issuer to the Manager under this facility. See Item 2.7 “Material Agreements - Loan Facility Agreements”. None of the proceeds of this Offering will be used to repay indebtedness owing under this facility; servicing of debt under the facility will be from interest income derived from the Issuer's loan portfolio.

Additionally, Amber Financial Edge Corp. (“**Amber Edge**”), a company related to the Issuer by reason of having a common director (Yi Song), has extended a loan facility to the Issuer. The Manager is also a voting shareholder of Amber Edge, and is deemed to be a “control person” of Amber Edge by reason of holding more than 20% of Amber Edge's voting securities. Such loan facility supercedes a prior loan agreement between the Issuer and Amber Edge, under which, as at March 31, 2022, no amounts were owing. See Item 2.7 “Material Agreements - Loan Facility Agreements”. None of the proceeds of this Offering will be used to repay indebtedness owing under this facility; servicing of debt under the facility will be from interest income derived from the Issuer's loan portfolio.

The following table provides an overview of the Issuer's portfolio of mortgage loans as at the date of this Offering Memorandum. As at March 31, 2022, the average size of mortgages managed by the Issuer was approximately $1,816,121.09 and none of the Issuer's mortgage loans are in default, and the Issuer does not maintain an allowance for loan losses.

Mortgage type	City	Loan Priority	Note Rate	Repayment Terms	Maturity Date	Balance Owing[(1)]	Loan to Value Ratio[(2)]
Residential	Vancouver	2nd	9.50%	Interest Only	2023-03-01	$ 350,000.00	51.56%
Residential	Richmond	2nd	9.95%	Interest Only	2023-01-01	$ 390,000.00	71.67%
Residential	Victoria	2nd	10.73%	Interest Only	2022-09-01	$ 300,000.00	69.35%
Residential	Richmond	2nd	11.39%	Interest Only	2022-10-01	$ 350,000.00	74.09%
Residential	Coquitlam	2nd	11.23%	Interest Only	2023-02-01	$ 105,000.00	69.96%
Residential	Richmond	2nd	11.25%	Interest Only	2022-05-01	$ 100,000.00	61.22%
Residential	Vancouver	1st	9.50%	Interest Only	2022-05-01	$ 2,700,000.00	68.01%
Residential	Vancouver	2nd	10.60%	Interest Only	2022-05-01	$ 350,000.00	70.97%
Residential	Surrey	1st	9.98%	Interest Only	2022-08-01	$ 400,000.00	54.42%
Residential	Surrey	2nd	10.64%	Interest Only	2022-04-01	$ 1,500,000.00	67.14%
Commercial	Vancouver	1st	11.53%	Interest Only	2022-07-01	$ 1,100,000.00	54.83%
Residential	Richmond	2nd	8.50%	Interest Only	2023-03-01	$ 1,500,000.00	42.61%
Residential	Vancouver	2nd	8.50%	Interest Only	2023-03-01	$ 400,000.00	68.19%
Commercial	Delta	1st	8.95%	Interest Only	2022-08-01	$ 2,500,000.00	62.34%
Residential	West Vancouver	2nd	10.00%	Interest Only	2022-08-01	$ 1,150,000.00	54.95%
Commercial	Britannia Beach	1st	8.75%	Interest Only	2022-06-01	$ 9,450,000.00	26.37%
Residential	Coquitlam	1st	8.95%	Interest Only	2022-07-01	$ 1,500,000.00	73.17%
Commercial	Surrey	2nd	9.92%	Interest Only	2023-01-01	$ 9,500,000.00	70.21%
Residential	Burnaby	2nd	10.50%	Interest Only	2023-01-01	$ 10,820,476.00	51.94%
Commercial	Richmond	2nd	8.75%	Interest Only	2022-05-01	$ 1,100,000.00	67.24%
Commercial	Maple Ridge	2nd	10.50%	Interest Only	2022-10-01	$ 1,400,000.00	74.19%
Residential	Maple Ridge	2nd	8.40%	Interest Only	2022-05-01	$ 740,000.00	72.84%
Residential	Richmond	2nd	8.75%	Interest Only	2022-04-01	$ 490,000.00	74.57%
Residential	Vancouver	2nd	9.50%	Interest Only	2022-05-01	$ 2,000,000.00	67.37%

Commercial	Richmond	2nd	10.50%	Interest Only	2022-06-01	$	994,678.04	65.36%
Residential	Delta	2nd	10.50%	Interest Only	2022-06-01	$	3,005,321.96	65.36%
Commercial	Coquitlam	2nd	9.95%	Interest Only	2022-04-01	$	1,000,000.00	40.65%
Residential	Vancouver	2nd	8.99%	Interest Only	2022-07-01	$	7,522,130.00	64.09%
Residential	Richmond	2nd	8.99%	Interest Only	2022-07-01	$	428,340.00	74.00%
Residential	Vancouver	2nd	8.99%	Interest Only	2022-07-01	$	49,530.00	74.00%
Residential	Ontario	1st	6.99%	Interest Only	2022-08-01	$	350,000.00	50.72%
Residential	Surrey	2nd	11.15%	Interest Only	2022-08-01	$	5,000,000.00	74.52%
Residential	Maple Ridge	1st	8.50%	Interest Only	2022-09-01	$	1,900,000.00	66.43%
Residential	Coquitlam	2nd	7.49%	Interest Only	2022-09-01	$	100,000.00	56.09%
Residential	Chilliwack	2nd	8.50%	Interest Only	2022-10-01	$	160,000.00	52.75%
Residential	Vancouver	2nd	7.49%	Interest Only	2022-10-01	$	210,000.00	26.39%
Commercial	Ontario	2nd	12.00%	Interest Only	2022-10-01	$	8,500,000.00	37.20%
Commercial	Ontario	1st	10.00%	Interest Only	2022-10-01	$	1,755,000.00	65.00%
Residential	Richmond	2nd	9.60%	Interest Only	2022-10-01	$	200,000.00	70.60%
Residential	Surrey	2nd	9.89%	Interest Only	2022-11-01	$	5,600,000.00	74.75%
Residential	North Vancouver	2nd	9.67%	Interest Only	2022-11-01	$	450,000.00	47.52%
Commercial	Powell River	1st	8.99%	Interest Only	2022-11-01	$	500,000.00	26.94%
Residential	Vancouver	2nd	8.50%	Interest Only	2022-11-01	$	5,300,000.00	64.21%
Residential	Vancouver	2nd	9.89%	Interest Only	2022-12-01	$	600,000.00	73.39%
Residential	Burnaby	1st	6.49%	Interest Only	2022-12-01	$	250,000.00	24.15%
Residential	Surrey	1st	8.25%	Interest Only	2022-12-01	$	7,500,000.00	65.56%
Residential	Abbotsford	2nd	8.50%	Interest Only	2022-12-01	$	840,000.00	65.00%
Residential	Ontario	2nd	7.25%	Interest Only	2022-12-01	$	200,000.00	42.38%
Residential	Richmond	1st	5.99%	Interest Only	2023-01-01	$	1,105,000.00	62.25%
Residential	Surrey	2nd	8.49%	Interest Only	2023-01-01	$	445,000.00	67.67%
Commercial	Ontario	2nd	9.50%	Interest Only	2022-06-30	$	10,000,000.00	25.97%
Residential	Coquitlam	1st	6.49%	Interest Only	2022-08-01	$	300,000.00	59.41%
Residential	Burnaby	1st	6.49%	Interest Only	2022-08-01	$	350,000.00	60.34%
Residential	Richmond	1st	8.50%	Interest Only	2022-05-01	$	350,000.00	51.85%
Residential	Richmond	2nd	10.50%	Interest Only	2023-02-01	$	160,000.00	65.49%
Commercial	Vernon	1st	9.98%	Interest Only	2022-08-01	$	600,000.00	44.25%
Residential	Richmond	1st	8.50%	Interest Only	2022-09-01	$	300,000.00	32.51%
Residential	Port Moody	2nd	8.50%	Interest Only	2022-06-01	$	700,000.00	47.94%
Residential	Chilliwack	2nd	9.99%	Interest Only	2023-03-01	$	138,000.00	75.00%
Commercial	Victoria	2nd	9.50%	Interest Only	2023-04-01	$	1,192,410.82	36.43%
Commercial	Victoria	2nd	9.50%	Interest Only	2023-04-01	$	1,210,693.10	36.43%
Commercial	Victoria	2nd	9.50%	Interest Only	2023-04-01	$	2,596,896.08	36.43%
Residential	Richmond	2nd	10.00%	Interest Only	2023-04-01	$	120,000.00	73.50%
Residential	Surrey	2nd	9.99%	Interest Only	2023-04-01	$	450,000.00	73.72%
Commercial	Nanoose Bay	1st	9.00%	Interest Only	2023-04-01	$	2,000,000.00	50.25%
Residential	Vancouver	1st	9.50%	Interest Only	2023-04-01	$	667,000.00	61.19%
Residential	Vancouver	1st	9.50%	Interest Only	2023-04-01	$	789,000.00	61.16%
Residential	Tobiano	1st	9.50%	Interest Only	2023-04-01	$	226,300.00	61.16%
Residential	Tobiano	1st	9.50%	Interest Only	2023-04-01	$	317,700.00	61.10%
Residential	Vancouver	2nd	9.98%	Interest Only	2023-04-01	$	500,000.00	71.04%

Notes:
(1) As at March 31, 2022.
(2) As at the date of funding or at loan renewal

Historical Return

The following table shows the annual rate of return with respect to the Issuer's preferred shares as at the end of its fiscal year ended September 30, 2021, and for the fiscal year ended September 30, 2020. The rates shown are net of all management fees and operating expenses of the Issuer. Please see Item 5.1 "Terms of Securities" for a discussion of the rights and characteristics of these Shares.

Share Class	**Year ended September 30, 2021**		**Year ended September 30, 2020**	
	Cash dividends	**Quarterly Reinvestment[(1)]**	**Cash dividends**	**Quarterly Reinvestment[(1)]**

Class A Preferred	8.00%	8.00%	8.00%	8.00%
Class B Preferred	8.00%	8.00%	8.00%	8.00%

Notes:

(1) In each of these periods, the Issuer paid dividends on a quarterly basis. Holders of the Shares can elect to receive such dividends in cash (denoted as "Cash dividends" above), or to re-invest the dividend in additional preferred shares (denoted as "Quarterly Reinvestment" above).

(2) There were no Class C Preferred shares outstanding as at September 30, 2021.

The rates shown above are historic only. To date, the Issuer has been able to fund all distributions from its earnings. Though it anticipates that it can maintain its current rate of distributions, there can be no assurance or guarantee that they are indicative of the Issuer's future performance. In the event that a targeted dividend rate of 8% cannot be realized, the Issuer will distribute dividends, if any, at a lower rate. The Issuer will not borrow funds to meet targeted divided rates. Please see Item 8 "Risk Factors" for further discussion.

2.4 Long Term Objectives

The Issuer has set out the following long term objectives:

- To raise investment capital, invest available funds in a portfolio of British Columbia and Ontario mortgage loans as described under "Investment Policies" above;
- To generate sufficient income to allow for the payment of dividends to shareholders on at least a quarterly basis;
- To meet valid redemption requests as received from shareholders;
- To preserve the safety of the Issuer's investment capital by continually improving on credit risk control, depending on the changing market environment and close monitoring of significant market variables (including interest rates, unemployment rates, inflation rates, GDP growth, benchmark real estate market data and global political and economic development);
- To build a reputable corporate image and brand awareness;
- To carry on business in a manner that ensures its qualification as a "mortgage investment corporation" under the ITA.

As the Issuer has an ongoing investment plan, it does not have a targeted completion date for its long term objectives. Investments will be made as available funds permit, and the Issuer's costs to achieve these objectives will vary from time to time.

2.5 Short Term Objectives and How We Intend to Achieve Them

The Issuer's short-term objectives over the next 12 month period are as follows:

What we must do and how we will do it	Target completion date or, if not known, number of months to complete	Our cost to complete ($)
Raise investment capital as described in this Offering Memorandum	Ongoing	$1,000,000[(1)]

Invest available funds in a portfolio of British Columbia and Ontario mortgage loans as described in this Offering Memorandum	Ongoing, as funds raised and mortgages are retired and replaced from time to time	Nil(2)
Repay amounts owing under the Debentures as they become due in accordance with their terms.	Ongoing, as Debentures will be continually offered and thus continually mature from time to time	$20,000,000(3)

Note:

(1) The Issuer may, in its discretion, pay sales fees to exempt market dealers, or where permissible under applicable laws, non-registrants, in an amount up to 1.00% of the subscription proceeds raised from subscribers introduced by such exempt market dealers or non-registrants. $1,000,000 is estimated by average of 1.00% based on targeted maximum amount of funds raised for $100,000,000, and used for illustrative purposes only.

(2) All operating expenses of the Issuer are paid by its Manager.

(3) Assumes the maximum number of Debentures are sold.

2.6 Insufficient Funds

The funds available from the Offering may not be sufficient to accomplish all of the Issuer's proposed objectives. Though, from time to time, the Issuer has been able to arrange for short term loans (see Item 2.7 "Material Agreements" for further discussion), there is no assurance that alternative financing will be available to the Issuer on an ongoing basis.

2.7 Material Agreements

Management Agreement

Pursuant to a management services agreement dated effective August 26, 2016 (the "**Management Agreement**"), the Manager provides management and administration services to the Issuer on a day-to-day basis, including the provision of a business office and on-going advice, and, as may be required from time to time, providing the Issuer with real estate, mortgage and financing services. The Manager proposes investment opportunities to the Issuer for approval, which it considers suitable and consistent with the Issuer's investment policies and criteria. The term of the Management Agreement expires in August 2023 subject to renewal in accordance with the terms thereof. Either the Issuer or the Manager may provide 60 days' notice to terminate the Management Agreement.

In consideration of the services provided, the Issuer pays the Manager a management fee in an amount up to a maximum of 2% of the value of the Issuer's total asset base under management, paid on at least a quarterly basis. The Issuer may also, without obligation, pay the Manager an annual discretionary bonus from time to time. Payment of the management fee and any annual bonus to the Manager is subject to the Issuer having paid to its preferred shareholders a return of investment of at least 8% per annum. The Manager may charge broker's fees, lenders fees, commitment fees, extension fees, administration and other similar fees directly to borrowers of any mortgage loan, all of which fees are the sole property of the Manager.

For the fiscal year ended September 30, 2021, the Issuer incurred a total of $1.62 million in management fees to the Manager, and in the fiscal year ended September 30, 2020, the Issuer incurred a total of $0.59 million in management fees to the Manager. No bonuses have been incurred or paid to the Manager up to the date hereof. As the management fee payable to the Manager is based on a percentage of the Issuer's total asset base, the management fee payable in each year will vary depending on the number of mortgage loans made by the Issuer.

The Issuer and the Manager are related companies. Ngai (Roy) Ho is a director of the Issuer and of the Manager. Yi (Elvis) Song is a director of both the Issuer and the Manager.

Loan Facility Agreements

Pursuant to a loan facility agreement dated October 1, 2016, as amended on December 1, 2020 (the "**Manager Loan Facility Agreement**") between the Issuer and the Manager, the Manager provided a $10 million loan facility (the "**Manager Loan Facility**") to assist the Issuer in providing its mortgage loans. The Manager Loan Facility accrues interest at a fixed rate of 8% per annum and matures on December 31, 2025. The Issuer may draw down on the Manager Loan Facility with 14 days' notice, but for new loan originations and related purposes only. As of September 30, 2021, the Issuer owed approximately $2,625,000 under the Manager Loan Facility (2020: $1,602,454), and as at the date of this Offering Memorandum, an amount of $916,609 was owing under the Manager Loan Facility.

The Issuer and the Manager have entered into a new and separate credit facility agreement dated February 1, 2021, pursuant to which the Manager has provided a new $12 million loan facility to the Issuer at a fixed interest rate of 5% per annum, maturing on February 1, 2023. As at September 30, 2021, and as at the date of this Offering Memorandum, the Issuer owed approximately $11.6 million under such new credit facility.

Pursuant to a loan facility agreement dated April 25, 2020 (the "**Amber Edge Loan Facility Agreement**") between the Issuer and Amber Edge, Amber Edge formalized a $1 million loan facility (the "**Amber Edge Loan Facility**"), which is also used to assist the Issuer in providing its mortgage loans. Other than the maximum amount that may be borrowed under the Amber Edge Loan Facility ($1 million), the Amber Edge Loan Facility Agreement and the Amber Edge Loan Facility are on the same terms and conditions as the Manager Loan Facility Agreement and Manager Loan Facility, including the maturity date. As of September 30, 2021, the Issuer owed approximately $22,813 under the Amber Edge Loan Facility (2020 - $468,048), and as at the date of this Offering Memorandum, no indebtedness is owing under the Amber Edge loan Facility.

None of the proceeds of this Offering will be used to repay indebtedness owing under either loan facility, and the Issuer will service the indebtedness owing under both loan facilities through interest income received by it from its mortgage loans.

ITEM 3 - INTERESTS OF DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 Compensation and Securities Held

The following table sets out the specified information about each director, officer, and promoter of the Issuer, and each person (a "**principal holder**") who, directly or indirectly, beneficially owns or controls 10% or more of any class of voting securities of the Issuer.

Name and municipality of principal residence	Positions held /date of obtaining position	Compensation paid by the Issuer in 12 months ended September 30, 2021, and anticipated to be paid in the current financial year	Number, type and % of securities of the Issuer held after completion of Minimum Offering[(1)]	Number, type and percentage of securities of the Issuer held after completion of Maximum Offering[(1)]
Yi (Elvis) Song Vancouver, BC	Director since incorporation	Nil	40 Class A Voting Common shares (19.05%) 88,814.47 Class A Preferred shares	40 Class A Voting Common shares (19.05%) 88,814.47 Class A Preferred shares
Ngai (Roy) Ho Vancouver, BC	Director since December 2017 Vice President since incorporation	Nil	40 Class A Voting Common shares (19.05%) 100,000 Class A Preferred shares	40 Class A Voting Common shares (19.05%) 100,000 Class A Preferred shares
Ruoyu (Frank) Liang, Burnaby, BC	Vice President	Nil	40 Class A Voting Common shares (19.05%)	40 Class A Voting Common shares (19.05%)
Yi Wang Langley, BC	N/A	Nil	30 Class A Voting Common shares (14.28%) 320,369.46 Class B preferred shares	30 Class A Voting Common shares (14.28%) 320,369.46 Class B Preferred shares
Amber Financial Services Corporation[(2)] Richmond, BC	Manager of the Issuer Insider by reason of holding 10% of the Issuer's common shares	$1.62 million (2021) Management fee $2.5 million (2022) Anticipated management fee[(3)]	20 Class A Voting common shares (9.52%) 4,000,000 Class A Preferred shares	20 Class A Voting Common shares (9.52%) 4,000,000 Class A Preferred shares
Lizhen Qian Burnaby, BC	N/A	Nil	40 Class A Voting common shares (19.05%)	40 Class A Voting common shares (19.05%)

Note:
(1) There is no minimum or maximum offering.
(2) The Manager is a private company of which Ngai (Roy) Ho and Yi (Elvis) Song, directors of the Issuer, are directors.
(3) Anticipated management fee for the current financial year. The actual amount of the management fee will be based on the value of the Issuer's total asset base under management. See “Material Agreements - Management Agreement” for further discussion.

Item 3.2 Management Experience

The principal occupations of the directors and executive officers of the Issuer over the past five years and any relevant experience in a business similar to the Issuer's are set out in the following table.

Name	Principal occupation and related experience
Elvis Yi Song Director	Mr. Song holds a liberal arts degree from Henan University of Economics and Law (People's Republic of China), and an EMBA degree from the China Europe International Business School (People's Republic of China). Mr. Song worked at the Agriculture Bank of China and the Agricultural Development Bank of China from 1993 through 2001. Prior to founding Amber Mortgage Investment Corp.,

Name	Principal occupation and related experience
	he was director and CEO of Unimix Orient Investment (Beijing) Co. Ltd. for 5 years since 2006 in China and he is currently a director of SS Unimix Agriculture Corp. in Saskatchewan and a director of Amber Financial Services Corp.
Frank Ruoyu Liang Vice President	Mr. Liang has over twenty years experience in business management, strategic operations and the real estate industry. He has been a registered mortgage broker since 2015, and has held a British Columbia realtor's license since 2013. Prior to his engagement with the Issuer, Mr. Liang was a senior consultant at Shanghai Uni-Smart Consulting Company from 2008 to 2016, where he provided services with respect to client business plans and business analysis, operational and logistic design services, and e-business services, and the CEO of Shanghai Pudong Puris Mechanic Supply, where he managed two main plants.
Roy Ngai Ho Director	Mr. Ho holds bachelor of commerce degree from Sauder School of Business at University of British Columbia. He has over 10 years experience in real estate and financing fields including 7 years of wholesale and commercial banking experience with major banks in both Canada and Hong Kong including BMO Bank of Montreal and China CITIC Bank International, where he managed complex financing portfolio from SMEs to publicly listed companies and state-owned enterprises. He is director of Amber Financial Services Corporation and Amber Mortgage Investment Corp.
Cindy Xintong Liu Vice President	Ms. Liu joined Amber Mortgage Investment Corp. in 2018. In her role, she oversees the company's investment sales, client relation and marketing department. She brings in over 10 years of financial market experience. Prior to joining Amber, she was executive director of Shanghai Zunsheng Investment and Management Company for 12 years, in charge of personal loans and mortgages operation. She is passionate in giving back to the community. Since 2016, she is actively involved in Rotary Club of Vancouver Centennial and she currently serves as the club President.

3.3 Penalties, Sanctions and Bankruptcy

There are no penalties or sanctions that have been in effect during the last 10 years, or any cease trade orders that have been in effect for a period of more than 30 consecutive days during the past 10 years against: (i) a director, executive officer or control person of the Issuer; or (ii) an issuer of which any of the foregoing persons was a director, executive officer or control person at the relevant time.

There are no declarations of bankruptcy, voluntary assignments in bankruptcy, proposals under any bankruptcy or insolvency legislation, proceedings, arrangements or compromises with creditors or appointments of a receiver, receiver manager or trustee to hold assets, that have been in effect during the last 10 years with regard to any: (i) director, executive officer or control person of the Issuer; or (ii) issuer of which any of the foregoing persons was a director, executive officer or control person at the relevant time.

3.4 Loans

As at the date of this Offering Memorandum, none of the directors, management, promoters or principal holders of the Issuer is indebted or has been indebted to the Issuer. Indebtedness owing by the Issuer to the Manager is described under Section 2.7 *Material Agreements - Loan Facility Agreements* above.

ITEM 4 - CAPITAL STRUCTURE

4.1 Share Capital

The following table sets out information with respect to the Issuer's authorized and issued share capital as at September 30, 2021.

Description of security	Number authorized to be issued	Price per security ($)	Number outstanding as at September 30, 2021	Number outstanding after Minimum Offering(1)	Number outstanding after Maximum Offering(1)
Class A Common Shares	Unlimited	$1.00	210	210	210
Class A Preferred shares	Unlimited	$1.00	21,272,813	21,272,813	21,272,813
Class B Preferred shares	Unlimited	$1.00	80,057,354	80,057,354	80,057,354
Class C Preferred shares	Unlimited	$1.00	Nil	Nil	Nil
Class D Preferred shares	Unlimited	$1.00	Nil	Nil	Nil

Notes:
(1) There is no minimum or maximum offering. The Offering is continuous.

In the fiscal year ended September 30, 2021, there have been 20,527,294 Class A Preferred shares redeemed for a total amount of $20,527,294, and 8,348,864 Class B Preferred shares redeemed for a total amount of $8,348,864. As at the date of this Offering Memorandum, there are no outstanding requests for share redemptions.

4.2 Long Term Debt Securities

As at the date of this Offering Memorandum, the Issuer has no long-term debt.

4.3 Prior Sales

The following table provides information regarding the Shares offered by the Issuer within the last 12 months of the date of this Offering Memorandum.

Date of issuance	Number of Preferred Shares issued(1)	Price per security ($)	Total funds received ($)
March 2022	2,348,644.60 Class B Preferred Shares	1.00	$2,348,645
February 2022	2,700,000 Class B Preferred Shares	1.00	$2,700,000
January 2022	3,930,000 Class B Preferred Shares	1.00	$3,930,000

December 2021	2,205,000 Class B Preferred Shares	1.00	$2,205,000
November 2021	6,006,000 Class B Preferred Shares	1.00	$6,006,000
October 2021	5,137,400 Class B Preferred Shares	1.00	$5,137,400
September 2021	6,516,840 Class B Preferred Shares	1.00	$6,516,840
August 2021	8,877,000 Class B Preferred Shares	1.00	$8,877,000
July 2021	5,053,000 Class B Preferred Shares	1.00	$5,053,000
June 2021	7,455,000 Class B Preferred Shares	1.00	$7,455,000
May 2021	5,092,500 Class B Preferred Shares	1.00	$5,092,500
April 2021	1,336,000 Class B Preferred Shares	1.00	$1,336,000
March 2021	1,930,000 Class B Preferred Shares	1.00	$1,930,000

The following table provides information regarding the preferred shares that were issued as a result of existing holders electing to direct their quarterly dividend entitlements towards the acquisition of additional new Shares in the 12 months prior to the date of this Offering Memorandum (see Items 2.3 "Development of Business" and 5.1 "Terms of Securities"):

Class A Preferred shares			
Date of issuance	**Number of Class A Preferred Shares issued**	**Price per security ($)**	**Total dividends reinvested ($)**
March 31, 2022	101,949	1.00	101,949
December 31, 2021	104,862	1.00	104,862
September 30, 2021	103,955	1.00	103,955
June 30, 2021	102,492	1.00	102,492
March 31, 2021	106,759	1.00	106,759
	Number of Class B Preferred Shares issued		
March 31, 2022	143,976	1.00	143,976
December 31, 2021	155,038	1.00	155,038
September 30, 2021	183,404	1.00	183,404
June 30, 2021	163,517	1.00	163,517
March 31, 2021	255,026	1.00	255,026

Notes:

(1) There have been no Class C Preferred shares as presently constituted issued or outstanding as at the date of this Offering Memorandum.

ITEM 5 - SECURITIES OFFERED

5.1 Terms of Securities

5.1.1 *The Shares*

The Issuer is offering an unlimited number of Shares, each at a price of $1.00 per Share. The following provides a general discussion of the rights and restrictions attached to the Shares.

Non-Voting

Except as provided for under the Issuer's articles and subject to any rights under applicable law, holders of the Shares will not be entitled to have any voting rights with respect to the election of directors, nor for any other purpose, and will not be entitled to notice of nor to attend or vote at meetings of the holders of the Issuer's common shares.

Meetings of each of the holders of the Shares may be called at any time and for any purpose by the Issuer's directors.

Subject to applicable laws, the Issuer must seek the approval of the registered holders of each class of the preferred shares with respect to the following matters, such approval to be provided by each class of the preferred shares by way of a special separate resolution of the holders of such class of preferred shares:

- the approval of a corporate action including amendments of the Issuer's articles where the rights or special rights attached to the preferred shares will be prejudiced or interfered with;
- the approval of the change of the majority required to pass a special separate resolution or separate resolution of the holders of each class of the preferred shares;
- the approval of the adoption of any amalgamation agreement or the continuation of the Issuer to a foreign jurisdiction where the rights or special rights attached to the preferred shares will be prejudiced or interfered with;
- the approval of an arrangement with the holders of the preferred shares;
- the continuation of the Issuer into another jurisdiction; or
- the sale, lease or other disposition of all or substantially all of the Issuer's undertaking.

Notwithstanding the foregoing, no action taken by the registered holders of preferred shares nor any special separate resolutions or separate resolutions of the registered holders of the preferred shares will be considered in any way as fettering the discretion of the Issuer's directors.

Dividends

Registered holders of the Shares are entitled to receive, in priority to dividends subsequently declared on the Issuer's common shares, such dividends as the Issuer's directors may, in their sole discretion, declare from time to time. The Issuer's directors may authorized such dividends in favour of any or more class or classes of the preferred shares to the exclusion of the other class or classes of the preferred shares. Holders of the common shares are entitled to receive dividends in a like amount as the dividends declared on one or more classes of the preferred shares. Dividends will not be paid on any shares if such dividends would have the effect of reducing the value of the Issuer's net assets to an amount less than the aggregate paid up capital of its shares.

To date, a holder of the Shares may elect to receive any dividends in cash. Alternatively, a holder of Shares may elect to direct such dividend that such holder would otherwise have received to acquire additional Shares at $1.00 per share (such election referred herein as a “**reinvestment**”).

As at the date of this Offering Memorandum, the Issuer has set a targeted dividend rate on the Shares at a rate of 8.0% per annum, and has declared dividends at an effective rate of return on the Shares of 8.0% per annum. However, please note that the Issuer has limited operating history, and past results should not be considered as normative (see “Risk Factors - Limited Operating History” below).

Payment of the dividends is prorated in the case of Shares not issued for a full fiscal year.

There can be no assurance or guarantee that the Issuer will be able to declare dividends on the Shares at the same rate, if at all, in the future.

Redemption and Retraction Rights

A holder of the Shares may, from time to time but subject to certain restrictions specified in the Issuer's articles, request the Issuer to redeem all or any part of the Shares held by such holder. Similarly the Issuer may, from time to time but subject to certain restrictions specified in the Issuer's articles, redeem all or any part of the Shares.

The redemption price of the Shares (the “**Redemption Price**”) has been set at $1.00 per share, excepting that the Redemption Price of the Shares will be reduced by the amounts described in the following table, depending on the year of redemption relative to the year of issuance of the Shares to be redeemed:

Class of Share	**Reduction in Redemption Price if redeemed within 1 year of issuance**	**Reduction in Redemption Price if redeemed within 2 years of issuance**	**Reduction in Redemption Price if redeemed within 3 years of issuance**	**Reduction in Redemption Price if redeemed within 4 years of issuance**
Class A Preferred	1%	Nil	Nil	Nil
Class B Preferred	4%	Nil	Nil	Nil
Class C Preferred	3%	2%	1%	Nil

The Issuer will not be allowed to redeem any of the Shares if any of the following events would occur as a result of such redemption:

- if one shareholder would hold more than 25% of the issued and outstanding share of the Issuer;
- if the number of shareholders within any class of the shares being redeemed will be reduced to less than 20; or
- if the Issuer would cease to qualify as a “mortgage investment corporation” under the ITA.

In such events, the Issuer may elect to make partial redemptions or delay redemptions until a later date until such circumstances would not exist. Similarly, the Issuer may suspend or continue the suspension of any retraction rights if its board of directors determine that conditions are such that the disposal of the Issuer's assets are not reasonably practicable, that it is not reasonably practicable to determine fairly the value of the Issuer's assets, or that any redemption would be unduly prejudicial to the Issuer. As at the date of this Offering Memorandum, the Issuer has fulfilled all redemption requests.

Entitlement upon Dissolution

In the event of the liquidation, dissolution or winding up of the Issuer or other distribution of its assets among its shareholders for the purpose of winding up its affairs, holders of the Issuer's preferred shares will first receive, pro rata in accordance to the number of preferred shares held, the amount paid up thereon together with any dividends declared remaining unpaid. Any remainder will then be paid to registered holders of the Issuer's shares (including the common shares) on a pro rata basis.

5.1.2 *The Debentures*

The Debentures will accrue simple interest at a fixed rate of 5.5% per annum, and have a maturity date of one year from funding. However, a holder of a Debenture may demand early repayment, subject to a 3% penalty in favour of the Issuer, such that only 97% of all indebtedness (principal and interest) owing under such Debenture would be repaid. The Issuer may, in its sole discretion, repay the Debentures prior to their maturity without bonus, penalty or deduction.

The Debentures are unsecured, and will be subordinated to all other indebtedness owing by the Issuer, including the indebtedness owing by the Issuer under the loan facility agreements described under Section 2.7 *Material Agreements - Loan Facility Agreements* above.

5.2 Subscription Procedure

This Offering is available to residents of British Columbia and Ontario (collectively the "Offering Jurisdictions") only, subject to the Issuer's discretion to allow other individuals to participate on a case-by-case basis. The Offering may terminate at any time without notice, and in such event the Issuer will not be required to accept later subscription offers.

Investors wishing to purchase the Shares and/or Debentures must complete and sign an agreement in the form provided by the Issuer and submit same to Enoch Wealth Inc., the exempt market dealer retained by the Issuer, together with a cheque or bank draft for the full subscription price, made payable to the Issuer. The subscription price will be held in trust until midnight on the second business day after the day on which we have received your signed subscription agreement.

Such subscriptions will be subject to rejection or acceptance in whole or in part by the Issuer. The Issuer will not accept subscriptions from persons whom it has made loans to or holds mortgage interests against.

This Offering is not subject to any minimum subscription level, and therefore any funds received from an investor are available and need not be refunded to the investor once the Shares or Debentures have been issued to such investor.

Notwithstanding the above, subscription agreements from trustees for RRSPs, RRIFs or Deferred Profit Savings Plans under the ITA may be accepted by the Issuer without the accompanying payment of the subscription price where necessary to accommodate their administrative procedures, on a case-by-case basis.

An investor should carefully review the terms of the subscription agreement provided by the Issuer for more detailed information concerning the rights and obligations of the investor and the Issuer. Execution and delivery of the subscription agreement will, upon acceptance by the Issuer, bind the investor to the terms thereof, whether executed by the investor or by an agent on the investor's behalf. The investor should consult with its own professional advisors. See Item 8 "Risk Factors".

ITEM 6 - CANADIAN INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY

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

This summary does not address any Canadian federal income tax considerations applicable to non-residents of Canada, nor any foreign income tax considerations applicable to holders or prospective holders of Shares or Debentures.

The Shares

As each individual investor has unique income and financial backgrounds, the exact nature of the income tax consequences to you, should you choose to purchase the offered Shares, cannot be determined.

Under the terms of the ITA, shares of a mortgage investment corporation are an eligible investment for RRSPs, RRIFs and TFSAs. The ITA stipulates that for a corporation to qualify as a mortgage investment corporation, the corporation must, among other requirements, have a minimum of 20 shareholders and no shareholder can own in excess of 25% of the total issued and outstanding shares of any class of the capital of the corporation. A minimum of 50% of the cost of the corporation's assets must be invested in residential mortgages, as defined in the ITA, and deposits with Canada Deposit Insurance Corporation insured institutions. The Issuer intends to maintain its qualification as a mortgage investment corporation.

As a mortgage investment corporation, if the Issuer pays out all of its net income annually in the form of dividends during the year or within 90 days after the end of the year it may deduct the dividend amount paid as if it was an expense. The dividends received are not subject to usual dividend treatment in the hands of shareholders. Rather, they will be taxable in the hands of shareholders who are subject to tax as if they had received an interest payment.

Accordingly, it is anticipated that for each taxation year of the Issuer throughout which it qualifies as a mortgage investment corporation under the ITA, the Issuer will receive "flow through" treatment and will not be required to pay income taxes on the net earnings from which dividends are paid in each year. Income in excess of allowable deductible reserves under the ITA which is not distributed to shareholders within 90 days of each of the Issuer's year-ends will be subject to ordinary corporate tax under the ITA.

If an investor and related parties own more than 10% of a mortgage investment corporation's shares, then any such class of shares of the investor and related parties held in an RRSP, TFSA or RRIF are considered a prohibited investment pursuant to the Canadian income tax rules and will be subject to penalties. For tax purposes, any individuals related by blood or marriage and any non-arm's length persons (including corporations, trusts and partnerships) must aggregate their holdings to determine if the 10% aggregate ownership threshold is exceeded. When calculating the level of ownership of an investment in a mortgage investment corporation, one must also consider any investment in the mortgage investment corporation they hold outside their registered plans, and all investments (registered or not) held by related persons and other non-arm's length persons, including corporations.

The Debentures

Taxation of Interest on Debentures

A Debenture holder that is a corporation, partnership, unit trust or any trust of which a corporation or a partnership is a beneficiary will be required to include in computing its income for a taxation year any interest on the Debentures that accrues or is deemed to accrue to it to the end of the particular taxation year or that has become receivable by or is received by the Debenture holder before the end of that taxation year, except to the extent that such interest was included in computing the Debenture holder's income for a preceding taxation year.

Any other Debenture holder, including an individual, will be required to include in computing income for a taxation year all interest on the Debentures that is received or receivable by the Debenture holder in that taxation year (depending upon the method regularly followed by the Debenture holder in computing income), except to the extent that the interest was included in the Debenture holder's income for a preceding taxation year. In addition, if such Debenture holder has not otherwise included interest on a Debenture in computing the Debenture holder's income at periodic intervals of not more than one year, such Debenture holder will be required to include in computing income for a taxation year any interest that accrues to the Debenture holder on the Debenture up to the end of any "anniversary day" (as defined in the ITA) in that year to the extent such interest was not otherwise included in the Debenture holder's income for that year or a preceding year.

If interest has accrued on a Debenture, a Debenture holder who disposes of or converts the Debenture for consideration equal to its fair market value will generally be entitled to deduct in computing income for the year of disposition an amount equal to any such interest included in income for that or any preceding year to the extent that no amount was received or became receivable by the Debentureholder in respect of the interest so accrued.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular holder or prospective holder of Shares or Debentures, and no representations with respect to the income tax consequences to any holder or prospective holder are made.

ITEM 7 - COMPENSATION PAID TO SELLERS AND FINDERS

The Issuer has retained Enoch Wealth Inc. with respect to the Offering. Pursuant to this retainer, the Issuer has agreed to pay to Enoch Wealth Inc. a fee of up to 1% of funds raised from subscribers introduced by Enoch Wealth Inc.

As at the date of this Offering Memorandum, the Issuer has not arranged for any other sellers or finders with respect to the Offering, but reserves the right to retain additional selling agents during the course of this Offering.

Investors acquiring Shares or Debentures through registered dealers or sales agents will be responsible for the payment of any additional commissions that may be negotiated by them and such dealers or agents.

ITEM 8 - RISK FACTORS

The Offering should be considered highly speculative due to the nature of the Issuer's business. The purchase of Shares and Debentures involves a number of significant risk factors. In addition to the risk factors set forth elsewhere in this Offering Memorandum, prospective investors should consider the following risks before purchasing Shares or Debentures. Any or all of these risks, or other as yet identified risks, may have a material adverse effect on the Issuer, its business, on dividends to holders of Shares, or on its ability to repay amounts owing under the Debentures as they become due.

Investment Risks

Non-Reporting Issuer

The Offering constitutes a private placement offering of the Shares and the Debentures by the Issuer only in those jurisdictions where, and to those persons to whom, they may be lawfully offered for sale under exemptions from the prospectus and registration requirements under applicable securities laws. This Offering Memorandum is not, and under no circumstances should be construed as, a prospectus, advertisement or public offering of the Shares or the Debentures. The Issuer is not a reporting issuer in any jurisdiction, and undertakes no obligation to provide continuous disclosure as to its business and operations except as otherwise required under applicable securities laws.

No Market for Shares or Debentures

Neither the Shares or Debentures are listed for trading on any securities exchange or market, nor is there any present intention to qualify the Shares or Debentures for sale to the public by way of a prospectus. The Shares and Debentures are subject to indefinite resale restrictions under applicable securities legislation. There is no market which the Shares or Debentures may be sold and the Issuer does not expect that any market will develop pursuant to this Offering or in the future. Accordingly, an investment in the Shares and Debentures should only be considered by investors who do not require liquidity. See Item 10 “Resale Restrictions”.

Dividend Risk

There is no guarantee that an investment in the Shares will earn any positive return. The declaration and payment of dividends on the Shares is at the discretion of the Issuer's board of directors. The Issuer will not borrow funds to ensure a distribution of dividends. There is no guarantee as to the amount of dividends to be paid on the Shares, or that any dividends will be paid at all. The Issuer has limited operating history, and past results should not be considered as normative.

Redemption Risk

Although holders of the Shares may tender their Shares for redemption pursuant to the rights and restrictions thereto, certain limitations apply to such redemption. See Item 5.1 “Terms of Securities.” As such the Issuer cannot guarantee that redemptions will be made on a timely basis. As of the date hereof, however, all redemption requests have been fulfilled.

Further, as the redemption price to be paid in respect of any Shares tendered for redemption will be determined at the discretion of the Issuer's board of directors, such redemption price cannot be known with certainty prior to such determination.

Loss of Mortgage Investment Corporation Status

If, for any reason, the Issuer fails to maintain its qualification as a mortgage investment corporation under the ITA, dividends paid by the Issuer on the Shares will cease to be deductible from the Issuer's income, and the Shares, unless listed on a prescribed stock exchange for the purposes of the ITA, may cease to be qualified investments for RRSPs, TFSAs or RRIFs with the effect that a penalty tax may be payable. See Item 6 “Canadian Income Tax Consequences and RRSP Eligibility”.

Repayment Prior to Maturity

A holder of a Debenture may demand repayment prior to their maturity; however, in such event a 3.0% penalty will apply such that the Issuer will repay only 97% of all indebtedness (principal and interest) owing under such Debenture.

Conversely, in the event that the Issuer repays, in its sole discretion, any of the indebtedness owing under the Debentures prior to their maturity and without demand by the holders thereof, such repayment will be made without bonus, penalty or deduction.

Credit Risk and Absence of Covenant Protection

The likelihood that holders of Debentures will receive payments owing to them under the terms of such Debentures will depend on the financial health of the Issuer and its creditworthiness.

In addition, the Debentures are subordinate in right of payment to all other current and future indebtedness, which, as at the date of this Offering Memorandum, includes indebtedness owing under the loan facilities described under Section 2.7 *Material Contracts - Loan Facility Agreements*. Therefore, if the Issuer becomes bankrupt, liquidates its assets, reorganizes or enters into certain other transactions, the assets of the Company will be available to pay its obligations with respect to the Debentures only after it has paid other indebtedness in full. There may be insufficient assets remaining following such payment to pay amounts due on any or all of the Debentures then outstanding.

Structural Subordination of Debentures

The Debentures are effectively and structurally subordinate to claims of the Issuer’s creditors. In the event of a bankruptcy, liquidation or reorganization of the Issuers, holders of indebtedness other than that owing under the Debentures will generally be entitled to payment of their claims from the assets of the Issuer before any assets are made available for distribution to holders of the Debentures.

No Increased Payments on the Debentures if Withholding is Required

The Debentures will not contain a requirement that the Issuer increase the amount of interest or other payments to Debenture holders in the event that the Issuer is required to withhold amounts in respect of income or similar taxes on payment of interest or other amounts on the Debentures. Non-residents of Canada should consult their own tax advisors regarding the tax consequences of acquiring and holding Debentures.

Shareholder Rights

Holders of Debentures will not be entitled to any voting rights and rights to receive any dividends or other distributions declared by the Issuer with respect to its shares.

Issuer Risks

Dependence on Key Personnel

The success of the Issuer is dependent on the performance of its management and board of directors. The loss of the services of any of these persons could have a materially adverse effect on the Issuer's business and prospects, and it is not intended that the Issuer will maintain key person insurance with respect to such persons.

Conflict of Interest

The Issuer is dependent upon the experience and good faith of the Manager. Though, as at the date hereof, the Manager provides management services solely to the Issuer, it is entitled to act in a similar capacity for other companies with investment criteria similar to those of the Issuer. As such, there is a risk the Manager will not be able to originate sufficient suitable investment opportunities to keep the Issuer's funds fully invested.

The Issuer and the Manager share common directors and executive officers. As such there may be potential difficulty for some of the Issuer's directors to exercise independent judgement about matters related to the Manager.

Amber Edge, a company related to the Issuer by way of having a common director, and of which the Manager is a control person by reason of holding more than 20% of Amber Edge's voting securities, is a creditor of the Issuer.

Competition

The earnings of the Issuer depend on the ability of the Manager to recommend suitable opportunities for the investment of the Issuer's funds and on the yields available from time to time on mortgages as well as the cost of borrowings. A variety of competing lenders and investors are active in the areas of investment in which the Issuer will operate. The yields on real estate investments, including mortgages, depend on many factors including economic conditions, the level of risk assumed, conditions in the real estate industry, opportunities for other types of investments, and tax laws. The Issuer cannot predict the effect that such factors will have on its operations.

Future Operations and Financing

In the event that the Issuer is unable to raise sufficient funds pursuant to its offering of Shares and Debentures to loan to borrowers, the Issuer may be unable to carry out its objectives, including its objective to grow its portfolio of mortgage loans. Although the Issuer does not believe that this will impact its ability to maintain its business operations, lack of financing would impair the Issuer's ability to achieve future growth.

Investment Not Insured

The Issuer and its Manager are not members of the Canada Deposit Insurance Corporation, and the Shares offered hereunder are not insured against loss through the Canada Deposit Insurance Corporation. Moreover, mortgages held by the Issuer are not insured through the Canada Deposit Insurance Corporation or otherwise.

Renewal of Mortgages

There can be no assurances that any of the mortgages held by the Issuer can or will be renewed at the same interest rates and terms, or in the same amounts as are currently in effect. With respect to each mortgage held by the Issuer, it is possible that either the borrower or the Issuer, or both, will elect not to renew such mortgage. In addition, if the mortgages in the Issuer's portfolio are renewed, the principal balance of such renewals, the interest rates and other terms and conditions of such mortgages will be subject to negotiations between the borrower and the Issuer at the time of renewal, and the terms of a refinancing may therefore not be as favourable as the terms of existing indebtedness.

Non-Conventional Mortgages - Borrower

The Issuer focuses on extending mortgage loans to Chinese individuals who have newly immigrated to Canada, who would not otherwise qualify for traditional mortgages from Canadian banks or other financial institutions. Often these borrowers do not have a history of employment income in Canada, although they may have employment income history or substantial financial assets outside of Canada. The Issuer carefully selects its borrowers after completing thorough due diligence reviews, including credit verifications in both Canada and the People's Republic of China. However, these borrowers can be considered more “risky” with respect to loan defaults than conventional Canadian borrowers with a history of Canadian employment income. This higher risk is compensated for by a higher rate of return, though the failure of one or more borrowers to make payments according to their loan terms could result in the Issuer exercising its rights as mortgagee and may adversely affect the Issuer's rate of return.

Industry Risk

Real Estate Investments

The Issuer's investments in mortgage loans will be secured by real estate mortgages. All real property investments are subject to elements of risk. Real property value is affected by general economic conditions, local real estate markets, and other factors outside of the Issuer's control. While independent appraisals are a key component of the approval process before the Issuer makes any mortgage loans, the appraised values provided therein, even where reported on an “as is” basis, are not necessary reflective of the market value of the underlying real property, which may fluctuate. In addition, the appraised values reported in independent appraisals may be subject to certain conditions, including the completion, rehabilitation or lease-up improvements on the real property providing security for the investment. There can be no assurance that these conditions will be satisfied and, if and to the extent they are not satisfied, the loan amount may prove to exceed the value of the underlying real property thus resulting in a loan loss if the property must be sold to remedy a mortgage default. Even if such conditions are satisfied, the appraised value may not necessarily reflect the market value of the real property at the time the conditions are satisfied. The Issuer tries to partially offset these risks by limiting mortgage loan exposure on funding to 75% of the appraised value, but at times it may exceed this threshold for sound business reasons, depending on the mortgage loan.

Borrower Risk

The value of the Issuer's mortgage loans may also depend on the credit worthiness and financial stability of its borrowers. The Issuer's income and funds available for distribution to shareholders would be adversely affected if a significant number of its borrowers were unable to pay their obligations to the Issuer or if the Issuer were unable to invest its funds in mortgage loans on economically favourable terms. On default by a borrower, the Issuer may experience delays or increased costs in enforcing and protecting its rights as lender.

Default Costs

In case of default on a mortgage, it may be necessary for the Issuer, in order to protect the investment, to engage in foreclosure or sale proceedings and to make further outlays to complete an unfinished project or to maintain prior encumbrances in good standing.

Liquidity Risk

Real property mortgage investments are generally illiquid, with the degree of liquidity varying in relation to the demand and perceived desirability of the investment. Such illiquidity may limit the Issuer's ability to vary its portfolio promptly in response to changing economic or investment conditions. If the Issuer were required to liquidate its real property mortgage investments, the proceeds to the Issuer may be significantly less than the total value of its investment on a going concern basis.

Non-Conventional Mortgage Investments

Non-conventional mortgage investments attract higher loan loss risk. This higher risk is compensated for by a higher rate of return. The failure of one or more borrowers to make payments according to the terms of their loan could result in the Issuer exercising its rights as mortgagee and may adversely affect the Issuer's rate of return, which is directly correlated to the receipt of mortgage payments. Also, the recovery of a portion of the Issuer's assets, i.e. the property put up as collateral by the defaulting borrower, would be tied up for a period of time, diverting resources away from the funding of new investments. Due to fluctuations in the housing market and the economy generally, there is a possibility that historical loan default rates may increase and that in any power of sale, the Issuer could lose a substantial portion of the principal amount loaned to the borrower. Excessive loan loss could affect materially the Issuer's business, financial condition and results of operations, which in turn may adversely affect the Issuer's ability to perform its obligations and its ability to maintain dividends on the Shares at a consistent and desirable level, or to repay its obligations under the Debentures as they become due.

Priority

Financial charges funded by first mortgage lenders will rank in priority to any second or third mortgages registered in favour of the Issuer. In the event of default by a borrower under any prior financial charge, the Issuer may be required to arrange a new first mortgage or arrange to pay out same, in order to avoid adverse financial implications or the first mortgagee may institute foreclosure proceedings.

Interest Rate Fluctuations

The business of mortgage investment corporations can be significantly affected by prevailing rates of interest. Interest rates may be subject to sudden fluctuations. Substantially increased interest rates could have a materially adverse effect on the Issuer's business.

Environmental Risk

Environmental laws may impact on property ownership and management, and as such the Issuer could become liable for the costs of remedial work necessitated by the release, deposit or presence of certain materials, including hazardous or toxic substances and wastes at or from a property, or disposed of at another location. The failure to affect such remedial work may adversely affect the owner's ability to sell real estate or borrow using the real estate as collateral, which could result in claims against the owner. While the Issuer may obtain a Phase I environmental audit where there is a reasonable possibility of environmental contamination that may impact the value and marketability of a property, the Issuer does not systematically obtain environmental audits of all properties subject to mortgages.

Legal Risk

There can be no assurance that income tax laws relating to mortgage investment corporations or the real estate industry in general will not be changed in a manner, which adversely affects the Issuer or distributions received by shareholders.

Money Laundering Risk

Funds received from investors in the offering of Shares may arise as a result of money laundering or other criminal activities. The Issuer has mitigated this risk by accepting funds only from reputable financial institutions, and by performing general due diligence with respect to each investor's professional background.

COVID-19 Related Risk

Public health crises, including the COVID-19 pandemic, can materially adverse the Issuer’s business, financial condition, liquidity or results of operations. The current COVID-19 pandemic has and continues to impact the global economy and financial markets. The full extent and impact of the COVID-19 pandemic is unknown, and to date has included extreme volatility in financial markets, an increase in the Bank of Canada’s lending interest rates, an increase in inflation, and an increased risk to the global economy. The international response to COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, market volatility, supply chain issues, and a general reduction in consumer activity, globally. These effects may negatively impact the Issuer’s borrowers, such that the risk of foreclosure may be greater than before; however, as at the date of this Offering Memorandum, the Issuer has not experienced any materially negative effect resulting from the COVID-19 pandemic. It is unknown what government interventions there may be during the COVID-19 pandemic with respect to any mortgage foreclosures, and any government interventions with respect to mortgage foreclosures may negatively affect the Issuer. As at the date of this Offering Memorandum, the duration of business disruptions and the related financial impact of the COVID-19 pandemic can still not be reasonably estimated. It is unknown whether and how the Issuer will be affected if the COVID-19 pandemic persists for an extended period of time, though, as at the date of this Offering Memorandum, the Issuer has not experienced any materially negative effects resulting from the COVID-19 pandemic.

For all of the aforesaid reasons and others set forth and not set forth herein, the Shares and Debentures involve a certain degree of risk. Any person considering the purchase of Shares or Debentures should be aware of these and other factors set forth in this Offering Memorandum and should consult with his or her own legal, tax and financial advisors prior to making an investment in the Shares or Debentures. The Shares and Debentures should only be purchased by purchasers who can afford to lose all of their investment.

ITEM 9 - REPORTING OBLIGATIONS

The Issuer is not a "reporting issuer" as defined in applicable securities legislation of any jurisdiction. Accordingly, continuous disclosure obligations under securities laws do not generally apply to the Issuer, and investors may not receive any financial statements or other information or disclosures regarding the Issuer and its investments, other than as required by applicable law. The Issuer will, however, make available to its investors any information required to enable the filing of Canadian income tax returns.

ITEM 10 - RESALE RESTRICTIONS

These securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under applicable securities legislation.

Unless permitted under securities legislation, you cannot trade the securities before the date that is 4 months and a day after the date the Issuer becomes a reporting issuer in any province or territory of Canada.

The Issuer has no present intention to become a reporting issuer in any jurisdiction and therefore the foregoing restriction on trading may continue indefinitely (subject to the availability of certain limited exemptions which may not apply in the circumstances).

Further, the Shares are subject to restrictions on additional transfer required in order to comply with certain provisions of the ITA: see Item 5.1 "Terms of Securities". The ITA stipulates that a mortgage investment corporation may not have fewer than 20 shareholders and no one shareholder may hold more than 25% of the total issued and outstanding shares of any class of the mortgage investment corporation's capital. Accordingly, the Articles of the Issuer provide that the Issuer may prohibit the transfer of Shares in any case where as a result of the transfer the Issuer would no longer meet the requirements of a mortgage investment corporation under the ITA.

The Issuer reserves the right to charge a reasonable fee for any transfer or change in registered holder of the Shares or Debentures.

ITEM 11 - PURCHASER'S RIGHTS

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

Two Day Cancellation Right

You can cancel your agreement to purchase these securities. To do so, you must send a notice to us by midnight on the second business day after you sign the subscription agreement to buy the Shares or Debentures.

Statutory Rights of Action in the Event of a Misrepresentation

Applicable securities legislation in the Offering Jurisdictions provide you with statutory rights of action for rescission or damages in the event of a misrepresentation in this Offering Memorandum. The applicable statutory rights are described below.

The following is a summary only of the applicable provisions of securities legislation which provide for statutory rights of action in the event of a misrepresentation in the Offering Memorandum and is subject to interpretation. Please refer to the applicable provisions of securities legislation for the particulars of these rights. In the event of any conflict or inconsistency between this summary and the applicable provisions of securities legislation, the legislative provisions will prevail.

You should consult your own legal advisers with respect to your rights and the remedies available to them. The rights discussed below are in addition to and without derogation from any other rights or remedies which you may have at law.

Description of Statutory Rights of Action

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue: (a) the Issuer to cancel your agreement to buy the Shares or Debentures; or (b) for damages against the Issuer and certain other persons, as indicated below:

Jurisdiction	**Persons against whom an action for damages can be brought**
British Columbia	The Issuer, its directors as at the date of this Offering Memorandum, and every person or company who signed this Offering Memorandum
Ontario	The Issuer

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. In addition, in an action for damages, the amount you may recover will not exceed the price you paid for your Shares or Debentures and will not include any part of the damages that the Issuer proves does not represent the depreciation in value of the Shares resulting from the misrepresentation.

If you intend to rely on the rights described above, you must do so within strict time limitations. You must commence your action no later than 180 days after the day of the transaction that gave rise to the cause of action. You must commence your action for damages within the time limits indicated below:

Jurisdiction	**Time limits for bringing an action for damages**
British Columbia, Ontario	Within 180 days after learning of the misrepresentation and 3 years after the date of the transaction that gave rise to the cause of action

In Ontario, the above rights do not apply, however, if you are: (a) a Canadian financial institution or Schedule III bank; (b) the Business Development Bank of Canada; or (c) a subsidiary of any of the persons referred to in (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

Reference is made to the *Securities Act* (British Columbia) and *Securities Act* (Ontario) for the complete text of the provisions under which these rights are respectively conferred, and this summary is subject to the express provisions of that Act.

Disclosure Required in Ontario

A Subscriber in Ontario is given certain statutory rights of action in respect of this Offering Memorandum under the *Securities Act* (Ontario). These rights are described above.

ITEM 12 - FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the fiscal year ended September 30, 2021 and the comparative financial statements for the fiscal year ended September 30, 2020, as well as the unaudited interim financial statements of the Issuer for the interim period ended March 31, 2022, follow on the next page.

Amber Mortgage Investment Corp.
(A Mortgage Investment Corporation)

Financial Statements
March 31, 2022

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AMBER MORTGAGE INVESTMENT CORP.
Statement of Financial Position
As at March 31, 2022
(Expressed in Canadian Dollars)

	Note	**March 31, 2022**	**September 30, 2021**
		$	**$**
Assets			
Current			
Cash		1,601,469	3,297,436
Mortgage investments	5	127,190,335	116,834,397
		128,791,804	120,131,833
Liabilities			
Current			
Accounts payable and accrued liabilities		6,687	12,650
Withholding tax payable		61,831	43,967
Due to related parties	6	15,406,947	14,806,467
Line of Credit	9	2,680,583	-
Deferred Revenue	7	2,840,255	2,475,137
Distribution payable to preferred shareholders	8	1,798,292	1,463,236
Redeemable preferred shares	8	105,941,418	101,330,166
		128,736,013	120,131,623
Shareholders' Equity			
Share capital	8	210	210
Retained earnings		55,581	-
		55,791	210
		128,791,804	120,131,833

Subsequent Events (Note 13)

Approved on behalf of the Board:

"Roy Ho"
______________________________Director

"Yi Song"
______________________________Director

AMBER MORTGAGE INVESTMENT CORP.
Statement of Comprehensive Income
For the Six Months Ended March 31, 2022
(Expressed in Canadian Dollars)

	Note	Six Months Ended March 31, 2022	Six Months Ended March 31, 2021
		$	**$**
Revenue			
Mortgage interest		5,908,237	3,934,352
Expenses			
Advertising and promotion		48,734	55,964
Interest	6	403,131	255,046
Management fees	6	1,124,650	657,421
Office and miscellaneous		24,850	24,603
Professional fees		58,637	42,982
		1,660,002	1,036,016
Net Income and Comprehensive Income		**4,248,235**	**2,898,336**
Distribution to Preferred Shareholders	8	**4,248,235**	**2,898,336**

AMBER MORTGAGE INVESTMENT CORP.
Statement of Changes in Equity
For the Six Months Ended March 31, 2022
(Expressed in Canadian Dollars)

	Common shares				
	Number of Shares	**Amount**	**Contributed Surplus**	**Retained Earnings**	**Total**
		$	**$**	**$**	**$**
Balance, September 30, 2020	210	210	-	-	210
Discount on early redemption of preferred shares	-	-	20,600	-	20,600
Transfer to retained earnings	-	-	(20,600)	20,600	-
Comprehensive income	-	-	-	2,898,336	2,898,336
Distributions to preferred shareholders	-	-	-	(1,737,698)	(1,737,698)
Distributions declared to preferred shareholde	-	-	-	(1,181,238)	(1,181,238)
Balance, March 31, 2021	**210**	**210**	**-**	**-**	**210**
Balance, September 30, 2021	210	210	-	-	210
Discount on early redemption of preferred shares	-	-	70,000	-	70,000
Transfer to retained earnings	-	-	(70,000)	70,000	-
Comprehensive income	-	-	-	4,248,235	4,248,235
Distributions to preferred shareholders	-	-	-	(2,464,362)	(2,464,362)
Distributions declared to preferred shareholde	-	-	-	(1,798,292)	(1,798,292)
Balance, March 31, 2022	**210**	**210**	**-**	**55,581**	**55,791**

AMBER MORTGAGE INVESTMENT CORP.

Statement of Cash Flows
For the Six Months Ended March 31, 2022
(Expressed in Canadian Dollars)

	Six Months Ended March 31, 2022	Six Months Ended March 31, 2021
	$	$
Operating Activities		
Net income	4,248,235	2,898,336
Penalty Income	70,000	20,600
Changes in non-cash operating working capital:		
Accounts payable and accrued liabilities	312,983	244,663
Withholding tax payable	17,864	(8,645)
Line of Credit	2,680,584	-
Due to related parties	289,205	11,061,781
Deferred revenue	365,118	2,160,643
Net Cash Provided by Operating Activities	7,983,990	16,377,378
Investing Activities		
Mortgage investments	(54,241,500)	(50,955,000)
Repayments from mortgage investments	43,901,670	31,195,000
Net cash Used in Investing Activities	(10,339,830)	(19,760,000)
Financing Activities		
Proceeds from issuance of redeemable preferred shares	23,362,870	30,525,860
Redemption of redeemable preferred shares	(18,751,617)	(21,082,406)
Preferred share subscriptions received	-	-
Dividends paid on preferred shares	(4,262,654)	(2,891,128)
Advances from related parties	13,916,009	12,839,136
Repayments to related party	(13,604,734)	(11,052,339)
Net Cash Provided by Financing Activities	659,873	8,339,122
Increase in Cash	(1,695,967)	4,956,501
Cash, Beginning of Period	3,297,436	1,125,478
Cash, End of Period	1,601,469	6,081,979

1. NATURE OF OPERATIONS AND GOING CONCERN

Amber Mortgage Investment Corp. (the "Company") is a mortgage investment company domiciled in Canada. The Company's corporate office and principal place of business is located at 415 – 5900 No. 3 Road, Richmond, British Columbia, V6X 3P7.

The Company was incorporated under the Business Corporations Act of British Columbia on August 26, 2016. The Company is a mortgage investment corporation ("MIC") as defined in Section 130.1 (6) of the *Canada Income Tax Act* ("ITA"). Accordingly, the Company is not taxed on income provided that its taxable income is paid to its preferred shareholders in the form of dividends within 90 days after September 30 each year. Such dividends are generally treated by preferred shareholders as interest income, so that each preferred shareholder is in the same position as if the mortgage investments made by the Company had been made directly by the preferred shareholder.

The investment objective of the Company is to provide preferred shareholders with income generated from a diversified portfolio of mortgage loan investments (also referred to as mortgages), while preserving the Company's capital. The Company engaged Amber Financial Services Corporation (the "Manager") as the manager of the Company responsible for the day to day operations and providing all general management and administrative services of the Company's mortgage loan portfolio. Amber Financial Services Corporation is a related company with certain common shareholders and directors of the Company owning a 29.62% ownership interest in Amber Financial Services Corporation.

During March 2020, a global health pandemic was declared due to the COVID-19 virus, which has had a significant impact on businesses through the restrictions put in place by the Canadian and U.S. governments regarding travel, business operations and isolation/quarantine orders. At this time, the extent of the impact that the COVID-19 health pandemic may have on the Company is unknown as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada, the U.S. and other countries to fight the virus. The Company continues to monitor its operations and assess the impact COVID-19 will have on its operating activities. At this time, the extent of the effect of the COVID-19 pandemic on the Company is indeterminable.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements were approved by the Board of Directors on Apr 29, 2022.

(b) Basis of Measurement

These financial statements are prepared on an accrual basis and are based on historical costs except for certain financial instruments which are measured at fair value as explained in the accounting policies set out in Note 4.

2. BASIS OF PREPARATION (continued)

(c) Functional and Presentation Currency

The financial statements are presented in Canadian dollars which is also the Company's functional currency.

(d) Use of Estimates and Judgments

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates, assumptions and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenue and expenses during the reporting period. It also requires management to exercise judgment in applying the Company's accounting policies.

The most significant of these estimates relates to the assessment of whether the mortgage investments are impaired and estimation of deferred revenue which are based on management's calculation. These estimates may include assumptions regarding local real estate market conditions, interest rates and the availability of credit, cost and terms of financing, the impact of present or future legislation and regulation, prior encumbrances and other factors affecting the investments and underlying security of the investments. These assumptions are limited by the availability of reliable comparable data, economic uncertainty, ongoing geopolitical concerns and the uncertainty of predictions concerning future events. Accordingly, by their nature, estimates of impairment are subjective and do not necessarily result in precise determinations. Should the underlying assumptions change, the estimated fair value could vary by a material amount.

The critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are the Company is in compliance with the ITA Section 130.1 (6) as a mortgage investment corporation, the determination of redeemable preferred shares as liability or equity, the classification of financial instruments, the timing of designating a mortgage investment as impaired and the amount of any provision required.

3. NEW ACCOUNTING STANDARDS

New standards, amendments and interpretations not yet effective:

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

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Cash Equivalents

The Company considers highly liquid investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value to be cash equivalents.

(b) Mortgage Investments

Mortgage investments are initially recognized at fair value plus any attributable transaction costs and are subsequently measured at amortized cost using the effective interest method. A mortgage investment is considered impaired when there is objective evidence that there has been a deterioration of credit quality subsequent to its initial recognition to the extent that the Company no longer has reasonable assurance as to the timely collection of the full amount of principal and interest. The Company assesses impairment of mortgage investments at each reporting date. Estimation and judgement is required as to the timing of designating a mortgage as impaired and the amount of any provision required. An impairment loss is calculated as the difference between the carrying amount of the mortgage investment and the present value of the estimated future cash flows discounted as the original effective interest rate. Losses are charged to profit or loss for the period. When a subsequent event causes the amount of impairment loss to decrease, the provision for mortgage losses is reversed to the profit or loss.

(c) Revenue Recognition

Interest income from mortgage investments is accounted for using the effective interest method. Interest income from financial institutions is accounted for on the accrual basis. Discharge fees and interest penalty received on early repayment of mortgages prior to their maturity are recognized as mortgages are discharged.

Prepaid interest received on mortgages is initially recognized as deferred revenue and is subsequently amortized over the mortgage term to income using the effective interest method.

(d) Income Taxes

The Company is considered a mortgage investment corporation ("MIC") under the *Canada Income Tax Act*. As such, the Company is entitled to deduct from its taxable income distributions paid to shareholders during the year or within 90 days of the end of the fiscal year to the extent the distributions were not deducted previously. The Company intends to maintain its status as a MIC and intends to make sufficient distributions in the year and in future years to ensure that the Company is not subject to income taxes payable. Accordingly, no provision for current or future income taxes is made in these financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity.

Redeemable preferred shares are classified as a liability only when they can be redeemed at the option of the holder. Redeemable preferred shares are classified as equity when there are certain conditions to be met before holders can request redemption. As the Company has been granting redemption of the preferred shares at the preferred shareholders' requests, the preferred shares are classified as liabilities.

(f) Financial Instruments

All financial assets are initially recorded at fair value and classified as measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either at FVTPL or amortized cost. Financial instruments comprise cash, mortgage investments, accounts payable, distribution payable to preferred shareholders, due to related parties and redeemable preferred shares. The Company does not use any derivative or hedging instruments. Transaction costs related to financial instruments other than at FVTPL are capitalized as part of the cost of the financial instrument.

At initial recognition management has classified financial assets and liabilities as follows:

i) Financial assets

Financial assets at amortized cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of these financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortized cost using the effective interest method. The Company's mortgage investments are measured at amortized cost.

Financial assets at fair value through other comprehensive income ("FVTOCI")

Financial assets that are held within a business model whose objective is to hold financial assets in order to both collect contractual cash flows and sell financial assets, and the contractual terms of these financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Financial Instruments (continued)

Upon initial recognition of equity securities, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate its equity securities that would otherwise be measured at FVTPL to present subsequent changes in fair value in other comprehensive income. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income. The cumulative gain or loss is not reclassified to profit or loss on disposal of the instrument; instead, it is transferred to retained earnings. The Company does not have any financial assets classified as FVTOCI.

Financial assets at fair value through profit or loss ("FVTPL")

By default, all other financial assets are measured subsequently at FVTPL. The Company's cash is measured at FVTPL.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

ii) Financial liabilities

Financial liabilities at amortized cost

Financial liabilities are subsequently measured at amortized cost using the effective interest method except for financial liabilities at FVTPL. The Company's accounts payable, line of credit, distribution payable to preferred shareholders, amounts due to related parties and redeemable preferred shares are measured at amortized cost.

Financial liabilities at fair value through profit or loss ("FVTPL")

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Fair value changes on financial liabilities classified as FVTPL are recognized in the statements of operations and comprehensive income (loss). The Company does not have any financial liabilities classified as FVTPL.

iii) *Impairment of financial assets*

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

(Expressed in Canadian Dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

5. MORTGAGE INVESTMENTS

	March 31, 2022 $	September 30, 2021 $
Balance in first mortgages	36,910,000	22,755,000
Balance in second mortgages	90,218,476	94,033,647
	127,128,476	116,788,647
Accrued interest	61,859	45,750
	127,190,335	116,834,397

Mortgage investments are secured by real properties to which they relate, bearing interest at a weighted average interest rate of 9.62% (2021 – 9.98%), and mature within the period ending March 31, 2023.

All of the mortgage investments contain a prepayment option, whereby the borrower may repay the principal at any time prior to maturity, subject to payment of an interest penalty that is specific to each mortgage. The interest penalty is waived if 30 days advance notice is received by the Company.

As part of the assessment of impairment, the Manager routinely reviews each mortgage investment for changes in credit quality of the mortgage and underlying real estate assets and determines whether such changes result in the carrying value of the mortgage in excess of its fair value.

6. RELATED PARTY TRANSACTIONS AND BALANCES

The related party transactions and balances below took place in the normal course of operations and were measured at the exchange amounts which were the amounts of consideration established and agreed to by the related parties.

a) Manager Fees

Pursuant to a management and administration agreement dated April 26, 2016 with the Manager, the Manager agreed with the Company to provide a complete range of management services including management, brokerage, supervision and administration of the Company's entire mortgage investments portfolio. In consideration of the services provided, the Company agreed to pay a management fee at 2% of the assets under management of the Company, calculated on a monthly basis and paid at least as frequently as on a quarterly basis. The Manager is also entitled to receive a discretionary bonus, subject to the Company having paid to its preferred shareholders a return of at least 8% per annum. The Manager may charge broker's fees, lenders fees, commitment fees, extension fees, administration and other similar fees directly to borrowers of any mortgage loan, all of which fees are the sole property of the Manager. The Manager's eligibility to receive the management fee for any month is subject to the Company generating an increase in net assets from operations that is sufficient to provide a minimum 8% annualized return to the preferred shareholders of the Company. The term of the agreement is five years and will be automatically renewed for one-year terms.

The Manager is a related company with certain common directors and officers (see Note 1).

b) Credit Facilities from Manager

Pursuant to a credit facility (the "Credit Facility 1") dated April 1, 2018, the Manager agreed to provide a line of credit up to a maximum of $5,000,000 to the Company. Any amount drawn down by the Company is interest bearing at 6% per annum, unsecured and due on September 30, 2018. This agreement was renewed on August 30, 2018 to extend the maturity date to September 30, 2019 and to amend the fixed interest rate to 8% per annum effective April 1, 2018.

The credit facility agreement was renewed subsequently to extend the maturity date to December 31, 2025 and to increase the line of credit to a maximum of $10,000,000 effective October 1, 2019.

6. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

b) Credit Facilities from Manager (continued)

Pursuant to a credit facility (the "Credit Facility 2") dated February 1, 2021, the Manager agreed to provide an additional line of credit up to a maximum of $12,000,000 to the Company. Any amount drawn down by the Company is interest bearing at 5% per annum, unsecured and due on February 1, 2023.

As at March 31, 2022, loan amount totaled $12,516,608 (September 30, 2021 – $14,225,000) was drawn down from Credit Facility 1 of $916,608 and Credit Facility 2 of $11,600,000. For the six months ended March 31,2022, total interest expenses of $478,922 (March 31, 2021 - $255,008) was incurred on the credit facilities.

For the six months ended March 31, 2022, the Company incurred management fee of $1,124,650 (March 31, 2021 – $657,421) and interest expense of $403,131 (March 31, 2021 – $236,459) to the Manager.

For six months ended March 31, 2022, the Manager received $836,838 (March 31, 2021 – $992,600) for broker and lender fees directly from the mortgage borrowers.

As at March 31,2022, amounts due to the Manager of $15,406,947 (September 30, 2021 – $14,783,654) comprise the followings:

i. Loan advances from the Manager totalling $12,516,608 (September 30, 2021 – $14,225,000).

ii. Interest payable of $478,922 (September 30, 2021 – $367,781).

iii. Management fee payable of $1,124,650 (September 30, 2021 –$163,548).

iv. Lender fee and renewal fee payable of $440,361 (September 30, 2021 –$27,325).

v. Other payable of $ 846,406 (September 30, 2021 – $Nil).

c) Loan Advance

Pursuant to a credit facility (the "Credit Facility") dated April 25, 2020, Amber Edge Financial Corp., a Company with common directors, agreed to provide a line of credit up to a maximum of $1,000,000 to the Company. The loan is interest bearing at 8% per annum, unsecured and due on September 30, 2021. As at March 31,2022, there is a loan principal of $ Nil (September 30, 2021 - $Nil) and accrued interest of $Nil (September 30, 2021 - $22,813) outstanding, totalling $Nil (September 30, 2021 - $22,813).

For the six months ended March 31,2022, the Company incurred interest expense of $Nil (March 31, 2021 – $18,459) to Amber Edge Financial Corp.

d) Key Management Personnel

There were no key management personnel payments for the year ended March 31, 2022.

7. DEFERRED REVENUE

Deferred revenue is advanced interest payments from mortgage investments, to be amortized over the term of the mortgage.

8. SHARE CAPITAL

(a) Authorized

Unlimited number of Class A voting common shares with par value at $1.00 each
Unlimited number of Class Z voting common shares without par value
Unlimited number of Class A non-voting preferred shares without par value
Unlimited number of Class B non-voting preferred shares without par value
Unlimited number of Class C non-voting preferred shares without par value
Unlimited number of Class D non-voting preferred shares without par value

(b) Common Shares Issued

During the period ended March 31,2022, 210 Class A common shares were issued and outstanding at $1.00 per share, totalling $210 (2021 – $210).

(c) Redeemable Preferred Shares Issued

All classes of preferred shares within a class rank equally with respect to dividends, rank senior to the common shares of the Company and are retractable by the Company when certain conditions are met.

Subject to certain restrictions, preferred shareholders may request redemption of any or all their outstanding shares by providing 60 days advance notice to the Company. Should the amount of preferred shares rendered for redemption exceed the limit, the Company may, at its discretion, redeem all tendered shares, or redeem the shares tendered on a pro rate basis. As the Company has been granting redemption of the preferred shares at preferred shareholders' requests, the preferred shares are classified as liabilities.

As at March 31, 2022, 105,941,418 (September 30, 2021 – 101,330,166) preferred shares are issued and outstanding at $1.00 (2021 – $1.00) per share (see Statement of Changes in Equity).

(d) Dividends

The Company intends to pay dividends to shareholders on a quarterly basis, on or about the last day of each quarter.

For the Six months period ended March 31, 2022, the Company declared dividends on Class A and Class B preferred shares of $4,248,235 (March 31, 2021 – $2,953,367), of which $1,798,292 (March 31, 2021 – $Nil) remains payable as of March 31,2022.

9. LINE OF CREDIT

Pursuant to a line of credit facility dated July 8, 2021, the Company obtained a revolving line of credit of $3,000,000 from Canadian Western Bank, bearing interest at prime plus 2%, unsecured and due on demand. As at March 31, 2022, the Company has utilized $2,680,583 from the line of credit.

(Expressed in Canadian Dollars)

10. CAPITAL MANAGEMENT

The Company manages its capital structure in order to support ongoing operations while focusing on its primary objectives of preserving shareholder capital and generating a stable monthly cash dividend to holders of redeemable shares. The Company defines its capital structure as the common and preferred shares of the Company.

The Company reviews its capital structure on an ongoing basis and adjusts its capital structure in response to mortgage and loan investment opportunities, the availability of capital and anticipated changes in general economic conditions.

The Company's internally imposed investment restrictions and asset allocation model incorporate various restrictions and investment parameters to manage the risk profile of the mortgage and loan investments. The investment restrictions permit the Company to use leverage to maintain liquidity, for general working capital purposes and to bridge the timing differences between loan advances, maturities and preferred share offerings. The aggregate amount of borrowing by the Company may not exceed 20% of the book value of the Company’s mortgage investment portfolio without the approval of the independent board of directors. In addition, the asset allocation model dictates the allocation of the mortgage and loan investments based upon geographical, borrower, zoning, term, security position, and loan-to-appraised value criteria.

11. FINANCIAL INSTRUMENTS

Fair values

The Company’s financial instruments include cash, mortgage investments, accounts payable, distributions payable to preferred shareholders, due to related parties and redeemable preferred shares. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature.

The following table summarizes the carrying values of the Company’s financial instruments:

	March 31, 2022	September 30, 2021
	$	$
Assets as FVPTL (i)	1,601,469	3,297,436
Assets as amortized costs (ii)	127,190,335	116,834,397
Liabilities as amortized costs (iii)	125,833,927	117,612,519

(i) Cash
(ii) Mortgage investments
(iii) Accounts payable, line of credit, distribution payable to preferred shareholders, due to related parties and redeemable preferred shares

The Company classifies its fair value measurements in accordance with the three level fair value hierarchy as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices), and
Level 3 – Inputs that are not based on observable market date

The following table sets forth the Company’s financial assets measured at fair value at March 31, 2022 and September 30, 2021 by level within the fair value hierarchy as follows:

(Expressed in Canadian Dollars)

11. FINANCIAL INSTRUMENTS (continued)

	Level 1	Level 2	Level 3	Total
	$	$	$	$
Cash				
March 31, 2022	1,601,469	-	-	1,601,469
September 30, 2021	3,297,436	-	-	3,297,436

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the mortgage investments will fluctuate because of changes in market interest rates. As of March 31, 2022, no mortgage investments, amounts due to related parties and redeemable preferred shares bear interest at variable rates, therefore, the Company is not exposed to cash flow risk from mortgage investments as a result of interest rate fluctuations. Further, the Company does not have material fair value risk on its mortgage investment portfolio primarily as a result of the less than one year short term nature of the maturity dates of the mortgage loan investments.

The Company has a line of credit with variable interest rate at prime plus 2 % (Note 9). At March 31, 2022, the Company does not have material interest rate risk on the line of credit and any of its other financial instruments.

Credit Risk

The following assets are exposed to credit risk: cash and mortgage investments. Credit risk primarily relates to the possibility that counterparties to mortgage investments may be unable to honour their debt commitments as a result of a negative change in market conditions that could result in a loss to the Company. The credit risk for cash is insignificant as the Company maintains its cash balance with major banks.

At March 31, 2022, there are no mortgage borrowers that comprised more than 10% of the Company’s mortgage portfolio (2021 – no mortgage borrowers that comprised more than 10% of the Company’s mortgage portfolio). Management does not believe that there is significant credit risk arising from any of the Company's mortgage investments.

The Company mitigates this risk by the following:

i) adhering to the investment restrictions and operating policies included in the asset allocation

ii) performing a due diligence process on each mortgage loan investment prior to funding. This generally includes, but is not limited to engaging professional independent consultants, lawyers and appraisers and performing credit checks and financial statement review on prospective borrowers;

iii) having mortgage investments approved by the independent review committee in accordance with the Company’s operating policies; and

iv) actively monitoring the mortgage portfolio and initiating recovery procedures in a timely manner when required.

The COVID-19 health pandemic has caused significant economic uncertainty as explained in Note 1. As at March 31, 2022, the Company has $127,190,335 (September 30, 2021 - $116,834,397) of mortgage investments.

11. FINANCIAL INSTRUMENTS (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's policy and the Manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid cash to meet its liabilities when due, under both normal and stress conditions, including estimated redemptions of shares, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's financial assets include a portfolio of mortgages, which are generally illiquid. As a result, the Company may not be able to liquidate some of its investments in these assets in due time in order to meet its liquidity requirements.

The Company's liquidity risk is managed on an ongoing basis by the Manager in accordance with the policies and procedures in place. The Company's overall liquidity is monitored on a quarterly basis by the board of directors. The Company's redemption policy only allows for redemptions on giving sixty (60) days written notice after certain conditions are met. It is the Manager's policy to have liquid assets comprising cash or access to financing from loan providers and related parties in order to meet anticipated redemptions.

As at March 31, 2022, the Manager considers that the Company does not have significant exposure to liquidity risk.

Currency Risk

The Company invests in mortgages, generates revenues and incurs expenses and expenditures primarily in British Columbia, Canada and is not exposed to risk from changes in foreign currency exchange rates.

12. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the investment in mortgages. The Company operates in one geographical area which is Canada.

13. SUBSEQUENT EVENTS

Subsequent to March 31, 2022, the Company completed 4 mortgage loans totalling $1,451,000. The loans are interest bearing at annual interest rates of 8% - 10%, due on March 31, 2023, and secured by the underlying properties.

Subsequent to March 31, 2022, the Company received mortgage repayments from 3 mortgage loans totalling $1,580,000.

Subsequent to March 31, 2022, the Company issued 660,000 Class A & B preferred shares for cash proceeds of $660,000.

Subsequent to March 31, 2022, the Company redeemed 1,370,000 Class A & B preferred shares for $1,370,000.

Amber Mortgage Investment Corp.
(A Mortgage Investment Corporation)

Financial Statements
September 30, 2021

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Amber Mortgage Investment Corp.

Opinion

We have audited the financial statements of Amber Mortgage Investment Corp. (the "Company") which comprise the statement of financial position as at September 30, 2021, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in British Columbia, Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, British Columbia

January 24, 2022

AMBER MORTGAGE INVESTMENT CORP.
Statement of Financial Position
As at September 30, 2021
(Expressed in Canadian Dollars)

	Note	2021	2020
		$	**$**
Assets			
Current			
Cash		3,297,436	1,125,478
Mortgage investments	5	116,834,397	67,470,000
		120,131,833	68,595,478
Liabilities			
Current			
Accounts payable and accrued liabilities		12,650	16,800
Withholding tax payable		43,967	47,239
Due to related parties	6	14,806,467	2,070,103
Deferred revenue	7	2,475,137	592,348
Preferred share subscriptions received		-	100,000
Distribution payable to preferred shareholders	8	1,463,236	894,848
Redeemable preferred shares	8	101,330,166	64,873,930
		120,131,623	68,595,268
Shareholders' Equity			
Share capital	8	210	210
Retained earnings		-	-
		210	210
		120,131,833	68,595,478

Subsequent Events (Note 13)

Approved on behalf of the Board:

"Roy Ho"
______________________________Director

"Yi Song"
______________________________Director

AMBER MORTGAGE INVESTMENT CORP.
Statement of Comprehensive Income
For the Year Ended September 30, 2021
(Expressed in Canadian Dollars)

	Note	**2021**	**2020**
		$	**$**
Revenue			
Mortgage interest		8,790,199	5,395,438
Expenses			
Advertising and promotion		165,376	157,120
Interest	6	726,185	323,512
Management fees	6	1,617,607	592,492
Office and miscellaneous		60,080	24,098
Professional fees		67,292	54,374
		2,636,540	1,151,596
Net Income and Comprehensive Income		**6,153,659**	**4,243,842**
Distribution to Preferred Shareholders	8	**6,176,259**	**4,320,668**

See accompanying notes to the financial statements.

AMBER MORTGAGE INVESTMENT CORP.
Statement of Changes in Equity
For the Year Ended September 30, 2021
(Expressed in Canadian Dollars)

	Common shares				
	Number of Shares	**Amount**	**Contributed Surplus**	**Retained Earnings**	**Total**
		$	**$**	**$**	**$**
Balance, September 30, 2019	210	210	-	47,626	47,836
Discount on early redemption of preferred shares	-	-	29,200	-	29,200
Transfer to retained earnings	-	-	(29,200)	29,200	-
Comprehensive income	-	-	-	4,243,842	4,243,842
Distributions to preferred shareholders	-	-	-	(3,425,820)	(3,425,820)
Distributions declared to preferred shareholders	-	-	-	(894,848)	(894,848)
Balance, September 30, 2020	210	210	-	-	210
Discount on early redemption of preferred shares	-	-	22,600	-	22,600
Transfer to retained earnings	-	-	(22,600)	22,600	-
Comprehensive income	-	-	-	6,153,659	6,153,659
Distributions to preferred shareholders	-	-	-	(4,713,023)	(4,713,023)
Distributions declared to preferred shareholders	-	-	-	(1,463,236)	(1,463,236)
Balance, September 30, 2021	**210**	**210**	**-**	**-**	**210**

AMBER MORTGAGE INVESTMENT CORP.
Statement of Cash Flows
For the Year Ended September 30, 2021
(Expressed in Canadian Dollars)

	2021	2020
	$	$
Operating Activities		
Net income	6,153,659	4,243,842
Changes in non-cash operating working capital:		
Accounts payable and accrued liabilities	(4,150)	3,818
Withholding tax payable	(3,272)	26,152
Due to related parties	592,223	7,327
Deferred revenue	1,882,789	359,914
Net Cash Provided by Operating Activities	8,621,249	4,641,053
Investing Activities		
Mortgage investments	(100,301,138)	(52,345,000)
Repayments from mortgage investments	50,936,742	27,909,732
Net cash Used in Investing Activities	(49,364,396)	(24,435,268)
Financing Activities		
Proceeds from issuance of redeemable preferred shares	59,022,389	28,456,822
Redemption of redeemable preferred shares	(28,876,158)	(7,370,092)
Preferred share subscriptions received	-	100,000
Dividends paid on preferred shares	(4,395,266)	(2,900,691)
Advances from related parties	39,645,000	8,043,361
Repayments to related party	(22,480,860)	(5,840,000)
Net Cash Provided by Financing Activities	42,915,105	20,489,400
Increase in Cash	2,171,958	695,185
Cash, Beginning of Year	1,125,478	430,293
Cash, End of Year	3,297,436	1,125,478
Supplementary disclosures:		
Cash paid for:		
Interest	351,094	328,391
Non-cash financing transactions:		
Preferred shares issuance paid by loan	5,020,000	400,000
Preferred shares issued under dividend reinvestment plan	1,190,004	1,082,994

1. NATURE OF OPERATIONS AND GOING CONCERN

Amber Mortgage Investment Corp. (the "Company") is a mortgage investment company domiciled in Canada. The Company's corporate office and principal place of business is located at 415 – 5900 No. 3 Road, Richmond, British Columbia, V6X 3P7.

The Company was incorporated under the Business Corporations Act of British Columbia on August 26, 2016. The Company is a mortgage investment corporation ("MIC") as defined in Section 130.1 (6) of the *Canada Income Tax Act* ("ITA"). Accordingly, the Company is not taxed on income provided that its taxable income is paid to its preferred shareholders in the form of dividends within 90 days after September 30 each year. Such dividends are generally treated by preferred shareholders as interest income, so that each preferred shareholder is in the same position as if the mortgage investments made by the Company had been made directly by the preferred shareholder.

The investment objective of the Company is to provide preferred shareholders with income generated from a diversified portfolio of mortgage loan investments (also referred to as mortgages), while preserving the Company's capital. The Company engaged Amber Financial Services Corporation (the "Manager") as the manager of the Company responsible for the day to day operations and providing all general management and administrative services of the Company's mortgage loan portfolio. Amber Financial Services Corporation is a related company with certain common shareholders and directors of the Company owning a 29.62% ownership interest in Amber Financial Services Corporation.

During March 2020, a global health pandemic was declared due to the COVID-19 virus, which has had a significant impact on businesses through the restrictions put in place by the Canadian and U.S. governments regarding travel, business operations and isolation/quarantine orders. At this time, the extent of the impact that the COVID-19 health pandemic may have on the Company is unknown as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada, the U.S. and other countries to fight the virus. The Company continues to monitor its operations and assess the impact COVID-19 will have on its operating activities. At this time, the extent of the effect of the COVID-19 pandemic on the Company is indeterminable.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements were approved by the Board of Directors on January 24, 2022.

(b) Basis of Measurement

These financial statements are prepared on an accrual basis and are based on historical costs except for certain financial instruments which are measured at fair value as explained in the accounting policies set out in Note 4.

2. BASIS OF PREPARATION (continued)

(c) Functional and Presentation Currency

The financial statements are presented in Canadian dollars which is also the Company's functional currency.

(d) Use of Estimates and Judgments

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates, assumptions and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenue and expenses during the reporting period. It also requires management to exercise judgment in applying the Company's accounting policies.

The most significant of these estimates relates to the assessment of whether the mortgage investments are impaired and estimation of deferred revenue which are based on management's calculation. These estimates may include assumptions regarding local real estate market conditions, interest rates and the availability of credit, cost and terms of financing, the impact of present or future legislation and regulation, prior encumbrances and other factors affecting the investments and underlying security of the investments. These assumptions are limited by the availability of reliable comparable data, economic uncertainty, ongoing geopolitical concerns and the uncertainty of predictions concerning future events. Accordingly, by their nature, estimates of impairment are subjective and do not necessarily result in precise determinations. Should the underlying assumptions change, the estimated fair value could vary by a material amount.

The critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are the Company is in compliance with the ITA Section 130.1 (6) as a mortgage investment corporation, the determination of redeemable preferred shares as liability or equity, the classification of financial instruments, the timing of designating a mortgage investment as impaired and the amount of any provision required.

3. NEW ACCOUNTING STANDARDS

New standards, amendments and interpretations not yet effective:

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

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Cash Equivalents

The Company considers highly liquid investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value to be cash equivalents.

(b) Mortgage Investments

Mortgage investments are initially recognized at fair value plus any attributable transaction costs and are subsequently measured at amortized cost using the effective interest method. A mortgage investment is considered impaired when there is objective evidence that there has been a deterioration of credit quality subsequent to its initial recognition to the extent that the Company no longer has reasonable assurance as to the timely collection of the full amount of principal and interest. The Company assesses impairment of mortgage investments at each reporting date. Estimation and judgement is required as to the timing of designating a mortgage as impaired and the amount of any provision required. An impairment loss is calculated as the difference between the carrying amount of the mortgage investment and the present value of the estimated future cash flows discounted as the original effective interest rate. Losses are charged to profit or loss for the period. When a subsequent event causes the amount of impairment loss to decrease, the provision for mortgage losses is reversed to the profit or loss.

(c) Revenue Recognition

Interest income from mortgage investments is accounted for using the effective interest method. Interest income from financial institutions is accounted for on the accrual basis. Discharge fees and interest penalty received on early repayment of mortgages prior to their maturity are recognized as mortgages are discharged.

Prepaid interest received on mortgages is initially recognized as deferred revenue and is subsequently amortized over the mortgage term to income using the effective interest method.

(d) Income Taxes

The Company is considered a mortgage investment corporation ("MIC") under the *Canada Income Tax Act*. As such, the Company is entitled to deduct from its taxable income distributions paid to shareholders during the year or within 90 days of the end of the fiscal year to the extent the distributions were not deducted previously. The Company intends to maintain its status as a MIC and intends to make sufficient distributions in the year and in future years to ensure that the Company is not subject to income taxes payable. Accordingly, no provision for current or future income taxes is made in these financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity.

Redeemable preferred shares are classified as a liability only when they can be redeemed at the option of the holder. Redeemable preferred shares are classified as equity when there are certain conditions to be met before holders can request redemption. As the Company has been granting redemption of the preferred shares at the preferred shareholders' requests, the preferred shares are classified as liabilities.

(f) Financial Instruments

All financial assets are initially recorded at fair value and classified as measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either at FVTPL or amortized cost. Financial instruments comprise cash, mortgage investments, accounts payable, distribution payable to preferred shareholders, due to related parties and redeemable preferred shares. The Company does not use any derivative or hedging instruments. Transaction costs related to financial instruments other than at FVTPL are capitalized as part of the cost of the financial instrument.

At initial recognition management has classified financial assets and liabilities as follows:

i) Financial assets

Financial assets at amortized cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of these financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortized cost using the effective interest method. The Company's mortgage investments are measured at amortized cost.

Financial assets at fair value through other comprehensive income ("FVTOCI")

Financial assets that are held within a business model whose objective is to hold financial assets in order to both collect contractual cash flows and sell financial assets, and the contractual terms of these financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Financial Instruments (continued)

Upon initial recognition of equity securities, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate its equity securities that would otherwise be measured at FVTPL to present subsequent changes in fair value in other comprehensive income. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income. The cumulative gain or loss is not reclassified to profit or loss on disposal of the instrument; instead, it is transferred to retained earnings. The Company does not have any financial assets classified as FVTOCI.

Financial assets at fair value through profit or loss (“FVTPL”)

By default, all other financial assets are measured subsequently at FVTPL. The Company’s cash is measured at FVTPL.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

ii) Financial liabilities

Financial liabilities at amortized cost

Financial liabilities are subsequently measured at amortized cost using the effective interest method except for financial liabilities at FVTPL. The Company’s accounts payable, distribution payable to preferred shareholders, amounts due to related parties and redeemable preferred shares are measured at amortized cost.

Financial liabilities at fair value through profit or loss (“FVTPL”)

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Fair value changes on financial liabilities classified as FVTPL are recognized in the statements of operations and comprehensive income (loss). The Company does not have any financial liabilities classified as FVTPL.

iii) Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

(Expressed in Canadian Dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

5. MORTGAGE INVESTMENTS

	2021 $	2020 $
Balance in first mortgages	22,755,000	37,450,000
Balance in second mortgages	94,033,647	30,020,000
	116,788,647	67,470,000
Accrued interest	45,750	-
	116,834,397	67,470,000

Mortgage investments are secured by real properties to which they relate, bearing interest at a weighted average interest rate of 9.98% (2020 – 9.90%), and mature within the fiscal year ending September 30, 2022.

All of the mortgage investments contain a prepayment option, whereby the borrower may repay the principal at any time prior to maturity, subject to payment of an interest penalty that is specific to each mortgage. The interest penalty is waived if 30 days advance notice is received by the Company.

As part of the assessment of impairment, the Manager routinely reviews each mortgage investment for changes in credit quality of the mortgage and underlying real estate assets and determines whether such changes result in the carrying value of the mortgage in excess of its fair value.

6. RELATED PARTY TRANSACTIONS AND BALANCES

The related party transactions and balances below took place in the normal course of operations and were measured at the exchange amounts which were the amounts of consideration established and agreed to by the related parties.

a) Manager Fees

Pursuant to a management and administration agreement dated April 26, 2016 with the Manager, the Manager agreed with the Company to provide a complete range of management services including management, brokerage, supervision and administration of the Company's entire mortgage investments portfolio. In consideration of the services provided, the Company agreed to pay a management fee at 2% of the assets under management of the Company, calculated on a monthly basis and paid at least as frequently as on a quarterly basis. The Manager is also entitled to receive a discretionary bonus, subject to the Company having paid to its preferred shareholders a return of at least 8% per annum. The Manager may charge broker's fees, lenders fees, commitment fees, extension fees, administration and other similar fees directly to borrowers of any mortgage loan, all of which fees are the sole property of the Manager. The Manager's eligibility to receive the management fee for any month is subject to the Company generating an increase in net assets from operations that is sufficient to provide a minimum 8% annualized return to the preferred shareholders of the Company. The term of the agreement is five years and will be automatically renewed for one year terms.

The Manager is a related company with certain common directors and officers (see Note 1).

b) Credit Facilities from Manager

Pursuant to a credit facility (the "Credit Facility 1") dated April 1, 2018, the Manager agreed to provide a line of credit up to a maximum of $5,000,000 to the Company. Any amount drawn down by the Company is interest bearing at 6% per annum, unsecured and due on September 30, 2018. This agreement was renewed on August 30, 2018 to extend the maturity date to September 30, 2019 and to amend the fixed interest rate to 8% per annum effective April 1, 2018.

The credit facility agreement was renewed subsequently to extend the maturity date to December 31, 2025 and to increase the line of credit to a maximum of $10,000,000 effective October 1, 2019.

6. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

b) Credit Facilities from Manager (continued)

Pursuant to a credit facility (the "Credit Facility 2") dated February 1, 2021, the Manager agreed to provide an additional line of credit up to a maximum of $12,000,000 to the Company. Any amount drawn down by the Company is interest bearing at 5% per annum, unsecured and due on February 1, 2023.

As at September 30, 2021, loan amount totaled $14,225,000 (2020 – $1,527,761) was drawn down from Credit Facility 1 of $2,625,000 and Credit Facility 2 of $11,600,000. For the year ended September 30, 2021, total interest expenses of $726,185 (2020 - $323,512) was incurred on the credit facilities.

For the year ended September 30, 2021, the Company incurred management fee of $1,617,607 (2020 – $592,492) and interest expense of $687,946 (2020 – $289,110) to the Manager.

For the year ended September 30, 2020, the Manager received $1,915,438 (2020 – $1,040,300) for broker and lender fees directly from the mortgage borrowers.

As at September 30, 2021, amounts due to the Manager of $14,783,654 (2020 – $1,602,055) comprise the followings:

i. Loan advances from the Manager totalling $14,225,000 (2020 – $1,527,761).

ii. Interest payable of $367,781 (2020 – $12,454).

iii. Management fee payable of $163,548 (2020 – payable of $53,340).

iv. Renewal fee payable of $27,325 (2020 - $8,500).

c) Loan Advance

Pursuant to a credit facility (the "Credit Facility") dated April 25, 2020, Amber Edge Financial Corp., a Company with common directors, agreed to provide a line of credit up to a maximum of $1,000,000 to the Company. The loan is interest bearing at 8% per annum, unsecured and due on September 30, 2021. As at September 30, 2021, there is a loan principal of $ Nil (2020 - $465,000) and accrued interest of $22,813 (2020 - $3,048) outstanding, totalling $22,813 (2020 - $468,048).

For the year ended September 30, 2021, the Company incurred interest expense of $38,202 (2020 – $33,978) to Amber Edge Financial Corp.

d) Key Management Personnel

There were no key management personnel payments for the year ended September 30, 2021.

7. DEFERRED REVENUE

Deferred revenue is advanced interest payments from mortgage investments, to be amortized over the term of the mortgage.

8. SHARE CAPITAL

(a) Authorized

Unlimited number of Class A voting common shares with par value at $1.00 each
Unlimited number of Class Z voting common shares without par value
Unlimited number of Class A non-voting preferred shares without par value
Unlimited number of Class B non-voting preferred shares without par value
Unlimited number of Class C non-voting preferred shares without par value
Unlimited number of Class D non-voting preferred shares without par value

(b) Common Shares Issued

During the period ended September 30, 2021, 210 Class A common shares were issued and outstanding at $1.00 per share, totalling $210 (2020 – $210).

(c) Redeemable Preferred Shares Issued

All classes of preferred shares within a class rank equally with respect to dividends, rank senior to the common shares of the Company and are retractable by the Company when certain conditions are met.

Subject to certain restrictions, preferred shareholders may request redemption of any or all their outstanding shares by providing 60 days advance notice to the Company. Should the amount of preferred shares rendered for redemption exceed the limit, the Company may, at its discretion, redeem all tendered shares, or redeem the shares tendered on a pro rate basis. As the Company has been granting redemption of the preferred shares at preferred shareholders' requests, the preferred shares are classified as liabilities.

As at September 30, 2021, 101,330,166 (2020 – 64,873,930) preferred shares are issued and outstanding at $1.00 (2020 – $1.00) per share (see Statement of Changes in Equity).

(d) Dividends

The Company intends to pay dividends to shareholders on a quarterly basis, on or about the last day of each quarter.

For the year ended September 30, 2021, the Company declared dividends on Class A and Class B preferred shares of $6,176,259 (2020 – $4,320,668), of which $1,463,236 (2020 – $894,848) remains payable as of September 30, 2021.

9. LINE OF CREDIT

Pursuant to a line of credit facility dated July 8, 2021, the Company obtained a revolving line of credit of $3,000,000 from Canadian Western Bank, bearing interest at prime plus 2%, unsecured and due on demand. As at September 30, 2021, the Company has not utilized the line of credit.

(Expressed in Canadian Dollars)

10. CAPITAL MANAGEMENT

The Company manages its capital structure in order to support ongoing operations while focusing on its primary objectives of preserving shareholder capital and generating a stable monthly cash dividend to holders of redeemable shares. The Company defines its capital structure as the common and preferred shares of the Company.

The Company reviews its capital structure on an ongoing basis and adjusts its capital structure in response to mortgage and loan investment opportunities, the availability of capital and anticipated changes in general economic conditions.

The Company's internally imposed investment restrictions and asset allocation model incorporate various restrictions and investment parameters to manage the risk profile of the mortgage and loan investments. The investment restrictions permit the Company to use leverage to maintain liquidity, for general working capital purposes and to bridge the timing differences between loan advances, maturities and preferred share offerings. The aggregate amount of borrowing by the Company may not exceed 20% of the book value of the Company’s mortgage investment portfolio without the approval of the independent board of directors. In addition, the asset allocation model dictates the allocation of the mortgage and loan investments based upon geographical, borrower, zoning, term, security position, and loan-to-appraised value criteria.

11. FINANCIAL INSTRUMENTS

Fair values

The Company’s financial instruments include cash, mortgage investments, accounts payable, distributions payable to preferred shareholders, due to related parties and redeemable preferred shares. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature.

The following table summarizes the carrying values of the Company’s financial instruments:

	2021	2020
	$	$
Assets as FVPTL (i)	3,297,436	1,125,478
Assets as amortized costs (ii)	116,778,647	67,470,000
Liabilities as amortized costs (iii)	117,612,519	67,855,681

(i) Cash
(ii) Mortgage investments
(iii) Accounts payable, distribution payable to preferred shareholders, due to related parties and redeemable preferred shares

The Company classifies its fair value measurements in accordance with the three level fair value hierarchy as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices), and
Level 3 – Inputs that are not based on observable market date

The following table sets forth the Company’s financial assets measured at fair value at September 30, 2021 and 2020 by level within the fair value hierarchy as follows:

(Expressed in Canadian Dollars)

11. FINANCIAL INSTRUMENTS (continued)

	Level 1	Level 2	Level 3	Total
	$	$	$	$
Cash				
September 30, 2021	3,297,436	-	-	3,297,436
September 30, 2020	1,125,478	-	-	1,125,478

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the mortgage investments will fluctuate because of changes in market interest rates. As of September 30, 2021, no mortgage investments, amounts due to related parties and redeemable preferred shares bear interest at variable rates, therefore, the Company is not exposed to cash flow risk from mortgage investments as a result of interest rate fluctuations. Further, the Company does not have material fair value risk on its mortgage investment portfolio primarily as a result of the less than one year short term nature of the maturity dates of the mortgage loan investments.

The Company has a line of credit with variable interest rate at prime plus 2 % (Note 9). At September 30, 2021, the Company does not have material interest rate risk on the line of credit and any of its other financial instruments.

Credit Risk

The following assets are exposed to credit risk: cash and mortgage investments. Credit risk primarily relates to the possibility that counterparties to mortgage investments may be unable to honour their debt commitments as a result of a negative change in market conditions that could result in a loss to the Company. The credit risk for cash is insignificant as the Company maintains its cash balance with major banks.

At September 30, 2021, there are no mortgage borrowers that comprised more than 10% of the Company’s mortgage portfolio (2020 – no mortgage borrowers that comprised more than 10% of the Company’s mortgage portfolio). Management does not believe that there is significant credit risk arising from any of the Company's mortgage investments.

The Company mitigates this risk by the following:

i) adhering to the investment restrictions and operating policies included in the asset allocation

ii) performing a due diligence process on each mortgage loan investment prior to funding. This generally includes, but is not limited to engaging professional independent consultants, lawyers and appraisers and performing credit checks and financial statement review on prospective borrowers;

iii) having mortgage investments approved by the independent review committee in accordance with the Company’s operating policies; and

iv) actively monitoring the mortgage portfolio and initiating recovery procedures in a timely manner when required.

The COVID-19 health pandemic has caused significant economic uncertainty as explained in Note 1. As at September 30, 2021, the Company has $116,834,397 (2020 - $67,470,000) of mortgage investments.

11. FINANCIAL INSTRUMENTS (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's policy and the Manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid cash to meet its liabilities when due, under both normal and stress conditions, including estimated redemptions of shares, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's financial assets include a portfolio of mortgages, which are generally illiquid. As a result, the Company may not be able to liquidate some of its investments in these assets in due time in order to meet its liquidity requirements.

The Company's liquidity risk is managed on an ongoing basis by the Manager in accordance with the policies and procedures in place. The Company's overall liquidity is monitored on a quarterly basis by the board of directors. The Company's redemption policy only allows for redemptions on giving thirty (60) days written notice after certain conditions are met. It is the Manager's policy to have liquid assets comprising cash or access to financing from loan providers and related parties in order to meet anticipated redemptions.

As at September 30, 2021, the Manager considers that the Company does not have significant exposure to liquidity risk.

Currency Risk

The Company invests in mortgages, generates revenues and incurs expenses and expenditures primarily in British Columbia, Canada and is not exposed to risk from changes in foreign currency exchange rates.

11. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the investment in mortgages. The Company operates in one geographical area which is Canada.

12. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform with the financial statements presentation as at and for the year ended September 30, 2021.

13. SUBSEQUENT EVENTS

Subsequent to September 30, 2021, the Company completed 22 mortgage loans totalling $38,023,500. The loans are interest bearing at annual interest rates of 8% - 10%, due on January 1, 2022, and secured by the underlying properties.

Subsequent to September 30, 2021, the Company received mortgage repayments from 13 mortgage loans totalling $23,284,670.

Subsequent to September 30, 2021, the Company issued 13,348,400 Class A & B preferred shares for cash proceeds of $13,348,400.

Subsequent to September 30, 2021, the Company redeemed 1,750,000 Class A & B preferred shares for $1,750,000.

CERTIFICATE

This Offering Memorandum does not contain a misrepresentation.

DATED April 30, 2022

AMBER MORTGAGE INVESTMENT CORP.

(signed) "Yi Song"

Per Yi Song, director

(signed) "Ngai Ho"

Per Ngai Ho, director