PAVILION FLOW-THROUGH L.P. (2019) 1

***CONFIDENTIAL* OFFERING MEMORANDUM**

Date: June 28, 2019

THE ISSUER:

Name:	**PAVILION FLOW-THROUGH L.P. (2019) 1**
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CONFIDENTIAL OFFERING MEMORANDUM

Dated: June 28, 2019

THE ISSUER

PAVILION FLOW-THROUGH L.P. (2019) 1 (THE "PARTNERSHIP")

25 Adelaide St East, Suite 1616
Toronto, Ontario, M5C 3A1
Phone: 416-429-9779
Email: service@accilentcapital.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: Limited Partnership Units (the "Units").

Price Per Security: $10.00 per Unit. Subscribers must subscribe for a minimum of 1000 Units, and in multiples of 100 Units ($1,000) for larger subscriptions, unless such amounts are waived by the General Partner.

Maximum Offering: $20,000,000.00 (2,000,000 Units).

Minimum Offering: There is no minimum. You could be the only investor.

Minimum Subscription Amount: Minimum 1000 Units ($10,000) per Unit holder, and in multiples of 100 Units ($1,000) for subscriptions larger than the minimum subscription amount, unless such amounts are waived by the General Partner.

Minimum Subscribers: No minimum number of subscribers.

Payment Terms: 100% of the Subscription Price for Units is due on closing by way of bank draft or certified cheque payable to the Partnership.

Proposed Closing Dates: The closing of the Units (each a "Closing Date") will take place on a rolling monthly basis. The initial closing is expected to take place on June 29, 2019 and the anticipated Final Closing Date (as defined below) is anticipated to take place no later than November 30, 2019 unless otherwise extended by the General Partner in its sole discretion. The "Final Closing Date" will be the date that is either (i) the date on which no more Subscriptions are being accepted, because the General Partner has indicated such closing date to be a final closing or because the offering is withdrawn, (ii) November 30, 2019, or (iii) a later date determined by the General Partner in its sole discretion.

Tax Consequences: There are important tax considerations relating to the ownership of these securities. **All investors will be responsible for seeking independent tax advice and for the preparation and filing of their own tax returns in respect of this investment.** Tax considerations ordinarily make the Units offered hereunder most suitable for taxpayers whose income is subject to the highest marginal rates of tax. Regardless of any tax benefits that may be obtained, a decision to purchase Units should be based primarily on an appraisal of their merits as an investment and on a Subscriber's ability to bear the loss of the investment. See "Canadian Federal Income Tax Considerations" in this Offering Memorandum.

Selling Agent: The General Partner has retained Accilent Capital Management Inc. ("Accilent") as agent and distribution agent (the "Agent") for the Offering, who, along with applicable members of a selling and/or referral group formed by it and certain approved selling agents (collectively the "Selling Agents"), and in accordance with and as permitted by Applicable Securities Laws (as defined herein), will market and distribute the Units in all of the Provinces and Territories of Canada, except Quebec, on behalf of the Partnership. See "Compensation Paid to Agents and Selling Agents" in this Offering Memorandum.

Purpose: The Partnership has been formed to invest in flow-through shares and, where applicable, warrants to acquire shares (collectively, "Flow-Through Shares") of resource issuers engaged in (i) oil and gas exploration, development and/or production; (ii) mineral exploration, development and/or production; and/or (iii) renewable resources exploration, development and/or production (collectively the "Resource Issuers"). See "Business of the Partnership" in this Offering Memorandum.

RESALE RESTRICTIONS

There is no market for the Units and it is not anticipated that any market for the Units will be developed or created. The Units will be subject to a number of resale restrictions, including a restriction on trading. See "Resale Restrictions" in this Offering Memorandum.

SUBSCRIBER'S RIGHTS

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

No securities regulatory authority 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 "Risk Factors" in this Offering Memorandum.

ACCILENT CAPITAL MANAGEMENT INC.

No securities regulatory authority 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 with tax consequences (see "Risk Factors").

THIS OFFERING MEMORANDUM CONSTITUTES A PRIVATE OFFERING OF THESE SECURITIES IN ALL OF THE PROVINCES AND TERRITORIES OF CANADA, EXCEPT QUEBEC, UNDER EXEMPTIONS TO THE PROSPECTUS REQUIREMENTS IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS. IT DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY JURISDICTION IN WHICH OR TO ANY PERSON TO WHOM SUCH OFFER OR SOLICITATION MAY NOT BE LAWFULLY MADE. THIS OFFER IS MADE ONLY TO THE PERSONS TO WHOM THIS OFFERING MEMORANDUM HAS BEEN DELIVERED AND BY THEIR ACCEPTANCE HEREOF, PROSPECTIVE SUBSCRIBERS AGREE THAT THEY WILL NOT TRANSMIT, REPRODUCE OR MAKE AVAILABLE TO ANYONE THIS OFFERING MEMORANDUM OR ANY INFORMATION CONTAINED HEREIN AND ANY DUPLICATION OF THIS OFFERING MEMORANDUM IS STRICTLY PROHIBITED. NO SECURITIES REGULATORY AUTHORITY 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.

PAVILION FLOW-THROUGH L.P. (2019) 1
PARTNERSHIP UNITS

OFFERING MEMORANDUM

UP TO AND A MAXIMUM OF $20,000,000
UP TO A MAXIMUM OF 2,000,000 LIMITED PARTNERSHIP UNITS)

SUBSCRIPTION PRICE: $10 PER UNIT
MINIMUM SUBSCRIPTION: 1000 Units ($10,000)

THE OFFERING:

This is an offering (the "Offering") of limited partnership units (the "Units"), on a reasonable best-efforts basis, up to a maximum of 2,000,000 Units (the "Maximum Offering") in the PAVILION FLOW-THROUGH L.P. (2019) 1 (the "Partnership"), a limited partnership formed pursuant to the laws of the Province of Ontario. The Offering is restricted to Subscribers (the "Subscribers") resident in all of the Provinces and Territories of Canada, except Quebec, who are Accredited Investors (as defined herein) and/or Eligible Investors (as defined herein) and who purchase the minimum subscription of Units (1000 Units at $10.00 per Unit). A subscriber (a "Subscriber") whose subscription has been accepted by the General Partner (as defined below) will become a limited partner (a "Limited Partner").

The General Partner has retained Accilent Capital Management Inc. ("Accilent") as agent (the "Agent") who, along with a selling and/or referral group formed by it and certain approved selling agents (collectively the "Selling Agents"), and in accordance with Applicable Securities Laws (as defined herein), will market and distribute the Units in all of the Provinces and Territories of Canada, except Quebec, on behalf of the Partnership.

The Units are not listed on any exchange and the Partnership is not and is not expected to be a reporting issuer or SEDAR filer at any time in accordance with Applicable Securities Laws (as defined herein).

THE PARTNERSHIP:

The Partnership has been formed to invest in flow-through shares and, where applicable, warrants to acquire shares ("Flow-Through Shares") of resource issuers engaged in (i) oil and gas exploration, development and/or production; (ii) mineral exploration, development and/or production; and/or (iii) renewable resources exploration, development and/or production ("Resource Issuers").

THE INVESTMENT OBJECTIVE:

The Partnership's investment objective is to achieve capital appreciation and the benefits of diversification from its investments in a portfolio of Flow-Through Shares of Resource Issuers that is pro-actively managed. It is the intention to invest all of the available proceeds in Flow-Through Shares to the greatest extent reasonably possible, however to the extent such investments are not possible or suitable, the Partnership may invest in equities or equity linked securities of Resource Issuers that are not Flow-Through Shares, and high quality money market investments, although such securities will not enjoy the same tax benefits. By focusing on Flow-Through Shares, the Partnership will utilize available provisions of the *Income Tax Act* (Canada) (the "Tax Act") to seek to maximize the tax benefits associated with its investments and to provide Subscribers with the potential for enhanced after-tax returns on the portfolio.

THE INVESTMENT STRATEGY:

The General Partner and the Investment Manager (all as defined below) will implement and apply the Investment Objective and the Investment Strategy described in this Offering Memorandum by selecting and actively monitoring investments in Resource Issuers. The Partnership intends to focus primarily on a portfolio of junior Resource Issuers including both private and public companies (i) who are being sponsored and controlled by an "elite" group of managers, promoters and operators with superior long-term performance track-records across multiple Resource Issuers and who are known and accessible to the Investment Manager; (ii) where the Investment Manager has reserved future financing capacity and the ability to participate in successive

rounds of financing; (iii) where a pro-active investment style (i.e. access to management to provide strategy and growth ideas) has the potential to drive value upside and liquidity; (iv) where the companies have strong exploration and development potential based on their assets; and/or (v) where the Investment Manager believes the assets are being valued at a discount to intrinsic and realizable value and hence have the potential for exceptional growth.

THE GENERAL PARTNER:

PRF (GP) Management (No.4) Limited has been established by certain of the principals and advisors of Accilent as the general partner (the "General Partner") of the Partnership and has coordinated the organization and formation of the Partnership in accordance with the *Limited Partnerships Act* (Ontario). The General Partner will be responsible for coordination along with the Agent for the marketing and the distribution of the Units. The General Partner will be responsible for engaging the services of the Investment Manager who will make investment decisions for the Partnership and will be responsible for the administration of the daily operations and affairs of the Partnership. The General Partner has retained the Investment Manager to direct the business, operations and affairs of the Partnership. The General Partner will assist the Investment Manager in the origination of potential investment opportunities for the Investment Manager's consideration. The officers and directors and controlling owners of the General Partner are Dan Pembleton and Paul J. Crath.

THE INVESTMENT MANAGER AND THE INVESTMENT FUND MANAGER:

The General Partner has retained Accilent as the investment manager (the "Investment Manager") of the Partnership. Accilent is registered as a portfolio manager (PM), exempt market dealer (EMD) and commodities trading manager (CTM) and Investment Fund Manager (IFM), regulated by the Ontario Securities Commission.

The Investment Manager's role is to manage the Partnership's investment portfolio as well as the day-to-day management of the operations and affairs of the Partnership.

Accilent was formed in 2002 and in conjunction with other co-managers, manages multiple funds and segregated discretionary accounts with aggregate assets under management of approximately $50 million, including funds in the areas of flow-through shares in previous partnerships, commercial lending and royalties, and real estate. Accilent's President, Daniel Pembleton MBA, CFA, prior to forming Accilent, was a Vice President at RBC Dominion Securities as fixed income securities trader where he managed a substantial portfolio on behalf of the institution of several billion dollars.

His education includes an Honours BA in Economics from Brock University and an MBA from the Ivey School of Business of the University of Western Ontario. Mr. Pembleton is also a Chartered Financial Analyst (CFA).

From time to time the Investment Manager may employ certain individuals or retain as consultants certain individuals or organizations to assist in the management of the Partnership.

MUTUAL FUND ROLL-OVER TRANSACTION AND LIQUIDITY:

If deemed advantageous by the General Partner and to provide the potential for enhanced liquidity and long-term growth of capital on a tax-enhanced basis, the General Partner, in conjunction with the Investment Manager may attempt to complete a transaction (the "Mutual Fund Roll-Over Transaction") pursuant to which, after the payment of the final Management Fee (as defined herein) and the Performance Fee (as defined herein), if any, to the General Partner and the Investment Manager and the payment of all other outstanding liabilities of the Partnership, all assets of the Partnership will be transferred to a mutual fund corporation, on a tax deferred basis, in exchange for mutual fund shares ("Fund Shares") of the mutual fund corporation following which the Fund Shares would be distributed to the Limited Partners *pro rata* on a tax deferred basis upon the dissolution of the Partnership. The Mutual Fund Roll-Over Transaction will be subject to the agreement of the General Partner, the Investment Manager and the mutual fund corporation and to obtaining any necessary regulatory approvals, as well as compliance with all applicable laws. There can be no assurance that such transaction will receive the necessary regulatory approvals. *It is the current intention of the Investment Manager to develop and register such a mutual fund corporation, though there is no assurance that it will be able to do so.* The Mutual Fund Roll-Over Transaction will not be implemented if the General Partner determines that it would prospectively or retrospectively affect the status of the Flow-Through Shares as flow-through shares for income tax purposes, or if there are other market reasons not to do so. The Partnership Agreement states that, if the General Partner does implement a Mutual Fund Roll-Over Transaction and/or that the General Partner has not otherwise fully monetized or distributed the securities of the Partnership, the Mutual Fund Roll-Over Transaction must be implemented by December 31, 2022 failing which the Partnership will be terminated on a date no later than March 31, 2024, unless market conditions do not permit an orderly termination, in which case the term of the Partnership will be extended for a one year period at the sole discretion of the General Partner. The Partnership may be extended for an additional one year period if approved by unitholders through a simple majority of votes obtained by proxy with a quorum of 50% of unitholders. If no quorum is reached on the proxy vote the General Partner may extend the term by an additional year at its sole discretion. At the time of such termination, the Limited Partners will receive their pro rata share of the net assets of the Partnership. At that time, the Partnership will primarily own shares of Resource Issuers and cash. (See "Business of the Partnership – Mutual Fund Roll-Over Transaction and Liquidity", "The Partnership Agreement – Mutual Fund Roll-Over Transaction and Liquidity", and "Risk Factors").

Where deemed optimal by the Investment Manager to advance the Investment Objective of the Partnership and to attempt to manage risk, the Investment Manager may sell a portion of the portfolio of Resource Issuers. The proceeds from such sales may be distributed to the Limited Partners to enhance liquidity in the Investment Manager's sole discretion. There is, however, no requirement for such distributions to be made from proceeds. As an alternative, the proceeds of any such sales may be reinvested in the shares of other Resource Issuers in an attempt to maximize the returns of the Partnership.

BEST EFFORTS OFFERING OF LIMITED PARTNERSHIP UNITS

Minimum Subscription: $10,000 (1000 Units)

	No. of Units (1)	*Subscription Price*	*Selling Agents Fees (2)*	*Net Proceeds (3)*
Per Unit		$10.00	$1.00	$9.00
Maximum Offering	2,000,000	$20,000,000	$2,000,000	$18,000,000

(1) The subscription price was determined arbitrarily by the General Partner and the Investment Manager.

(2) Commissions of up to 10.0% of the Gross Proceeds ("Agents' Fees") may be paid to persons who are qualified to sell securities under Applicable Securities Law and who assist with the sale of the Units ("Selling Agents"). See "Compensation Paid to Agent and Selling Agents".

(3) Before deducting expenses of the Offering, which includes a fee of 0.75% (to cover items such as legal, marketing, accounting) and 1% of gross proceeds for dealer due diligence, platform and distribution override fees (collectively "Issue Expenses") which will be no more than $350,000 in the case of the Maximum Offering. Any Issue Expenses and Agent and Selling Agents' Fees which are in excess of 10.0% of the Gross Proceeds plus a 1% dealer due diligence distribution fee plus $150,000 in the case of the Maximum Offering, will be paid from the fees paid to the General Partner.

After deducting the Agents' Fee and the Issue Expenses, it is anticipated that no less than 88.25% of the Gross Proceeds will be available to acquire Flow-Through Shares of Resources Issuers.

Accilent Capital Management Inc. ("Accilent"), the agent for the Partnership, is also acting in the capacity of Investment Manager and Investment Fund Manager to the Partnership. Accilent is controlled by the same individuals who control the General Partner, the Investment Manager, and the Investment Fund Manager. Consequently, Accilent may be considered to be a "connected issuer", a "related issuer", and a "promoter" of the Partnership under Applicable Securities Laws. Accilent will receive no benefit under this Offering other than receiving certain fees that would otherwise be paid to an Agent for distributing the Units, and a certain portion of the Management Fee that otherwise would be payable to any party acting as Investment Manager hereunder, and other fees disclosed herein. (See "Investment Manager-Interest of Accilent in Material Transactions" and "Conflicts of Interest".)

The Partnership will use its best efforts to invest all of the Available Funds in Flow-Through Shares of Resource Issuers on or before December 31, 2019. Subject to certain limitations set out in this Offering Memorandum, the limited partners of the Partnership ("Limited Partners") with sufficient income may be able to claim certain deductions available under the Tax Act. See "Illustration of Possible Tax Deductions" and "Canadian Federal Income Tax Considerations".

A Subscriber will become a Limited Partner upon the date of closing, the date on which no more Subscriptions are being accepted and unless withdrawn, which such date will, a date not later than the Final Closing Date, upon which his or her Subscription for Units is accepted, subject to the limitation that the Partnership will not invest the Available Funds in Flow-Through Shares until the Offering is closed. The Subscriber further acknowledges and agrees as a condition of a subscription for Units that the Subscriber must execute and be bound by the terms of the Partnership Agreement (See Schedule "A") and is liable for all obligations of a Limited Partner thereunder.

Pursuant to such agreement and its attached related forms, the Subscriber also irrevocably agrees to nominate, constitute and appoint the General Partner as the Subscriber's true and lawful attorney with the full power and authority as set out in the Partnership Agreement and irrevocably authorizes the General Partner to file on the Subscriber's behalf all elections, determinations and designations under applicable income tax or other legislation in respect of the business of the Partnership, including the dissolution of the Partnership. The Partnership Agreement contains representations, warranties and covenants among other things that each Subscriber is not a "non-resident" for the purposes of the Tax Act or a "non-Canadian" for the purposes of the *Investment Canada Act,* and that each Subscriber will maintain such status during such time as the Subscriber holds Units and that no acquisition of Units has been financed with borrowing for which the recourse is, or is deemed to be, limited within the meaning of the Tax Act.

In accordance with Applicable Securities Law, a Subscriber has two business days to cancel the agreement to purchase Units. If there is a misrepresentation in this Offering Memorandum, a Subscriber has the right to sue either for damages or to cancel the agreement. See "Purchaser's Rights".

A federal tax shelter identification number has been applied for with Canada Revenue Agency. This identification for this tax shelter shall be included in any income tax return filed by the investor. Issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of any investor to claim any tax benefits associated with the tax shelter.

THIS IS A SPECULATIVE OFFERING AND IS A BLIND POOL OFFERING. There is currently no market through which the Units may be sold and none is expected to develop and Subscribers will be restricted from selling the Units for an indefinite period of time. Subscribers should only invest if they have the capacity to absorb a loss of some or all of the Subscriber's investment. The purchase price per Unit paid at a Closing subsequent to the initial Closing may be less or greater than the Net Asset Value per Unit at the time of purchase. There is no guarantee that an investment in the Partnership will earn a specified rate of return or any return in the short or long term. The Flow-Through Shares may be purchased by the Partnership at prices greater than the market prices of common shares of the respective issuers and may be subject to resale restrictions. The Investment Manager may not be able to identify a sufficient number of investments to permit the Partnership to commit all Available Funds to purchase Flow-Through Shares of Resource Issuers by December 31, 2019, or such Resource Issuers may not renounce Eligible Expenditures equal to the subscription price paid to them. It is the intention to invest all of the available proceeds in Flow-Through Shares to the greatest extent reasonably possible, however to the extent such investments are not possible or suitable, the Partnership may invest in equities or equity linked securities of Resource Issuers that are not Flow-Through Shares, and high quality money market investments, although such securities will not enjoy the same tax benefits. A Liquid Market (as defined herein) may not exist for the securities acquired by the Partnership. The Partnership will also be permitted to invest a substantial portion of the Available Proceeds in securities which are Illiquid Investments, which may be subject to indefinite resale restrictions. The tax benefits resulting from an investment in the Partnership are greatest for a Limited Partner whose income is subject to the highest marginal income tax rate. Changes in federal or provincial income tax legislation may alter fundamentally the tax consequences of holding or disposing of Units, including the ability to claim deductions for all expenditures by the Partnership. Limited Partners may receive allocations of income and/or capital gains in a year without receiving sufficient distributions from the Partnership for that year to fully pay any tax that they may owe as a result of being a Limited Partner in that year. The intention of the Investment Manager is to reinvest all Available Funds received on the sale of Flow-Through Shares in securities of Resource Issuers and not to make a distribution of cash to the Limited Partners prior to the dissolution of the Partnership. However, the Investment Manager may, in its sole discretion, decide to make cash distributions to Limited Partners from time to time. If a Subscriber finances the purchase of Units by borrowing or other form of indebtedness that is, or is deemed to be, under the Tax Act a limited recourse financing, the tax benefits of the investment to such Subscriber will be adversely affected. Other risk factors include: certain risks inherent in investment in private and/or junior companies and resource operations and investment in the resource sector in general; Limited Partners could lose their limited liability in certain circumstances; and the General Partner has only nominal assets.

A Mutual Fund Roll-Over Transaction may not be implemented and certain conflicts of interest may arise in connection with a Mutual Fund Roll-Over Transaction if it is implemented. Prospective purchasers of Units should consult their own professional advisors to assess the income tax, legal, and other aspects of the investment. See "Securities Offered", "Canadian Federal Income Tax Considerations", "Risk Factors" and "Resale Restrictions".

These Units are being offered on a reasonable best-efforts basis in all of the Provinces and Territories of Canada, except Quebec, subject to the conditions of Closing. Units will be sold through the Agent, Accilent Capital Management Inc., in accordance with Applicable Securities Laws. Units will be issued subject to allotment by the General Partner in whole or part before a Closing and subject to the right to close the subscription books at any time without notice. A final Closing will be held on or before November 30, 2019 unless such date is extended by the General Partner. Confirmation of the acceptance of a subscription will be forwarded promptly to the Subscriber after its acceptance. The General Partner is not obligated to accept any subscriptions.

In the event the Offering does not close, the Subscription amounts and related Agent's commission will be returned to the Subscribers by the Agent, without interest or deduction.

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HOW TO SUBSCRIBE FOR UNITS

Subscribers must purchase Units through the Agent, who may appoint various Selling Agents hereunder to assist in the distribution and sale of the Units in accordance with Applicable Securities Laws. A Subscriber must purchase a whole number of Units at ten dollars ($10) per Unit. The minimum subscription is 1000 Units ($10,000), and in multiples of 100 Units ($1,000) for larger subscriptions unless such amount is waived by the General Partner. A Subscriber who wishes to purchase Units must execute and deliver:

(a) a Subscription Agreement and Power of Attorney;

(b) If you are a resident in any jurisdiction in Canada, **other than Ontario**, and are subscribing under the "Offering Memorandum Exemption", and your subscription amount does not exceed $10,000, complete and initial:

  (i) the applicable reference in the Risk Acknowledgement Form of **Appendix "A-1"**; and

  (ii) the Classification of Investors Under the Offering Memorandum Exemption Form of **Appendix "A-2"**; and

  (iii) the Investment Limits for Investors Under the Offering Memorandum Exemption Form of **Appendix "A-3"**.

(c) If you are a resident in any jurisdiction in Canada, **other than Ontario**, and are subscribing under the "Offering Memorandum Exemption", and your subscription amount is **greater than $10,000**, complete and initial:

  (i) the applicable reference in the Risk Acknowledgement Form of **Appendix "A-1"**; and

  (ii) the Classification of Investors Under the Offering Memorandum Exemption Form of **Appendix "A-2"**; and

  (iii) the Investment Limits for Investors Under the Offering Memorandum Exemption Form of **Appendix "A-3"**; and

  (iv) the Accredited Investor Risk Acknowledgement - **Appendix "B-1"**, if applicable.

(d) If you are **a resident of the Province of Ontario** and are subscribing under the "accredited investor" exemption, complete and sign:

  (i) the Accredited Investor Certificate - **Appendix "B"**; and

  (iii) the Accredited Investor Risk Acknowledgement - **Appendix "B-1"**.

(e) If you are **not an Individual** and are subscribing for an amount of $150,000 or greater, please initial the applicable reference in the Accredited Investor and Minimum Investment Certificate - **Appendix "B"** of this Subscription Agreement.

Certified subscription cheques and bank drafts representing the Subscription Price will be received by the Agent pending the initial closing of the Offering and all subsequent Closings.

A Subscriber may cancel the Subscriber's agreement to purchase Units by delivering a notice to the General Partner not later than midnight on the second business day after the Subscriber signs the Subscription Agreement to purchase the Units. See "Purchasers' Rights".

The General Partner has the unconditional right to accept or reject any Subscription. If the General Partner rejects a Subscription, the Subscription Price will be returned to the Subscriber forthwith without interest or deduction and all other closing documents relating to the Subscription will be returned forthwith to the Subscriber. A Subscriber will become a Limited Partner upon the written acceptance of his Subscription by the General Partner and the entry of the name of the Subscriber as a Limited Partner on the register of Limited Partners. Subscribers of Units will receive a customer confirmation from the Agent and the General Partner. See "Securities Offered".

Acceptance as a Limited Partner and the Subscription hereunder, creates a contract between the Subscriber and the Partnership as set forth in the Partnership Agreement, attached as Schedule "A" hereto and summarized in this Offering Memorandum, whereby the Subscriber is bound by the terms and obligations as set forth in the Partnership Agreement , which include, without limitation, the following: (i) certain representations and warranties, including, without limitation, representations regarding residency, maintenance of residency and no limited recourse financing being used to purchase Units, (ii) irrevocably nominates, constitutes and appoints the General Partner as his/her or its true and lawful attorney with the full power and authority to bind the Partnership and its Limited Partners as set forth therein; (iii) irrevocably authorizes the General Partner to instruct and empower the Investment Manager to attempt to give effect to the Mutual Fund Roll-Over Transaction, pre-authorizes the General Partner to instruct and empower the Investment Manager to give any required consents including on behalf of the Limited Partners in connection therewith and authorizes the transfer of any assets to give effect to the Mutual Fund Roll-Over Transaction and (iv) irrevocably authorizes the General Partner to instruct and empower the Investment Manager to file all elections deemed necessary or desirable by the general partner to be filed under the *Income Tax Act* (the "Tax Act") and any other applicable tax legislation in respect of any transaction with respect to the Mutual Fund Roll-Over Transaction and the dissolution of the Partnership. The Partnership Agreement includes representations, warranties and covenants on the part of the subscriber that he, she or it is not a non-resident resident for purposes of the tax Act, that he, she, or it will maintain such status during such time as the Units are held by him, her or it and that payment of the subscription price for such Limited partner's Units was not financed through indebtedness for which recourse is or is deemed to be limited within the meaning of the Tax Act.

TIMETABLE OF EVENTS

June 29, 2019	Anticipated date of Initial Closing.
November 30, 2019	Final Closing, unless the Maximum Offering has been achieved at an earlier date.
March 31, 2020	Limited Partners receive 2019 CEE tax receipt for CEE and other relevant tax information.
December 31, 2022	Target date for implementing a Mutual Fund Roll-Over Transaction, in the absence of other monetization or distribution of the securities of Resource Issuers prior to such date, provided that a Mutual Fund Roll-Over Transaction may be implemented at any time prior to December 31, 2021.
March 31, 2024	The Partnership will be terminated (unless Mutual Fund Roll-Over Transaction has been implemented or unless the General Partner has extended the term of the Partnership due to adverse market conditions) and the Limited Partners will receive their pro rata share of the net assets of the Partnership.

GLOSSARY OF TERMS

Capitalized terms not expressly defined herein shall have the meanings ascribed to them in the Partnership Agreement. In this Offering Memorandum, in addition to those terms which have been defined in the Partnership Agreement, the following terms shall have the following meanings respectively:

"Accredited Investor" has the meaning ascribed to it in National Instrument 45-106 - Prospectus and Registration Requirements, or, for residents of Ontario, as defined in the *Securities Act* (Ontario), if and as applicable.

"Affiliates", as describing a relationship between two persons, means:

(a) one of them is an affiliate of the other, as such term is defined in the *Securities Act* (Ontario),

(b) one is a director or senior officer, as so defined, of the other or of an affiliate, as so defined, of the other, or

(c) one does not deal at arm's length with the other for the purposes of the Tax Act. A trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child, or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse.

"Agent" means Accilent Capital Management Inc., an exempt market dealer that has been engaged by the General Partner to market and distribute Units of the Partnership as agent and distribution agent for the Offering and will be responsible for the administration of the daily operations and affairs of the Partnership.

"Agent's Fee" means the fee paid to the Agent by the Partnership pursuant to the Distribution and Agency Agreement that is equal to 10% of the Gross Proceeds of the Units sold hereunder.

"Applicable Securities Laws" means, as applicable, the securities laws, regulations, rules, rulings and orders in each of the provinces and territories of Canada, the applicable policy statements, notices, blanket rulings, orders and all other regulatory instruments of the securities regulators in each of such provinces and territories.

"Arm's length" has the meaning ascribed to it in the Tax Act, as now in effect.

"Available Funds" means, at any time, the Gross Proceeds, together with all interest earned thereon, less expenses and fees that are payable and are expected to be fully deductible in computing the Partnership's income in accordance with the Tax Act for the fiscal period ending December 31, 2019, including administration and operating expenses, interest costs, the Management Fee but excluding the Agent's Fee and the Issue Expenses to a maximum of 11.75% of the Gross Proceeds.

"CDE" or "Canadian Development Expense" means Canadian development expense as defined in subsection 66.2(5) of the Tax Act that may be renounced pursuant to the Tax Act.

"CEE" or "Canadian Exploration Expense" means including without limitation expenses of the nature referred to in paragraphs (a), (b), (d), (f), (g)or (g.1) of the definition of Canadian exploration expense as defined in subsection 66.1(6) of the Tax Act that may be renounced pursuant to the Tax Act, which includes CRCE.

"Closing" means a closing of a sale of Units to Subscribers.

"CRA" means the Canada Revenue Agency.

"CRCE" means Canadian Renewable and Conservation Expense as defined in the Tax Act.

"Distribution and Agency Agreement" means the agreement between the General Partner and the Agent pursuant to which the General Partner has engaged the Agent to act as agent for the Offering.

"Dollars" or "$" means Canadian dollars.

"Eligible Expenditures" means expenditures in respect of resource exploration and development which qualify as CEE, CRCE or as CDE which may be renounced as CEE to the Partnership effective on or before December 31, 2019.

"Eligible Investor" means

(i) a Person whose:

  (i) net assets alone or with a spouse, in the case of an individual, exceed $400,000;

  (ii) net income before taxes exceeded $75,000 in each of the two most recent years and who reasonably expects to exceed that income level in the current calendar year; or

  (iii) net income before taxes, alone or with a spouse exceed $125,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current year;

(ii) a Person of which a majority of the voting securities are beneficially owned by eligible investors or a majority of the directors are eligible investors;

(iii) a general partnership of which all the partners are eligible investors;

(iv) a limited partnership of which the majority of the general partners are eligible investors;

(v) a trust or estate in which all the beneficiaries or a majority of the trustees or executors are eligible investors;

(vi) an Accredited Investor;

(vii) a person described in section 2.5 [Family, friends and business associates] of *National Instrument 45-106 Prospectus and Registration Exemptions;* or

(viii) in Manitoba, Northwest Territories, Nunavut, Prince Edward Island, and Yukon, a person that has obtained advice regarding the suitability of the investment and, if the person is resident in a jurisdiction of Canada that advice has been obtained from an "eligibility adviser" as that term is defined in *National Instrument 45-106 Prospectus and Registration Exemptions.*

"Flow-Through Investment Agreements" means agreements between the Partnership and Resource Issuers pursuant to which the Partnership will subscribe for Flow-Through Shares and the Resource Issuers will agree to renounce Eligible Expenditures to the Partnership.

"Flow-Through Mining Expenditures" means "flow-through mining expenditures" as defined in the Tax Act.

"Flow-Through Shares" means shares in the capital of Resource Issuers which qualify as flow-through shares for the purposes of the Tax Act and in respect of which the Resource Issuers agree to renounce Eligible Expenditures to the Partnership (or flow-through warrants or flow-through special warrants entitling the Partnership to acquire, for no additional consideration, shares in the capital of Resource Issuers, provided that such flow-through warrants and/or special warrants qualify as flow-through shares for the purposes of the Tax Act).

"General Partner" means PRF (GP) Management (No.4) Limited or such other general partner of the Partnership duly appointed by the Limited Partners pursuant to the Partnership Agreement.

"Gross Proceeds" means, at any time, the aggregate gross proceeds of the Offering.

"High Quality Money Market Instruments" means, money market instruments, excluding Asset-Based Commercial Paper of any rating, which are accorded the highest rating category by Canadian Bond Rating Service ("A-1") or by Dominion Bond Rating Service ("R-I"), banker's acceptances, and government guaranteed obligations all with a term of one year or less, and interest-bearing deposits with Canadian banks or trust companies.

"Illiquid Investments" means investments that may not be readily disposed of in a market place where such investments are normally purchased and sold and public quotations in common use in respect thereof are available. Examples of Illiquid Investments include limited partnership interests that are not listed for trading and securities of a Private Company, but does not include Flow-Through Shares of publicly listed companies with resale restrictions which expire on or before May 1, 2020 or Flow-Through Shares or other securities of a special purpose Private Company or partnership formed to undertake a specific resource property exploration or development program, the securities of which are convertible, commencing no later than two years plus one day following the date of acquisition of such securities by the Partnership, into shares of a Resource Issuer whose market capitalization is at least $10,000,000 and which is not a Private Company.

"Income or Loss of the Partnership" for any fiscal year means the net income or net loss of the Partnership, including gains or losses arising on the sale of Flow-Through Shares and any extraordinary or unusual items, all calculated in accordance with the Tax Act.

"Initial Limited Partner" means Accilent Raw Materials Group Inc., the initial limited partner of the Partnership.

"Investment Fund Management Agreement" means the agreement between the General Partner, the Investment Fund Manager dated as of June 28, 2019, pursuant to which the General Partner has engaged the Investment Fund Manager as investment fund manager on behalf of the Partnership to manage the day-to-day operations of the Partnership or to perform duties as otherwise described herein.

"Investment Fund Manager" means Accilent Capital Management Inc.

"Investment Management Agreement" means the agreement between the General Partner, the Investment Manager dated as of June 28, 2019, pursuant to which the General Partner has engaged the Investment Manager as investment manager on behalf of the Partnership to select Resource Issuers and manage the investment portfolio of the Partnership or to perform duties as otherwise described herein.

"Investment Manager" means Accilent Capital Management Inc.

“Issue Expenses” means the expenses of the Offering (other than the Agent’s Fees) which includes a fee of 0.75% (to cover items such as expenses in connection with the formation and organization of the Partnership, the preparation of the Offering Memorandum, initial legal and audit expenses of the Partnership and marketing expenses) and an additional fee of 1% of the gross proceeds of the Offering for dealer due diligence, platform and distribution override fees.

“ITC” means an "investment tax credit" under the Tax Act.

"Limited Partner" means, at any particular time, any party to this Agreement who is bound by this Agreement as a limited partner of the Partnership and is shown on the Record as a limited partner.

"Limited Partnerships Act" means the *Limited Partnerships Act* (Ontario), as now enacted or as the same may from time to time be amended, re-enacted or replaced.

“Liquid Market” means a market with a high degree of liquidity, often resulting from a large number of buyers and sellers and a significant public float.

“Maximum Offering” means the maximum offering size for this Offering of 2,000,000 Units ($20,000,000).

“Mutual Fund Roll-Over Transaction” means an exchange transaction pursuant to which the remaining assets of the Partnership would be transferred to a mutual fund corporation on a tax deferred basis in exchange for shares of the mutual fund corporation following which such shares would be distributed to the Limited Partners Pro Rata on a tax deferred basis upon the dissolution of the Partnership, as further described herein.

"Net Asset Value” means, with respect to the Partnership on any particular Valuation Date, the difference between

(a) the market value on the Valuation Date of its assets, determined as follows:

  (i) the value of any security which is listed for trading upon a stock exchange (whether or not the security is subject to resale restrictions) will be, (A) the closing sale price on such date, if such date is a trading day, or on the last trading day before such date, if such date is not a trading day, or (B) if there is no such closing sale price on such date, the average of the closing bid price and closing ask price on such date or the last trading day before such date, if such date is not a trading day (unless in the opinion of the Investment Manager such average does not properly reflect the value of such security, in which case such closing bid price or such closing ask price as determined by the Investment Manager in good faith), all as reported by any report in common use or authorized by such stock exchange;

  (ii) where the Partnership has executed a Flow-Through Investment Agreement but has not completed the purchase of the Flow-Through Shares provided for thereunder, for the purposes of calculating the Net Asset Value, the Partnership shall be deemed to have acquired the securities of the Resource Issuer at the date the Partnership entered into the applicable Flow-Through Investment Agreement, and the value of the securities deemed to be so acquired, calculated as set forth herein, shall be included in calculating Net Asset Value and the amount required to be invested under such Flow- Through Investment Agreement (together with interest accruing thereon for the account of the Resource Issuer, if any) shall be deducted in calculating the Net Asset Value. In the event the purchase of such Flow-Through Shares is not completed as contemplated by the Flow-Through Investment Agreement, the applicable subscription fund shall thereafter be included in calculating Net Asset Value;

  (iii) the value of any security which has ceased to be traded upon a stock exchange but is traded on an over-the-counter market (whether or not the security is subject to resale restrictions) will be priced at the average of closing bid and asked price on such date or if there is no closing bid or asked price on such date, the average of the closing bid and asked price on the trading day immediately before such date (unless in the opinion of the Investment Manager such average does not properly reflect the value of such security, in which case such closing bid price or such closing ask price as determined by the General Partner in good faith), all as reported by the financial press or an independent reporting organization;

  (iv) the value of any security or property or other assets (including any Illiquid Investments) to which, in the opinion of the Investment Manager, the above principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, no published market exists or for any other reason) shall be the fair market value thereof determined in good faith in such manner as the General Partner from time to time adopts; and

  (v) the value of assets quoted in foreign currencies will be converted to Canadian dollars at the exchange rate at noon on such date as set by the Bank of Canada; and

(b) all liabilities on such date as determined by the Investment Manager (including contingent distributions).

“Net Earnings” for any fiscal period means Net Gain minus Net Loss.

“Net Gain” for any fiscal period means the aggregate of (i) the amount, if any, by which net proceeds of disposition to the Partnership of investments disposed of in that period exceeds the acquisition cost to the Partnership of such investments, and (ii) the income earned by the Partnership during such fiscal period, calculated in accordance with Canadian generally accepted accounting principles.

“Net Loss” for any fiscal period means the aggregate of (i) the amount, if any, by which the acquisition cost to the Partnership of investments disposed of in that period exceeds net proceeds of disposition by the Partnership for such investments, and (ii) the expenses of the Partnership during such fiscal period, calculated in accordance with Canadian generally accepted accounting principles.

“Offering” means the public offering of a maximum of 2,000,000 ($20,000,000) Units of the Partnership as described in this Offering Memorandum.

“Offering Memorandum” means this confidential offering memorandum of the Partnership, dated June 28, 2019 including any amendments to this Offering Memorandum.

“Partnership Agreement” means the limited partnership agreement made as of June 28, 2019, governing the Partnership which is attached to this Offering Memorandum as Schedule "A" and forms a part hereof and is made among the General Partner, the Initial Limited Partner and those persons admitted as Limited Partners, as amended from time to time.

“Person” or “person” means an individual, corporation, body corporate, partnership, joint venture, association, trust or unincorporated organization or any trustee, executor, administrator or other legal representative.

“Private Company” or “Private Companies” means a company or companies which does not have any of its securities listed or quoted on a recognized stock exchange.

"Pro Rata" means, in respect of a Limited Partner at any time, the quotient of the number of Units held by the Limited Partner divided by the number of Units held by all Limited Partners at such time.

“Resource Issuer” means a corporation engaged in (i) oil and gas exploration, development and/or production, (ii) mineral exploration, development and/or production or (iii) renewable energy exploration, development and/or production or other category eligible for CRCE deductions.

“Selling Agent” means an investment dealer, securities dealer, exempt market dealer or their equivalent, registered under the applicable securities laws or a person who is exempt from the applicable registration requirements under applicable securities laws, selected by the Agent to assist in the marketing and distribution of the Units.

“Tax Act” means the *Income Tax Act* (Canada), as amended from time to time.

“Termination Date” has the meaning set forth to it in Section 9.1(a) of the Partnership Agreement.

“Termination Valuation Date” means the last business day prior to the Termination Date or the date upon which a Mutual Fund Roll-Over Transaction will be completed.

“Unit” means an interest of a Limited Partner in the Partnership, which may be acquired for a $10.00 capital contribution to the Partnership.

“Valuation Date” means the last business day of each calendar month except December, for which the Valuation Date is December 31.

OFFERING MEMORANDUM SUMMARY

The following is intended as a summary of certain matters relating to the Partnership and is qualified in its entirety by the detailed information appearing elsewhere in this Offering Memorandum. See "Glossary" for the meaning of capitalized words and phrases.

ISSUER:	PAVILION FLOW-THROUGH L.P. (2019) 1, a limited partnership formed under the *Limited Partnerships Act* (Ontario).
ISSUE:	Up to a maximum of 2,000,000 Units ("Maximum Offering") for Gross Proceeds of up to a maximum of $20,000,000. Subscriptions may be accepted by the General Partner and Units may be issued to Subscribers at any time and from time to time until the earlier of the date the Maximum Offering of subscriptions hereunder are received by November 30, 2019, unless extended by the General Partner as provided herein.
SUBSCRIPTION PRICE:	$10.00 per Unit. Subscribers must subscribe for a minimum of 1000 Units, and in multiples of 100 Units ($1,000) for larger subscriptions.
MINIMUM OFFERING:	There is no minimum offering amount. You may be the only purchaser.
SUBSCRIPTION AND PAYMENT OF SUBSCRIPTION PRICE:	Subscribers must purchase Units through the Agent, who may appoint various Selling Agents hereunder to assist in the distribution and sale of the Units in accordance with Applicable Securities Laws. A Subscriber must purchase a whole number of Units at ten dollars ($10) per Unit. The minimum subscription is 1000 Units ($10,000), and in multiples of 100 Units ($1,000) for larger subscriptions unless such amount is waived by the General Partner. A Subscriber who wishes to purchase Units must execute and deliver a Subscription Agreement and the following documents as applicable: (a) If you are a resident in any jurisdiction in Canada, **other than Ontario**, and are subscribing under the "Offering Memorandum Exemption", and your subscription amount does not exceed $10,000, complete and initial: (i) the applicable reference in the Risk Acknowledgement Form of **Appendix "A-1"**; and (ii) the Classification of Investors Under the Offering Memorandum Exemption Form of **Appendix "A-2"**; and (iii) the Investment Limits for Investors Under the Offering Memorandum Exemption Form of **Appendix "A-3"**. (b) If you are a resident in any jurisdiction in Canada, **other than Ontario**, and are subscribing under the "Offering Memorandum Exemption", and your subscription amount is **greater than $10,000**, complete and initial: (i) the applicable reference in the Risk Acknowledgement Form of **Appendix "A-1"**; and (ii) the Classification of Investors Under the Offering Memorandum Exemption Form of **Appendix "A-2"**; and (iii) the Investment Limits for Investors Under the Offering Memorandum Exemption Form of **Appendix "A-3"**; and (iv) the Accredited Investor Risk Acknowledgement - **Appendix "B-1"**, if applicable. (c) If you are a resident of the Province of Ontario and are subscribing under the "accredited investor" exemption, complete and sign: (i) the Accredited Investor Certificate - **Appendix "B"**; and (ii) the Accredited Investor Risk Acknowledgement - **Appendix "B-1"**. (d) If you are not an Individual and are subscribing for an amount of $150,000 or greater, please initial the applicable reference in the Accredited Investor and Minimum Investment Certificate - **Appendix "B"** of this Subscription Agreement.

PARTNERSHIP:

The Partnership will invest in Flow-Through Shares of Resource Issuers and/or warrants to acquire shares related thereto, engaged in (i) oil and gas exploration development and/or production; (ii) mineral exploration, development and/or production; or (iii) renewable energy exploration, development and/or production.

INVESTMENT OBJECTIVE:

The Partnership's investment objective is to achieve capital appreciation and the benefits of diversification from its investments in a portfolio of Flow-Through Shares of Resource Issuers that is pro-actively managed either directly or through co-investment with elite investors, operators and managers with proven track records. It is the intention to invest all of the available proceeds in Flow-Through Shares to the greatest extent reasonably possible, however to the extent such investments are not possible or suitable, the Partnership may invest in each and high quality money market investments, equity or equity linked securities of Resource Issuers that are not Flow-Through Shares, although such securities will not enjoy the same tax benefits. By focusing on Flow-Through Shares, the Partnership will utilize available provisions of the *Income Tax Act* (Canada) (the "Tax Act") to seek to maximize the tax benefits associated with its investments and to provide Subscribers with the potential for enhanced after-tax returns on the portfolio.

INVESTMENT STRATEGY:

The Investment Manager will implement and apply the Investment Objective described in this Offering Memorandum by selecting and actively monitoring investments in Resource Issuers. The Partnership intends to focus primarily on a portfolio of junior Resource Issuers including both private and public companies (i) who are being sponsored and controlled by an "elite" group of investors, managers, promoters and operators with superior long-term performance track-records across multiple Resource Issuers and who are known and accessible to the General Partner and the Investment Manager; (ii) where the Investment Manager has reserved future financing capacity and the ability to participate in successive rounds of financing; (iii) where a pro-active investment style (i.e. access to management to provide strategy growth ideas) has the potential to drive value upside and liquidity; (iv) where the companies have strong exploration and development potential based on their assets; and/or (v) where the Investment Manager believes the assets are being valued at a discount to intrinsic and realizable value and hence have the potential for exceptional growth.

INVESTMENT CRITERIA:

The Partnership will allocate all of the net proceeds of the Offering ("Available Funds") and any net proceeds realized by the Partnership in the sale of Flow-Through Shares from time to time to the greatest extent possible in investments in a portfolio of Flow-Through Shares in Resource Issuers that it will pro-actively manage. The Investment Manager may choose to hedge up to 100% of the portfolio to protect it from falling prices using any hedging instrument that is publicly traded. In entering into any Flow-Through Share Agreements with a Resource Issuer, the mechanism through which the Partnership will subscribe for Flow-Through Shares, in addition to the investment principles established in the Investment Objective and the Investment Strategy, the Investment Manager will use its best efforts to adhere to the following criteria in making investments:

(i) The Partnership will invest in a combination of private and public Resource Issuers at any one time may have up to 85% invested in Resource Issuers whose common shares are not publicly traded and have at least 15% of the Partnerships' Net Assets invested in Resource Issuers whose common shares are listed and posted for trading on the TSX Venture Exchange or the Toronto Stock Exchange.

(ii) The Partnership will invest no more than 20% of Net Asset Value in any one publicly-traded Resource Issuer; provided however that the Partnership may invest up to 25% of its Net Asset Value in any one private Resource Issuer or one who is a reporting issuer but whose shares are not listed and posted for trading on either of the TSX Venture Exchange or the Toronto Stock Exchange.

(iii) The Partnership will not invest in securities issued by any Resource Issuers, if after giving effect to such investment the Partnership would own more than 19.9% of any class of securities of such Resource Issuer if it is a publicly traded company and 100% if it is a private company, or 30% if it is a company whose common shares are listed and posted for trade in markets outside North America but whose common shares are not

listed and posted for trading either on the TSX Venture Exchange or the Toronto Stock Exchange.

(iv) The Investment Manager and its consultants will consider engineering or geological technical reports when they are available but will not necessarily require an engineering or geological report when determining to make an investment in a Resource Issuer.

(v) The Partnership will not invest in securities of issuers which are not at arm's length (as such term is defined in the Tax Act) to the Partnership, the Investment Manager, except in the case of a Mutual Fund Roll-Over Transaction. Notwithstanding this limitation, for purposes of the proactive investment style of the Partnership, many of the issuers will have securities owned by the principals of the General Partner and the Investment Manager. One or more investee Resource Issuers may pay a due diligence, commission and/or placement fee to the Investment Manager or the Agent.

(vi) The Partnership may borrow money for the purpose of funding expenses of the Partnership and, with respect to such borrowings, may mortgage, pledge, and hypothecate any of its securities and other assets, provided that the total principal amount of such borrowings do not, at any time, exceed 10% of the Gross Proceeds.

(vii) If the Investment Manager is not able to identify a sufficient number of Flow-Through Shares it may invest in equity or equity-traded securities of Resource Issuers.

(viii) In certain instances, members of the General Partner and Investment Manager may act as consultants, managers or directors of Resource Issuers that could be considered a conflict of interest, but that the General Partner and Investment Manager feel benefits the proactive investment style of the Partnership.

GENERAL PARTNER: PRF (GP) Management (No.4) Limited (the "General Partner"), is a corporation incorporated under the laws of Ontario. The General Partner is responsible for the marketing and distribution of the Units. Pursuant to the terms of the Partnership Agreement, the General Partner is entitled to receive a management fee and may be entitled to receive a performance fee. The General Partner has retained the Investment Manager to direct the business operations and affairs of the Partnership. See "Business of the Partnership - The General Partner".

INVESTMENT MANAGER: The General Partner has retained Accilent Capital Management Inc. ("Accilent") pursuant to the Investment Management Agreement to manage the Partnership's investment portfolio, including selecting Flow-Through Shares, in accordance with the Investment Objectives and the Investment Strategy and will be responsible for the administration of the daily operations and affairs of the Partnership. The Investment Manager will negotiate the terms of investments, enter into Flow-Through Investment Agreements for and on behalf of the Partnership and otherwise manage the Partnership's investment portfolio to the extent provided in the Investment Management Agreement. Pursuant to the terms of the Investment Management Agreement, Accilent Capital Management Inc. is entitled to receive an investment management fee from the Partnership and is entitled to receive a performance fee from the General Partner. See "Business of the Partnership – Accilent Capital Management Inc.".

It is agreed and understood by the Subscribers that Accilent is also acting as Agent for the Offering and may charge certain of the Resource Issuers fees from time to time, including, without limitation, commissions or finders' fees and broker's warrants in connection with the investments made by the Partnership. The Partnership does not participate in such fees. "See- Risk Factors, Potential Conflicts of Interest".

MANAGEMENT FEE: Pursuant to the terms of the Partnership Agreement, the Investment Management Agreement, the General Partner and the Investment Manager are collectively entitled to a management fee (the "Management Fee") equal to 2.25% per annum of Net Asset Value of the Partnership calculated and payable monthly in arrears, commencing on the date one month from the date of the Initial Closing of the Offering. The General Partner and the Investment Manager will not otherwise charge any fees and will not charge for its overhead or other internal expenses other than

reasonable costs of complying with its administrative and other duties in the Partnership Agreement.

PERFORMANCE FEE:

Pursuant to the terms of the Partnership Agreement and the Investment Management Agreement, the General Partner and the Investment Manager are collectively entitled to a performance fee (the "Performance Fee") payable on the earlier of (a) the day on which a distribution is made to the Limited Partners (b) the business day prior to the date of the Mutual Fund Roll-Over Transaction (as defined below) and (c) the business day immediately prior to the date of dissolution or termination of the Partnership (each a "Performance Fee Date"), equal to 20% of the amount that is equal to the product of (i) the number of Units outstanding on the Performance Fee Date and (ii) the amount by which the Net Asset Value per Unit on such Performance Fee Date plus any distributions per Unit paid until the Performance Fee Date exceeds $11.20. The Performance Fee will be paid to the General Partner for distribution to the Investment Manager in cash before any assets of the Partnership are exchanged as part of a Mutual Fund Roll-Over Transaction (as defined below) and or the dissolution or termination of the Partnership.

AGENT'S FEE:

Pursuant to the Distribution and Agency Agreement, Accilent as Agent is entitled to an agency fee (the "Agent's Fee") of up to 10.0% of the Gross Proceeds per Unit payable on Closing. Accilent will pay any Selling Agents from the aggregate Agent's Fee.

ISSUE EXPENSES:

The Partnership will pay the Issue Expenses up to $150,000 plus a 1% distribution fee in the event of the Maximum Offering.

ADMINISTRATIVE AND OPERATING EXPENSES:

In addition to the Management Fee, the Partnership will pay all of its administrative and operating expenses (to a maximum of $100,000 per annum during the term of the Partnership), administration expenses, expenses relating to investment transactions (including finder's fees, if any, but excluding brokerage costs), taxes, legal fees, audit fees, dissolution expenses, printing and mailing costs and other regulatory compliance costs, if any. Such expenses, as well as the performance fee of the General Partner and the Investment Manager, will be paid from the net proceeds of the sale of Flow-Through Shares and other securities. The General Partner will pay the monthly fee to the Investment Manager and any such ongoing administrative and operating expenses to the extent that such expenses in the aggregate exceed these applicable capped annual amounts during the term of the Partnership. The General Partner, the Investment Manager, and the Investment Fund Manager will be responsible for their own overhead costs, including office facilities, equipment and employees, and for fees and expenses payable to third parties/suppliers and not otherwise provided for herein.

USE OF PROCEEDS:

	Maximum Offering
Gross Proceeds to Partnership	$20,000,000
Selling Agents' Fees	$2,000,000
Issue Expenses	$350,000
Available Funds	$17,650,000

There is no minimum offering and following the initial Closing of the Minimum Offering the General Partner may close subscriptions from time to time without completing the Maximum Offering. You may be the only subscriber. There is no guarantee that the funds raised will be sufficient to meet the business objectives of the Partnership. There is also no guarantee that, even if the Offering is fully subscribed, the funds raised will be sufficient to produce a profit for Subscribers. See "Risk Factors".

The Partnership will use the Available Funds to subscribe for Flow-Through Shares of Resource Issuers according to the Investment Strategy, Investment Objective and Investment Criteria. See "Use of Proceeds", "Business of the Partnership- Investment Strategy, Criteria and Restrictions of the Partnership" and "Risk Factors".

ALLOCATIONS OF INCOME AND LOSSES:

Subject to the Performance Fee, 99.99% of the Income will be allocated to the Limited Partners of record on December 31 of each fiscal year and 0.01% to the General Partner. 100.0% of the Losses will be allocated to the Limited Partners of record on December 31 of each fiscal year. All the amounts renounced to the Partnership will be allocated *pro rata* to the Limited Partners of record on December 31, 2019. The Partnership will make all filings in respect of such allocations as are required by the Tax Act. On dissolution of the Partnership, after settling any credit balances in the capital accounts of any of the Limited Partners, and satisfying all liabilities of the Partnership including, without limitation, the Performance Fee, the Limited Partners will receive 99.99% of the assets of the Partnership and the General Partner will receive 0.01% of such assets.

MUTUAL FUND ROLL-OVER TRANSACTION LIQUIDITY AND TERMINATION OF PARTNERSHIP:

If deemed advantageous by the General Partner and to provide the potential for enhanced liquidity and long-term growth of capital on a tax-enhanced basis, the Investment Manager may attempt to complete a transaction (the "Mutual Fund Roll-Over Transaction") pursuant to which, after the payment of the final Management Fee (as defined herein) and the Performance Fee (as defined herein), if any, to the General Partner and the Investment Manager, and the payment of all other outstanding liabilities of the Partnership, all assets of the Partnership will be transferred to a mutual fund corporation, on a tax deferred basis, in exchange for mutual fund shares ("Fund Shares") of the mutual fund corporation following which the Fund Shares would be distributed to the Limited Partners *pro rata* on a tax deferred basis upon the-dissolution of the Partnership. The Mutual Fund Roll-Over Transaction will be subject to the agreement of the General Partner and the mutual fund corporation and to obtaining any necessary regulatory approvals, as well as compliance with all applicable laws. There can be no assurance that such transaction will receive the necessary regulatory approvals. *It is the current intention of the Investment Manager to develop and register such a mutual fund corporation, though there is no assurance that it will be able to do so.* The Mutual Fund Roll-Over Transaction will not be implemented if the General Partner and the Investment Manager determine that it would prospectively or retrospectively affect the status of the Flow-Through Shares as flow-through shares for income tax purposes or if there are other market reasons not to do so. The Partnership Agreement states that, if the General Partner does implement a Mutual Fund Roll-Over Transaction and/or that the General Partner has not otherwise fully monetized or distributed the securities of the Partnership, the Mutual Fund Roll-Over Transaction must be implemented by December 31, 2022 failing which the Partnership will be terminated on a date no later than March 31, 2024, unless market conditions do not permit an orderly termination, in which case the term of the Partnership will be extended for successive one year periods at the sole discretion of the General Partner. At the time of such termination, the Limited Partners will receive their pro rata share of the value of the net assets of the Partnership. At that time, the Partnership will primarily own shares of Resource Issuers and cash. (See "Business of the Partnership – Mutual Fund Roll-Over Transaction and Liquidity", "The Partnership Agreement – Mutual Fund Roll-Over Transaction and Liquidity", and "Risk Factors".)

Where deemed optimal by the Investment Manager to conform to the Investment Objective of the Partnership and to attempt to manage risk, the General Partner and Investment Manager may sell a portion of the portfolio of Resource Issuers. The proceeds from such sales may be distributed to the Limited Partners to enhance liquidity in the sole discretion of the Investment Manager or reinvested in shares of same or other Resources issuers to attempt to maximize the returns of the Partnership. There is no requirement for such distributions to be made.

FEDERAL INCOME TAX CONSIDERATIONS:

Generally, a taxpayer (other than a "principal-business corporation") who is a Limited Partner at the end of a fiscal year of the Partnership may, in computing income for the taxation year in which the fiscal year ends, subject to the "at-risk" and limited recourse financing rules, deduct an amount equal to 100% of Eligible Expenditures renounced to the Partnership and allocated to the taxpayer by the Partnership in respect of the fiscal year.

A Limited Partner who is an individual other than a trust may also receive an ITC of 15% of such Limited Partner's share of Flow-Through Mining Expenditures for qualified mining exploration activities. The individual taxpayer's cumulative CEE at any time in a taxation year is reduced by the amount of the ITC claimed for a preceding year. If a taxpayer's cumulative CEE at the end of a taxation year is negative, the negative balance must be included in income and the cumulative CEE is reset to nil.

Income, including capital gains, realized by the Partnership will be allocated to Limited Partners of record on December 31 of each fiscal year. The adjusted cost base of the Flow-Through Shares held

by the Partnership will generally be deemed to be nil, and as a result, any capital gain realized by the Partnership and allocated to the Limited Partners on a sale of Flow-Through Shares will generally be equal to the proceeds of disposition, less reasonable costs of disposition.

A disposition of Units by Limited Partners may trigger capital gains (or capital losses). One-half of realized capital gains will be included in a Limited Partner's income for the year of disposition, and one-half of any capital loss may be deducted against taxable capital gains in accordance with the provisions of the Tax Act. In the event that the Mutual Fund Roll-Over Transaction is not implemented and the Partnership is dissolved, it is anticipated that, following the dissolution of the Partnership, each Limited Partner will acquire a pro-rata share of the assets held by the Partnership at that time on a tax-deferred basis, provided that certain requirements in the Tax Act are satisfied.

If the Partnership transfers its assets to a mutual fund corporation pursuant to the Mutual Fund Roll-Over Transaction, provided the appropriate elections are made and filed in a timely manner, no taxable capital gains will be realized by the Partnership from the transfer. After the payment of the final Management Fee and the Performance Fee, if any, and the payment of all other outstanding liabilities of the Partnership, including any dissolution fee, the mutual fund corporation will acquire each remaining asset of the Partnership at a cost equal to the lesser of the cost amount thereof to the Partnership and the fair market value of the asset on the transfer date. Provided that the dissolution of the Partnership takes place within 60 days of the transfer of assets to the mutual fund corporation, the Fund Shares will be distributed to the Limited Partners with a cost for tax purposes equal to the cost of the Units held by such Limited Partner. As a result, a Limited Partner will not be subject to tax in respect of such transaction.

Prior to investing, you should be satisfied as to the federal and provincial tax consequences of this investment by obtaining advice from your advisor. An investor who borrows to finance the acquisition of Units should consult a tax advisor as to the consequences of such borrowing.

See "Illustration of Possible Tax Deductions", "Canadian Federal Income Tax Considerations", and "Risk Factors".

LIQUIDITY OF UNITS: Because the Partnership is not and does not intend to become a reporting issuer in any jurisdiction in Canada, the applicable hold period on Units for Subscribers will never expire and a Subscriber will not be able to sell Units for an indefinite period. See "Resale Restrictions".

RISK FACTORS: The purchase of Units of the Partnership involves a number of significant risk factors. Subscribers should consider the following risk factors and the additional risk factors outlined under "Risk Factors" and all other information contained in this Offering Memorandum before making an investment decision:

(a) this is a speculative offer and a blind pool offering. There is currently no market through which the Units of the Partnership may be sold and no assurance can be given that such a market will develop;

(b) the Limited Partners are entirely dependent on the discretion and judgment of the General Partner and the Investment Manager for the administration and management of the assets of the Partnership. Neither the Partnership nor the General Partner has any operating history or investment history. The General Partner will only have nominal assets;

(c) there is no assurance of a positive return on investment and an investment in Units should be considered only by those who can afford to lose their investment;

(d) the purchase price per Unit paid by an investor may be less than or greater than the Net Asset Value per Unit at the time of purchase;

(e) The Investment Manager may not be able to identify a sufficient number of Resource Issuers willing to issue Flow-Through Shares to permit the Partnership to commit all of the Available Fund to purchase Flow-Through Shares on or before December 31, 2019**,** and, therefore, capital may be returned to Limited Partners and Limited Partners may be

unable to claim anticipated deductions from income or credits from tax for income tax purposes;

(f) the Partnership does not expect to pay, but the Investment Manager can decide to pay, dividends or other cash distributions to the Limited Partners prior to the dissolution of the Partnership;

(g) the possibility exists that Resource Issuers will not renounce Eligible Expenditures equal to the subscription price paid to them;

(h) the possibility exists that Limited Partners will receive allocations of income and/or capital gains without receiving cash distributions from the Partnership in a year sufficient to satisfy a Limited Partner's tax liability for the year arising from his or her status as a Limited Partner;

(i) the Partnership will invest in securities of Resource Issuers which may result in the value of the Partnership's portfolio being more volatile than portfolios with a more diversified investment focus and may result in volatility based upon the underlying market for commodities produced by those sectors of the economy. The amount of Available Funds will directly affect the degree of diversification of the Partnership's portfolio and may affect the scope of investment opportunities available to the Partnership;

(j) the Flow-Through Shares are normally issued to the Partnership at prices greater than the market prices of common shares of the respective Resource Issuers;

(k) the share price of the Resource Issuers in which the Partnership owns Flow-Through Shares may decline due to factors such as investor demand, resale restrictions, general market trends or regulatory restrictions. Hedging activities may or may not be able to offset these risks and it is possible for the Partnership to lose money on both the hedging instrument and the share price of the Resource Issuer;

(l) Resource Issuers may not hold or discover commercial quantities of oil, natural gas or minerals, and their profitability may be affected by adverse fluctuations in commodity prices, liability for environmental damage, competition and government regulation;

(m) the Partnership is permitted to have a high percentage of its assets in private companies, which are Illiquid Investments. In the case of Illiquid Investments, the Flow-Through Shares owned by the Partnership may be subject to indefinite resale restrictions;

(n) a Liquid Market may not exist for Flow-Through Shares due to fluctuations in trading volumes and prices and, if the Investment Manager is unable to dispose of all investments prior to the termination of the Partnership, Limited Partners may receive shares of Resource Issuers upon the termination of the Partnership, for which there may be an illiquid market or which may be subject to resale restrictions;

(o) the Partnership may be required to dispose of assets to cover its ongoing expenses at times when it would otherwise not do so which could have an adverse effect on the Net Asset Value of the Units;

(p) income tax laws in the various jurisdictions of Canada may be changed in a manner which will fundamentally alter the tax consequences to Limited Partners of holding or disposing of Units, including the ability to claim deductions for all expenditures by the Partnership;

(q) if a Limited Partner finances the Subscription Price of a Unit with indebtedness that is a "limited-recourse amount" for purposes of the Tax Act, the tax benefits of an investment in Units to the Limited Partner and other Limited Partners will be adversely affected;

(r) new standards prescribed by International Financial Reporting Standards are expected to apply to investment funds with financial years commencing on or after January 1, 2018 (IFRS 9 – Financial Instruments – Recognition and Measurement), which, among other changes, will provide a new framework for the recognition and measurement of financial instruments. The Partnership is evaluating the effects of this standard, which may impact the recognition and measurement of its investments;

(s) the board of directors and management of the General Partner and the Investment Manager may be changed at any time;

(t) the General Partner and the Investment Manager may engage in the promotion, management or investment management of other fund or partnerships or other vehicles, including entities which invest primarily in flow-through shares and their officers and directors may act as directors, consultants or management and/or have direct investments in the shares of the same Resource Issuers purchased at prices lower than prices of the Flow-Through Shares purchased by the Partnership, and may perform distribution and other services for the same Resource Issuers for additional compensation from time to time. In addition Accilent Capital Management Inc., may charge Resource Issuers certain fees and may charge certain of the Resources Issuers fees from time to time, including without limitation commissions or finder's fees and broker's warrants in connection with the investments made by the Partnership. The Partnership does not participate in such fees, which could potentially be considered a conflict of interest. Accilent is controlled by the same individuals who control the General Partner and the Investment Manager and accordingly the Partnership is a "related issuer" and "connected issuer" of Accilent for the purposes of Applicable Securities Laws;

(u) the Investment Manager, may not be able to implement a Mutual Fund Roll-Over Transaction. The Mutual Fund Roll-Over Transaction may not be approved by the regulators. In completing the Mutual Fund Roll-Over Transaction, the Partnership will face certain conflicts of interest. An alternative transaction (including the dissolution of the Partnership) may not be available on a tax deferred basis or a Limited Partner's investment may be less liquid. Investors should consult their own professional advisors to assess the income tax, legal and other aspects of the investment;

(v) if the Mutual Fund Roll-Over Transaction is completed, Limited Partners will receive shares of a mutual fund corporation upon the dissolution of the Partnership. These shares will be subject to various risk factors applicable to shares of mutual fund corporations, including fluctuation of the net asset value and risks associated with investments in oil and gas, mineral and other natural resources corporations;

(w) Limited Partners may lose limited liability under certain circumstances and the Investment Manager may not be able to satisfy its obligation to indemnify the Limited Partners in the event of a loss of limited liability. See "The Partnership Agreement – Limited Liability"; and

(x) to reduce expenses the Investment Manager has been authorized by the General Partner to provide services as custodian and registrar of the Partnership which may be deemed a conflict of interest.

ILLUSTRATION OF POSSIBLE TAX DEDUCTIONS

At the end of each calendar year Limited Partners may benefit from deductions for income tax purposes resulting from the expenditure of Available Funds.

The following summary and table illustrate the possible tax deduction of a subscription for 1000 Units for a Subscription Price of $10,000 and is qualified by the assumptions set out below. The following summary assumes the Subscriber is an individual, other than a trust. This summary is intended as an example only and actual tax consequences may differ materially from those set out below. Subscribers are urged to consult their tax advisors for advice on the tax implications of this investment.

The following calculations and assumptions do not constitute and shall not be construed as a forecast, projection, estimate of possible results, contractual undertaking or guarantee. An investment in Units is appropriate only if you have the capacity to absorb a loss of your investment and are prepared to rely on the General Partner, which will have only nominal assets, and the Investment Manager. The anticipated tax benefits resulting from an investment in the Partnership are greatest for an investor whose income is subject to the highest marginal income tax rate. Regardless of any tax benefits that may be obtained, a decision to purchase Units should be based primarily on an appraisal of the merits of the investment and on an investor's ability to bear a loss of his or her investment. Investors acquiring Units with a view to obtaining tax advantages should obtain independent tax advice from a tax advisor who is knowledgeable in the area of income tax law.

Only those Subscribers who are Limited Partners at the end of the fiscal year of the Partnership will qualify for income tax deductions available in respect of a particular year. It is assumed that the Limited Partner will hold the Units throughout all periods. Subscribers should be aware that these calculations are based on assumptions by the General Partner and the Investment Manager which may not be complete or accurate in all respects. The following tables were prepared by the General Partner and the Investment Manager and are not based on an independent opinion rendered by an accountant or lawyer.

A taxpayer who is an individual (other than a trust) and Limited Partner at the end of a fiscal year of the Partnership may also receive an ITC of 15% of the Limited Partner's share of the Partnership's Flow-Through Mining Expenditures in computing such taxpayer's federal tax payable for the taxation year in which the fiscal year of the Partnership ends. The Partnership's Flow-Through Mining Expenditures will generally be CEE related to certain surface "grass roots" mining exploration expenses incurred in Canada and renounced in favour of the Partnership.

The 15% ITC reduces federal tax otherwise payable by the individual. Certain Canadian provinces, including Ontario, have investment tax credits which generally parallel the federal credits for Flow-Through Mining Expenditures renounced to taxpayers residing in the province in respect of exploration occurring in that province. Limited Partners resident in a province that provides such an investment tax credit may claim the credit in combination with the federal ITC. However, the use of a provincial investment tax credit will generally reduce the amount of expenses eligible for the federal investment tax credit.

An individual (other than a trust) who is a Limited Partner at the end of a fiscal year of the Partnership and a resident in the Province of Ontario may apply for a 5% flow-through share tax credit in respect of "Ontario focused flow-through mining expenditures". Ontario focused flow-through mining expenditures are generally flow-through mining expenditures that would qualify for the federal investment tax credit and are incurred in the Province of Ontario by a Resource Issuer with a permanent establishment in the Province of Ontario. The Limited Partner must be resident in the Province of Ontario at the end of the taxation year, and be subject to Ontario income tax throughout the taxation year, in respect of which the credit is claimed to be eligible for the Ontario tax credit. Where the full Ontario 5% investment tax credit is claimed, the federal 15% ITC is partially clawed back to 14.25%.

EXAMPLE OF TAX DEDUCTIONS ASSUMING THE MAXIMUM OFFERING OF $20,000,000

	2019	2020 and Beyond	Total
Initial Investment	$10,000		
CEE or Qualifying CDE (1, 2)	$8,825	$0	$8,825
Issue Expenses and Other Deductions (3, 4)	$235	$940	$1,175
Total Tax Deductions (5, 6, 7, 8)	$9,060	$940	$10,000

AT-RISK CAPITAL AND BREAKEVEN CALCULATIONS

	Total
Assumed Marginal Tax Rate (9)	50%
Investment Amount	$10,000
Net Flow-Through Share and Other Tax Saving (10)	($5,000)
Capital Gains Tax (11)	$2,500
Total Net Income Tax Expense (Savings)	($5,000)
At Risk Capital (12)	$5,000
Break Even Proceeds (13, 14)	$7,500

NOTES AND ASSUMPTIONS:

1. It is assumed that none of the expenditures will be Flow-Through Mining Expenditures that qualify for an ITC.
2. It is assumed that all Available Funds, being the Gross Proceeds of the Offering less the Selling Agents' Fees and the Issue Expenses, will be invested in Flow-Through Shares of Resource Issuers that in turn expend such amounts on Eligible Expenditures, that such Resource Issuers renounce such Eligible Expenditures in favour of the Partnership with an effective date occurring on or before December 31, 2019, and which Eligible Expenditures are allocated to Limited Partners and deducted by him or her in 2019.
3. The Partnership will incur costs including the Selling Agents' Fees, Issue Expenses (including travel, sales and marketing expenses), certain other estimated operating and administrative expenses and the General Partner's and Investment Manager's fees. The General Partner will pay Issue Expenses to the extent that Selling Agents' Fees and Issue Expenses combined exceed 10% of the Gross Proceeds plus $150,000 plus a 1% distribution fee at the Maximum Offering. The table assumes that the Partnership will realize sufficient capital gains and income to permit it to pay annual operating and administrative expenses prior to the earlier of the closing of a Mutual Fund Roll-Over Transaction and the dissolution of the Partnership.
4. Agent's Fees and Issue Expenses would be deductible for purposes of the Tax Act at a rate of 20% per annum, pro-rated for short taxation years.
5. Assumes no portion of the subscription price for the Units will be financed with a Limited Recourse Amount. See "Canadian Federal Income Tax Considerations - Limitation on Deductibility of Expenses or Losses of the Partnership".
6. A Limited Partner may not claim tax deductions in excess of such Limited Partner's "at-risk" amount.
7. The calculations assume that the Limited Partner is not liable for alternative minimum tax. See "Canadian Federal Income Tax Considerations - Alternative Minimum Tax".
8. The amount of tax deductions, income or proceeds of disposition in respect of a particular Subscriber will likely be different from those depicted above.
9. For simplicity an assumed marginal tax rate of 50% has been used. Each Subscriber's actual tax rate will vary from the assumed marginal rate set forth above. The highest combined federal and provincial marginal tax rates in 2019 in Ontario, Manitoba, Saskatchewan, Alberta, British Columbia, Nova Scotia, New Brunswick and Northwest Territories are set forth below. Future federal and provincial budgets may modify these rates:

HIGHEST MARGINAL TAX RATE

Province	Highest Marginal Tax Rate
Ontario	53.53%
Manitoba	50.40%
Saskatchewan	47.5%
Alberta	48.0%
British Columbia	49.8%
Northwest Territories	47.05%
Nova Scotia	54.0%

New Brunswick	53.3%

10. The tax savings are calculated by multiplying the total estimated income tax deductions for each year by the assumed highest marginal tax rate for that year. This illustration assumes that the Subscriber has sufficient income so that the illustrated tax savings are realized in the year shown.

11. In computing the Partnership's income, it is assumed that 50% of capital gains are taxable. In addition, it is assumed the Subscriber has proceeds of disposition of $10,000 on an investment of $10,000.

12. At-risk capital is generally calculated as the total investment plus undistributed income less all anticipated income tax savings from deductions and the amount of any tax savings. Breakeven proceeds of disposition represent the amount a Subscriber must receive such that, after paying capital gains tax, the Subscriber would recover his or her at-risk capital. Capital gains tax is calculated on the assumption that the adjusted cost base of the investment is nil and that 50% of the Subscriber's gain is subject to the assumed marginal tax rate of 50%. See "Canadian Federal Income Tax Considerations".

13. The calculations do not take into account the time value of money. Any present value calculation should take into account the timing of cash flows, the Subscriber's present and future tax position and any change in the market value of the Partnership's investment portfolio, none of which can presently be estimated accurately by the Investment Manager.

14. There can be no assurance that any of the foregoing assumptions will prove to be accurate in any particular case. Prospective Subscribers should be aware that these calculations are for illustrative purposes only and are based on assumptions made by the Investment Manager which cannot be represented to be complete or accurate in all respects and that have been made solely for the purpose of these illustrations. These calculations and assumptions have not been independently verified. See "Canadian Federal Income Tax Considerations" and "Risk Factors".

USE OF NET PROCEEDS

Net Proceeds and Available Funds

The following table shows the net proceeds of the Offering and the fund that will be available to the Partnership following the Offering as Available Funds for the acquisition of Flow-Through Shares:

	Assuming Max. Offering
Amount to be Raised by this Offering	**$20,000,000**
Selling Agents' Fees	$2,000,000
Issue Expenses (including legal, accounting, selling, audit etc.)	$350,000
Net Proceeds: D= A - (B+C)	**$17,650,000**
Current Working Capital (or Working Capital Deficiency) of Partnership as at May 21, 2019	$0
Available Funds: F = D+ E	**$17,650,000**

Use of Available Funds

The Partnership intends to invest all Available Funds in Flow-Through Shares of Resource Issuers who are active in mineral, oil and gas exploration, or alternative energy development and/or production in Canada. It is the intention to invest all of the available proceeds in Flow-Through Shares to the greatest extent reasonably possible, however to the extent such investments are not possible or suitable, the Partnership may invest in high quality money market investments, equity or equity linked securities of Resource Issuers that are not Flow-Through Shares, although such securities will not enjoy the same tax benefits. All Resource Issuers in which the Partnership acquires Flow-Through Shares will agree to incur either CEE, CRCE or Qualifying CDE, as applicable, and as those terms are defined in the Tax Act. Eligible Expenditures are expected to be equal to 100% of the Available Funds (being 88.25%) after deducting the Selling Agents' Fees and the Issue Expenses. The Resource Issuers will agree to renounce such CEE, CRCE and/or CDE to the Partnership, which will then be allocated to the Limited Partners. This renunciation will entitle Canadian residents to deduct the federal and provincial income tax purposes up to 100% of the CEE renounced in their favour. As part of the Partnership's Investment Strategy, the Partnership may, from time to time, sell Flow-Through Shares and reinvest the proceeds as described further in this Offering Memorandum and to cover expenses of the Partnership.

Any Available Funds that have not been used to purchase Flow-Through Shares of the Resource Issuers by December 31, 2019, will be either invested in non-flow-through shares of Resource Issuers or returned to the Limited Partners on a *pro rata* basis.

Until the Available Funds are invested as mentioned above, the Available Funds will be held in a special trust account, which will only be invested in securities of or those guaranteed by the Government of Canada, or in interest bearing accounts of banks.

Reallocation of Funds

The Partnership only intends to spend the Available Funds as stated. Available Funds will not be reallocated.

BUSINESS OF THE PARTNERSHIP

Structure

The Partnership is a limited partnership formed under the *Limited Partnerships Act* (Ontario) on May 21, 2019. The principal place of business and registered office of the Partnership is 25 Adelaide St. East, Suite 1616, Toronto, ON M5C 3A1. The General Partner will, on behalf of the Partnership, retain at its principal place of business a copy of the Partnership Agreement, a copy of all declarations and declarations of change and a copy of all other documents required by law to be at that location.

The General Partner is a corporation incorporated under the *Business Corporations Act* (Ontario) by articles of Incorporation dated April 3, 2018. The officers and directors of the General Partner are Dan Pembleton and Paul J. Crath. The General Partner is controlled by Dan Pembleton. The Initial Partner of the Partnership is Accilent Raw Materials Group Inc., a corporation owned and controlled by Daniel C. Pembleton and Paul J. Crath. The General Partner has exclusive authority and responsibility to manage and control the business of the Partnership. The General Partner is liable for all the debts and losses of the Partnership although it has no obligation to pay the liabilities of the Limited Partners individually or to return capital to the Limited Partners from its own resources if the business of the Partnership is not successful. The General Partner is entitled to the reimbursement of reasonable costs incurred on behalf of the Partnership. The General Partner will be responsible for the management of the Partnership in accordance with the terms of the Partnership Agreement. The General Partner has retained the Investment Manager pursuant to the Investment Management Agreement to manage the Partnership's investment portfolio, including providing investment advice with respect to the sourcing, selection, monitoring and management of the portfolio of Resource Issuers and will be responsible for the administration of the daily operations and affairs of the Partnership. The General Partner has retained the Investment Fund Manager to manage the day to day operating functions for the Partnership. The Investment Manager may also retain third party, pursuant to an Investment Fund Management Agreement, consultants and advisors from time to time to provide technical expertise, advice and due diligence services in the resource sector. The Investment Manager will also provide services as a custodian and as a registrar to the Partnership.

A Subscriber will become a Limited Partner upon the acceptance of his Subscription for Units by the General Partner. Each Subscriber will become a party to the Partnership Agreement by executing the Subscription Agreement and accompanying documents including the Risk Acknowledgement Form for Ontario, as well as, a written certification as to the Subscriber's status as an Accredited Investor or Eligible Investor as applicable. Subject to the *Limited Partnerships Act* (Ontario) and to any specific assumption of liability, the liability of each Limited Partner for the debts and losses of the Partnership is limited to the amount of his capital contribution to the Partnership and his pro rata share of the undistributed income of the Partnership. A Subscriber must subscribe for a minimum of 1000 Units, and in multiples of 100 Units ($1,000) each for larger subscriptions unless such amounts are waived by the General Partner. Each Limited Partner's interest in the Partnership will represent the same fraction of Units held by the Limited Partner compared to the total number of Units outstanding.

The *Limited Partnerships Act* (Ontario) provides that, in order to maintain their limited liability, Limited Partners must not participate in the management or control of the Partnership's business or transact any business for the Partnership. The Limited Partners are, however, permitted under the Partnership Act to examine the state of accounts of the Partnership and are entitled to be given information regarding partnership affairs when circumstances warrant. See "The Partnership Agreement".

Investment Objective

The Partnership has been created to invest in Flow-Through Shares of Resource Issuers engaged in (i) oil and gas exploration, development and/or production; (ii) mineral exploration, development and/or production, and (iii) renewable resource exploration and production.

The Partnership's investment objective is to achieve capital appreciation and the benefits of diversification from its investments in a portfolio of Flow-Through Shares of Resource Issuers that is pro-actively managed. It is the intention to invest all of the available proceeds in Flow-Through Shares to the greatest extent reasonably possible, however to the extent such investments are not possible or suitable, the Partnership may invest in high quality money market investments, and equity or equity linked securities of Resource Issuers that are not Flow-Through Shares, although such securities will not enjoy the same tax benefits. By focusing on Flow-Through Shares, the Partnership will also utilize available provisions of the *Income Tax Act* (Canada) (the "Tax Act") to seek to maximize the tax benefits associated with its investments to provide Subscribers with the potential for enhanced after-tax returns on the portfolio.

An investment in Flow-Through Shares may, in certain instances, include the ability to invest in flow-through special warrants, which entitle the Partnership to acquire, for no additional consideration additional shares of Flow-Through Shares of Resource Issuers, provided that such flow-through special warrants qualify as flow-through shares for the purposes of the Tax Act. Any Available Funds not invested prior to December 31, 2019 will be returned to the Limited Partners on a *pro rata* basis.

Investment Strategy

The Investment Manager will implement and apply the Investment Objective and the Investment Strategy described in this Offering Memorandum by selecting and actively monitoring investments in Resource Issuers. The Partnership intends to focus primarily on a portfolio of junior Resource Issuers including both private and public companies (i) who are being sponsored and controlled by an "elite" group of managers, promoters and operators with superior long-term performance track-records across multiple Resource Issuers and who are known and accessible to the Investment Manager and the General Partner, (ii) where the Investment Manager or the General Partner have reserved future financing capacity and the ability to participate in successive rounds of financing (iii) where a pro-active investment style (i.e. access to management to provide strategy and growth ideas) has the potential to drive value upside and liquidity; (iv) where the companies have strong exploration and development potential based on their assets; and/or (v) where the Investment Manager believes the assets are being valued at a discount to intrinsic and realizable value and hence have the potential for exceptional growth.

Where deemed optimal by the General Partner and Investment Manager to conform to the Investment Objective of the Partnership and to attempt to manage risk, the General Partner and Investment Manager may sell a portion of the portfolio of Resource Issuers prior to the Mutual Fund Rollover date. The proceeds from such sales may be distributed to the Limited Partners to enhance liquidity in the sole discretion of the General Partner or be reinvested in other Resource Issuers to attempt to maximize the returns of the Partnership. There is no requirement for such distributions to be made.

Should the General Partner choose to distribute cash to the Limited Partners before the dissolution of the Partnership this amount will be included in the calculation of the value of the portfolio for the purposes of calculating the performance fee to be paid to the General Partner.

The General Partner and the Investment Manager believe there are long term macro-economic fundamentals and drivers that make investments in the resources sectors attractive over the next five (5) year period, including global supply-demand imbalances for many commodities produced in Canada, which will be further stimulated by the industrialization and rise of consumption in emerging economies such as China and India with very large populations. The Investment Manager has chosen an investment strategy and criteria that allows for a high concentration of private companies. The primary rationale for emphasis on earlier stage companies is that on an individual company basis they have potential for very high growth and can be managed proactively (as there can potentially be better access and ability to influence management to make growth decisions). Additionally, although an early-stage investor, the "elite" managers, promoters and operators known to the General Partners and the Investment Manager will have invested funds at an earlier stage in these companies, and have high motivation to drive these companies to an eventual liquidity event or to help increase their market value. Investing in such companies, on a portfolio basis, creates a potential mechanism where high performing stocks help mitigate stocks that do not perform as well. ***There is no assurance that this strategy will produce the desired results and past performance is no indication of future performance.***

Investment Criteria

The Partnership will allocate all of the net proceeds of the Offering ("Available Funds") and any net proceeds realized by the Partnership in the sale of Flow-Through shares from time to time to the greatest extent possible in investments in a portfolio of Flow-Through Shares in Resource Issuers that it will pro-actively manage. The Investment Manager may choose to hedge up to 100% of the portfolio to protect it from falling prices using any hedging instrument that is publicly traded. In entering into any Flow-Through Share Agreements with a Resource Issuer, the mechanism through which the Partnership will subscribe for Flow-Through Shares, in addition to the investment principles established in the Investment Objective and the Investment Strategy, the Investment Manager will use its best efforts to adhere to the following criteria in making investments:

(i) The Partnership will invest in a combination of private and public Resource Issuers and any one time may have up to 85% invested in Resource Issuers whose common shares are not publicly traded and have at least 15% of the Partnerships' Net Assets invested in Resource Issuers whose common shares are listed and posted for trading on the TSX Venture Exchange and the Toronto Stock Exchange.

(ii) The Partnership will invest no more than 20% of Net Asset Value in any one publicly-traded Resource Issuer; provided however that the Partnership may invest up to 25% of its Net Asset Value in any one private Resource Issuer and/or Resource Issuers who are reporting issuer or whose common shares are listed and posted for trade in markets outside of North America but whose common shares are not listed and posted for trading on the TSX Venture Exchange or the Toronto Stock Exchange. For greater clarity increases in share prices, exercise of warrants or complete or partial sale of some holdings during the term of the partnership may cause this criterion to be exceeded and are allowable.

(iii) The Partnership will not invest in securities issued by any Resource Issuers, if after giving effect to such investment the Partnership would own more than 19.9% of any class of securities of such Resource issuer if it is a publicly traded company and 100% if it is a private company issuer, or 30% if it is a company whose common shares are listed and posted for trade in markets outside of North America but whose common shares are not listed and posted for trading either on the TSX Venture Exchange or the Toronto Stock Exchange.

(iv) The Investment Manager will consider engineering reports when they are available but will not necessarily require an engineering report.

(v) The Partnership will not invest in securities of issuers that are not at arm's length (as such term is defined in the Tax Act) to the Partnership, the General Partner or the Investment Manager except in the case of a Mutual Fund Roll-Over Transaction. Notwithstanding this limitation, for purposes of the proactive investment style of the Partnership, many of the issuers will have securities owned by the Investment Manager and principals of the General Partner. One or more investee Resource Issuers may pay a due diligence and/or placement fee to the General Partner, the Investment Manager or the Agent.

(vi) The Partnership may borrow money for the purpose of funding expenses of the Partnership and, with respect to such borrowings, may mortgage, pledge, and hypothecate any of its securities and other assets, provided that the total principal amount of such borrowings do not, at any time, exceed 10% of the Gross Proceeds.

(vii) If the Investment Manager is not able to identify a sufficient number of Flow-Through Shares it may invest in equity or equity-traded securities of Resource Issuers.

The Partnership will be required to sell Flow-Through Shares and other securities to fund the ongoing costs of its operations.

Flow-Through Investment Agreements

The Partnership intends to enter into Flow-Through Investment Agreements or comparable subscription agreements with Resource Issuers to acquire Flow-Through Shares (including, when applicable, warrants to acquire shares and flow-through shares) on customary terms and conditions. Pursuant to the terms of such agreements, such Resource Issuers will be obligated to incur exploration and development expenditures that qualify as Eligible Expenditures. The Flow-Through Investment Agreements entered into with Resource Issuers will require the Resource Issuers to incur and renounce to the Partnership Eligible Expenditures in an amount equal to the subscription price and any Resource Issuer which fails to do so will be liable to the Partnership for such failure. The Partnership will receive Flow-Through Shares based on the amount paid, once payment is made to the Resource Issuers.

The Partnership will endeavour to subscribe for Flow-Through Shares on or before December 31, 2019, so that the aggregate purchase price equals the aggregate Available Funds in contemplation of the Resource Issuers incurring Eligible Expenditures and renouncing Eligible Expenditures in an amount equal to the purchase price of the Flow-Through Shares to the Partnership. Pursuant to the terms of the Flow-Through Investment Agreements, such Eligible Expenditures will be required to be renounced to the Partnership with an effective date no later than December 31, 2019. The Flow-Through Investment Agreements entered into by the Partnership during 2019 may permit a Resource Issuer to incur Eligible Expenditures at any time up to December 31, 2020, provided that the Resource Issuer agrees to renounce such Eligible Expenditures to the Partnership with an effective date on or before December 31, 2019. The Partnership will attempt to negotiate Flow-Through Investment Agreements that indemnify the Partnership for failure to renounce such expenditures, but it may be unable to do so. See "Risk Factors – Tax Related Risks".

Policy on Proxy Voting

Subject to compliance with the provisions of applicable securities laws, the Investment Manager, acting on the Partnership's behalf, has the right to vote proxies relating to the securities of Resource Issuers in the Partnership's investment portfolio. In all cases, proxies must be voted in a manner consistent with the best interests of the Partnership and its Limited Partners.

Proxy Voting Guidelines

The Investment Manager has developed guidelines to illustrate how it intends to vote on both routine issues and on issues that are not routine and, in fact, may be potentially contentious. Generally, the Investment Manager attempts to vote all proxies.

On routine or commonly raised issues, the Investment Manager will usually vote according to management's recommendations. This standing policy will be deviated from if the Investment Manager believes there is sufficient and worthy reason to suspect that the management recommendation should not be supported in that it is not in the best interests of the shareholders of that particular company.

On non-routine issues, and issues which may be potentially contentious, the matter will be reviewed by the Investment Manager in detail. It is then the investment team's decision on whether to consult with, and obtain the opinion of, external industry experts or independent proxy research services. Ultimately, the investment team is responsible for making the judgment as to how to vote or to refrain from voting.

These proxy voting guidelines are not viewed as a strict set of rules but, rather, are utilized as a directive regarding the treatment of most issues that result in a vote. Ultimately, these guidelines communicate the Investment Manager's general voting practice on most matters. In order to ensure that these guidelines are adhered to, on a quarterly basis, the Investment Manager reviews the proxy voting record.

Mutual Fund Roll-Over Transaction

If deemed advantageous by the Investment Manager and to provide the potential for enhanced liquidity and long-term growth of capital on a tax-enhanced basis, the Investment Manager may attempt to complete a transaction (the "Mutual Fund Roll-Over Transaction") pursuant to which, after the payment of the final Management Fee (as defined herein) and the Performance Fee (as defined herein), if any, to the General Partner and the Investment Manager, and the payment of all other outstanding liabilities of the Partnership, all assets of the Partnership will be transferred to a mutual fund corporation and the Investment Fund Manager, on a tax deferred basis, in exchange for mutual fund shares or ("Fund Shares") of the mutual fund corporation following which the Fund Shares would be distributed to the Limited Partners *pro rata* on a tax deferred basis upon the-dissolution of the Partnership. The Mutual Fund Roll-Over Transaction will be subject to the agreement of the Investment Manager and the General Partner and the mutual fund corporation and to obtaining any necessary regulatory approvals, as well as compliance with all applicable laws. There can be no assurance that such transaction will receive the necessary regulatory approvals. *It is the current intention of the Investment Manager to develop and register such a mutual fund corporation, and/or to develop a relationship with another mutual fund corporation though there is no assurance that it will be able to do so.* The Mutual Fund Roll-Over Transaction will not be implemented if the Investment Manager determines that it would prospectively or retrospectively affect the status of the Flow-Through Shares as flow-through shares for income tax purposes or if there are other market reasons not to do so. The Partnership Agreement states that, if the General Partner does implement a Mutual Fund Roll-Over Transaction and/or that the General Partner has not otherwise fully monetized or distributed the securities of the Partnership, the Mutual Fund Roll-Over Transaction must be implemented by December 31, 2022 failing which the Partnership will be terminated on a date no later than March 31, 2024, unless market conditions do not permit an orderly termination, in which case the term of the Partnership will be extended for successive one year periods at the sole discretion of the General Partner. The partnership may be extended for an additional one year period if approved by unitholders through a simple majority of votes obtained by proxy with a minimum quorum of 50% of unitholders. If no quorum is reached on the proxy vote the General Partner may extend the term by an additional year at its sole discretion. At the time of such termination, the Limited Partners will receive their pro rata share of the net assets of the Partnership. At that time, the Partnership will primarily own shares of Resource Issuers and cash. (See "Business of the Partnership – Mutual Fund Roll-Over Transaction and Liquidity", "The Partnership Agreement – Mutual Fund Roll-Over Transaction and Liquidity", and "Risk Factors".)

The final Management Fee and Performance Fee, will be calculated on the basis of the Termination Valuation Date being the day prior to the completion of the Mutual Fund Roll-Over Transaction on the same basis as set below under the heading "Dissolution of the Partnership".

Dissolution of Partnership

The Partnership Agreement states that, if the General Partner does implement a Mutual Fund Roll-Over Transaction and/or that the General Partner has not otherwise monetized or distributed the securities of the Partnership, the Mutual Fund Roll-Over Transaction must be implemented by December 31, 2022 failing which the Partnership will be terminated on a date no later than March 31, 2024, unless market conditions do not permit an orderly termination, in which case the term of the Partnership will be extended for successive one year periods at the sole discretion of the General Partner. The partnership may be extended for an additional one year period if approved by unitholders through a simple majority of votes obtained by proxy with a minimum quorum of 50% of unitholders. If no quorum is reached on the proxy vote the General Partner may extend the term by an additional year at its sole discretion. At the time of such termination, the Limited Partners will receive their pro rata share of the net realized value of net assets of the Partnership. The Partnership Agreement provides that on or prior to March 31, 2024, as the Investment Manager may determine (which date will be the Termination Valuation Date) the Partnership shall be terminated and wound up and the assets of the Partnership shall be distributed to the Partners after the payment of the final Management Fee and the Performance Fee and the payment of all other outstanding liabilities of the Partnership. The Net Asset Value per Unit of the portfolio held by the Partnership, to consist of the securities of Resource Issuers, cash, and any High Quality Money Market Instruments purchased by the Partnership from the proceeds of sale of any Flow-Through Shares acquired by the Partnership, shall be calculated on the Termination Valuation Date.

The Partnership will be able to take advantage of any appreciation in the value of the shares purchased by the Partnership and, provided that any resale restrictions imposed by applicable securities laws have expired, the Investment Manager will be able to sell the Flow-Through Shares owned by the Partnership in the open market. Any proceeds of such sale may, at the discretion of the Investment Manager, be re-invested by the Investment Manager into other securities of Resource Issuers or High Quality Money Market Instruments, be used to pay the ongoing expenses of the Partnership including the management fee of the General Partner and the investment management fee of the Investment Manager and held in interest-bearing accounts by the Limited Partnership, or distributed to the Limited Partners on a pro rata basis. However, it is not anticipated that any such distributions will be made prior to the Partnership being wound up.

Should the Investment Manager choose to distribute cash to the Limited Partners before the dissolution of the Partnership this amount will be included in the calculation of the value of the portfolio for the purposes of calculating the performance fee to be paid to the General Partner, the Investment Manager and the Investment Fund Manager.

The Power of Attorney contained in the Partnership Agreement and the Investment Fund Manager gives the General Partner the authority to do all such acts and to sign all such documents necessary, on behalf of all of the Limited Partners, to retain the Investment Manager to implement a Mutual Fund Roll-Over Transaction, and to effect the dissolution of the Partnership and the distribution of its assets among the Partners.

The Investment Manager will make reasonable attempts to distribute proceeds to the Limited Partners subsequent to calculation of the final distribution of the value of the Net Assets. One year after the final distribution has been made if the Investment Manager or General Partner have not been able to contact any Limited Partners, with at least three separate attempts made not closer than 30 days apart at the last known address, phone number and/or through known associates, to effect the final distribution to them of their pro-rata share of the value of the Net Assets of the Partnership, those Partners will be designated as "Lost". One final attempt will be made to contact the Lost Partners by making notice of the final attempt by mail, phone call and placement of a classified advertisement in a prominent newspaper published closest to their last known address. If the Lost Partner has not acknowledged the attempted contact within 60 days of the final attempt at contact the proceeds will be considered forfeit. The Lost Partners will be responsible for all additional costs to the Partnership, General Partner and the Investment Manager in their attempt to find them and any costs whatsoever for operating the partnership past the final distribution date. All forfeited proceeds after payment of additional costs will be the property of the General Partner.

Development of the Partnership and Business of the Partnership

The Partnership was formed on May 21, 2019. Since its formation it has entered into the Investment Management Agreement and the Distribution and Agency Agreement.

Material Agreements

The following is a summary of each of the material contracts entered into by the Partnership and all other contracts which are material to the operation of the Partnership:

(a) Partnership Agreement between the General Partner and the Initial Limited Partner described under "The Partnership Agreement".

(b) Investment Management Agreement between the General Partner and the Investment Manager described under "Business of the Partnership - The Investment Manager".

(c) Investment Management Agreement between the General Partner and Accilent Capital Management Inc.

(d) Investment Fund Management Agreement between the General Partner and Accilent Capital Management Inc.

(e) The Distribution and Agency Agreement between the Partnership and Accilent Capital Management Inc.

General Partner and Fees

The General Partner is responsible for organizational formation of the Partnership and, together with the Agent, for coordination, marketing and distribution of the Units. The General partner has retained the Investment Manager to direct the ongoing business operations and affairs of the Partnership and the Investment Manager will manage all investments of the partnership. The General Partner has retained the Investment Fund Manager to manage the day to day operations of the Partnership. The General Partner, the Investment Manager, and the Investment Fund Manager will be paid a management fee equal to 2.25% of the Net Asset Value of the Partnership per annum. The Net Asset Value of the Partnership will be calculated on the last business day of each calendar month except December, in which month the calculation shall occur on December 31 (the "Valuation Date"). The management fee will be paid monthly based on the Net Asset Value of the Partnership on the Valuation Date for the preceding month. The General Partner is responsible for its own overhead costs, including office facilities, equipment and employees. The General Partner will pay the Investment Manager and the Investment Fund Manger a portion of the Management Fee.

The Net Asset Value of the Partnership will be calculated at each Valuation Date and will be independently audited by the Partnership's auditors, in accordance with Canadian generally accepted auditing standards, at the December 31 Valuation Date in each year.

The General Partner and the Investment Manager may also be entitled to receive a performance fee from the Partnership (the "Performance Fee") payable on the earlier of (a) the business day prior to the date of the Mutual Fund Roll-Over Transaction (as defined below) and (b) the business day immediately prior to the date of dissolution or termination of the Partnership (the "Performance Fee Date"), equal to 20% of the amount that is equal to the product of (i) the number of Units outstanding on the Performance Fee Date and (ii) the amount by which the Net Asset Value per Unit on the Performance Fee Date (plus any distributions per Unit paid until the Performance Fee Date) exceeds $11.20. The Performance Fee will be paid to the General Partner for distribution to the Investment Manager in cash before any assets of the assets are exchanged as part of a Mutual Fund Roll-Over Transaction (as defined below) or the dissolution or termination of the Partnership. The General Partner will pay the Investment Manager a portion of the Performance Fee.

The Partnership will pay the Agent's Fee of 10% of the Gross Proceeds plus the Issue Expenses of this Offering to a maximum of $150,000 plus a 1% distribution fee. The General Partner will pay Issue Expenses and Selling Agents Fees to the extent that they exceed these amounts on its own account. The Issue Expenses include the costs of creating and organizing the Partnership, the costs of printing and preparing this Offering Memorandum, legal expenses of the Partnership, marketing expenses and legal and other out-of-pocket expenses incurred by the Agent and other incidental expenses.

In addition to the management fee, the Partnership will pay all of the Partnership's ongoing administrative and operating expenses following the initial Closing and during the term of the Partnership, to a maximum of $100,000 per annum during the term of the Partnership, which will include administration fees, expenses relating to investment transactions (including finder's fees, if any, but excluding brokerage costs), taxes, legal, audit and valuation fees, Limited Partner reporting costs, registrar and transfer agency costs, printing and mailing and emailing costs and costs to be incurred in connection with the Partnership's continuous public filing obligations, and compliance and regulatory costs. The Partnership will be required to sell assets from time to time to pay such ongoing operating and administrative expenses. The General Partner will pay any such administrative and operating expenses to the extent that such expenses in the aggregate exceed these applicable capped annual amounts during the term of the Partnership.

The principal business office of General Partner is located at 25 Adelaide St. East, Suite 1616, Toronto, Ontario, M5C 3A1.

Officers and Directors of the General Partnership

The officers and director of the General Partner is as follows.

Daniel C. Pembleton, MBA, CFA

Dan Pembleton MBA, CFA, founded Accilent Capital Management Inc. in 2002 to provide investment advisory services for third party and proprietary funds, individual managed accounts, and structured investments. He has been working in the financial industry as a trader and portfolio manager for 20 years. Nearly a decade of this time was spent with RBC Dominion Securities in institutional fixed income where he rose to the level of Vice-President Global Money Markets.

Mr. Pembleton is a Commodity Trading Manager (CTM).

Mr. Pembleton’s education includes an Honours BA from Brock University, an MBA from Western’s Ivey School of Business and a Chartered Financial Analyst (CFA) designation in 1998 from the CFA institute.

(Also see “Investment Manager”)

Paul J. Crath, JD

Mr. Crath has over 25 years experience as a merchant banking and mergers and acquisitions executive, financier, business development, legal and strategic advisor to family investors, chief executive officers, boards and owners of growing companies and fund management companies.

In such role Mr. Crath is a director and the Interim Chief Executive Officer of Nebu Resources Inc. (TSXV: NBU).

He is also the principal and Managing Director of Tarra Partners Inc., a merchant bank that acts as investment principal and/or provides advisory services in the areas of institutional real estate, infrastructure, private equity and lending transactions and the President and CEO of Ahmic Energy Group Inc.

Previously, Mr. Crath was a Managing Director actively involved in finance, origination and corporate development for Norvista Resources Corporation and Norvista Capital Corporation, mining merchant banking operations with a portfolio of pro-active mining investments in various public mining companies and was past President and COO of Prince Arthur Capital Corporation, a family-backed merchant bank. Mr. Crath is also a former Vice-President and Principal of Tricaster Capital Corporation, a family investment company and merchant bank he co-founded with the Campbell family of Toronto.

He began his career as a corporate lawyer at White & Case, LLP in New York City, specializing in acquisition financings.

Mr. Crath is an independent director of the Corporation for the purpose of MI 52-110.

Mr. Crath is a non-executive director of McLaren Resources Corporation (CSE: MCL) and Nebu Resources Inc. (TSXV: NBU).

The Investment Manager and Investment Fund Manager

The General Partner has retained Accilent Capital Management Inc. (“Accilent”) as the investment manager (the “Investment Manager") of the Partnership. Accilent is registered as a portfolio manager, exempt market dealer, commodities trading manager and investment fund manager regulated by the Ontario Securities Commission.

The Investment Manager's role is to manage the Partnership's investment portfolio. The Investment Fund Manager will be responsible for the administration of the daily operations and affairs of the Partnership.

Accilent's President, Daniel Pembleton MBA, CFA prior to forming Accilent, was a Vice President at RBC Securities as fixed income securities trader where he managed a portfolio of several billion dollars on behalf of the bank, and his own capital as an independent floor trader on the Montreal Options Exchange. His education includes an Honours BA in Economics from Brock University and an MBA from Western's Ivey School of Business. He has been a Chartered Financial Analyst (CFA) since 1998.

From time to time the Investment Manager may employ certain individuals or retain as consultants' certain individuals or organizations to assist in the management of the Partnership. The Investment Manager currently co-manages with other investment managers and/or provides investment and commodity trading advice to several funds. Combined assets under management are approximately $35 million.

The Investment Manager has been retained by the General Partner, to provide advice on and manage the investment portfolio of the Partnership pursuant to the Investment Management Agreement dated as of June 28, 2019 between the General Partner and the Investment Manager. The Investment Manager will receive from the Partnership a percentage of the Management Fee and the Participation Fee paid by the General Partner.

The Investment Manager will identify, analyze and select potential investment opportunities, structure and negotiate prospective investments, make investments for the Partnership in securities of the Resource Issuers, review and negotiate any Flow-Through Investment Agreements entered into by the Partnership, monitor the performance of Resource Issuers ensuring among other things that Eligible Expenditures are being renounced to the Partnership, and determine the timing, terms, and method of disposition of investments. Pursuant to the Investment Management Agreement, the Investment Manager has agreed to act at all times on a basis which is fair and reasonable to the Partnership, to act honestly and in good faith with a view to the best interests of the Partnership and, in connection therewith, to exercise a degree of care, diligence and skill that a reasonably prudent person having the experience and qualifications of the Investment Manager would exercise in comparable circumstances. The Investment Management Agreement provides that the Investment Manager will not be liable in any way for any failure, depreciation or loss of any investment or investments of the Partnership if it has satisfied it suits and the standard of care, diligence, and skill set forth above. The Investment Manager will incur liability, however, in cases of willful misconduct, bad faith, gross negligence or disregard of its duties or standards of care, diligence and skill.

The Investment Manager will endeavor, on or prior to December 31, 2019, to invest the Available Funds in Flow-Through Shares of Resource Issuers. Decisions as to the purchase and sale of portfolio securities and decisions as to the execution of all portfolio transactions will be made by the Investment Manager.

The Investment Management Agreement, unless terminated as described below, will continue until the termination of the Partnership. Either the Investment Manager or the General Partner may terminate the Investment Management Agreement, upon 90 days written notice (or such lesser period as is provided for in the Investment Management Agreement) of such termination delivered to the Investment Manager or the General Partner, as applicable.

In the event that the Investment Management Agreement is terminated as provided above, the General Partner shall appoint, in its sole discretion, a successor investment manager to carry out the activities of the Investment Manager.

The Investment Fund Management Agreement, unless terminated as described below, will continue until the termination of the Partnership. Either the Investment Fund Manager or the General Partner may terminate the Investment Fund Management Agreement, upon 90 days written notice (or such lesser period as is provided for in the Investment Fund Management Agreement) of such termination delivered to the Investment Fund Manager or the General Partner, as applicable.

In the event that the Investment Fund Management Agreement is terminated as provided above, the General Partner shall appoint, in its sole discretion, a successor investment fund manager to carry out the activities of the Investment Fund Manager.

SUMMARY OF THE PARTNERSHIP AGREEMENT

The following is a summary of the principal terms of the Partnership Agreement and is intended to be read in conjunction with the entire Partnership Agreement which is appended hereto as Schedule "A". Potential Subscribers should carefully review the terms of the Partnership Agreement. The rights and obligations of the Limited Partners and the General Partner are governed by the laws of Ontario and the Partnership Agreement.

Business of the Partnership

The Partnership has been formed to invest in Flow-Through Shares of Resource Issuers in accordance with the Investment Strategy. See "Business of the Partnership - Investment Strategy, Criteria and Restrictions of the Partnership". The Investment Strategy can only be amended by way of a Special Resolution of the Limited Partners.

Units-Interest of Limited Partners

The interest of the Limited Partners (other than the Initial Limited Partner) in the Partnership is divided into and represented by an unlimited number of Units, of which a maximum 2,000,000 Units may be issued pursuant to this Offering. Each Unit is equal to each other Unit and a Limited Partner holding a Unit has the same rights in respect of each such Unit held by such Limited Partner as a Limited Partner holding any other Unit. There are no restrictions as to the maximum number of Units that a Limited Partner is entitled to hold in the Partnership, however, the minimum subscription for each Limited Partner is 1000 Units, and in multiples of 100 Units each ($1,000) for larger subscriptions. No fractional Units will be issued pursuant to the Offering.

The acceptance by the General Partner (on behalf of the Partnership) of a Subscriber's offer to purchase Units, whether in whole or in part, constitutes a subscription agreement between the Subscriber and the Partnership, upon the terms and conditions set out in this Offering Memorandum and the Partnership Agreement.

Provided that a Subscriber's subscription agreement has been accepted, in whole or in part, by the General Partner on behalf of the Partnership, and pursuant to the subscription agreement, each Subscriber, among other things:

(a) consents to the disclosure of certain information to, and the collection and use by, the General Partner and its service providers of all such information about such Subscriber that the General Partner or the service providers require in order to maintain the record of Limited Partners pursuant to applicable laws or for applicable tax purposes, including the name and address of such Subscriber or address for service and the social insurance number or corporation account number of such Subscriber, as the case may be, for the purpose of administering such Subscriber's subscription of Units;

(b) acknowledges that it is bound by the terms of the Partnership Agreement and is liable for all obligations of a Limited Partner;

(c) makes the representations, warranties, and covenants contained in the Partnership Agreement, including, without limitation, that the Subscriber, as an investor, is not a "nonresident" for the purposes of the Tax Act or a "non-Canadian" for the purposes of the Investment Canada Act, that it will maintain such status during such time as the Units are held by it, and that the acquisition of the Units has not been financed with borrowing for which recourse is, or is deemed to be, limited within the meaning of the Tax Act;

(d) irrevocably nominates, constitutes, and appoints the General Partner as its true and lawful attorney with the full power and authority as set out in the Partnership Agreement;

(e) irrevocably authorizes the General Partner to transfer the assets of the Partnership to a mutual fund corporation and implement the dissolution of the Partnership in connection with a Mutual Fund Roll-Over Transaction;

(f) irrevocably authorizes the General Partner to file on its behalf all elections, determinations or designations under applicable income tax or other legislation in respect of the business of the Partnership, including the dissolution of the Partnership; and

(g) covenants and agrees that all documents executed and other actions taken on behalf of the Limited Partners pursuant to the power of attorney set out in the Partnership Agreement will be binding upon such Subscriber, and each Subscriber agrees to ratify any of such documents or actions upon request by the General Partner.

The General Partner is not required to subscribe for any Units or otherwise contribute capital to the Partnership.

Financing Acquisition of Units

Limited Partners may not finance any portion of the Subscription Price with borrowing what would be a "limited-recourse amount" as defined in the Tax Act. A limited recourse amount means the unpaid principal amount of any indebtedness for which recourse is limited, either immediately or in the future and either absolutely or contingently, and also includes any borrowing which is deemed to be a limited recourse amount. Borrowing will not be deemed to be a limited-recourse amount if:

(a) bona fide arrangements, evidenced in writing, are made at the time the debt arose for the repayment by the borrower of the principal and interest on the debt within a reasonable period of time, not greater than ten years;

(b) the debt is not part of a series of loans and repayments that ends more than ten years after it begins; and

(c) interest on the debt is payable at least annually, and is actually paid no later than 60 days after the end of the borrower's taxation year, at a rate equal to or greater than the lesser of:

(i) the prescribed interest rate for tax purposes in effect at the time when the debt arose; and

(ii) the prescribed interest rate for tax purposes applicable from time to time during the term of the debt.

A Limited Partner that is a limited partnership is prohibited from borrowing, to pay the Subscription Price since any borrowing will be deemed to be a limited-recourse amount regardless of its repayment terms. If a Limited Partner has a borrowing that is a limited-recourse amount which is reasonably related to CEE which is incurred or deemed to be incurred by the Partnership, the General Partner will have the right to, and will, make a corresponding reduction in the CEE and, to the extent necessary, an appropriate adjustment to the Income or Loss, as applicable, which is allocated to that Limited Partner.

Limited Partners

A Subscriber does not become a Limited Partner in the Partnership and is not entitled to any of the rights of a Limited Partner or to share in allocations of Income or Loss, in distributions of the assets of the Partnership or in any other allocations or distributions until his subscription is accepted by the General Partner and his name is entered in the Record of Limited Partners. The General Partner has formed a covenant to cause the Record of Limited Partners to be amended from time to time to reflect the admission of additional and substitute partners to the Partnership.

Non-Residents

Limited Partners will be required to represent and warrant that they are not "non-residents" for the purposes of the Tax Act and will be required to covenant to maintain such status for the entire time that they hold Units. A Limited Partner will be deemed to have disposed of his or her Units for proceeds of disposition equal to the Net Asset Value at the last Valuation Date prior to the date on which such Limited Partner ceases to be a resident of Canada for the purposes of the Tax Act.

Limitation Regarding Ownership of Units

At no time may "financial institutions" (as that term is defined in Section 142.2(1) of the Tax Act) (each a "financial institution") be the beneficial owners of more than 45% of the number of outstanding Units. If the General Partner becomes aware that the beneficial owners of 45% or more of the Units then outstanding are, or may be, financial institutions or that such a situation is imminent, the General Partner shall not accept a subscription for Units from or issue or register a transfer of Units to a person unless the person provides a declaration in form and content satisfactory to the General Partner that the person is not a financial institution. If, notwithstanding the foregoing, the General Partner determines that more than 45% of the number of outstanding Units are held by financial institutions, the General Partner may send a notice to Limited Partners that are financial institutions, chosen in inverse order to the order of acquisition or registration or in such other manner as the General Partner may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 15 days.

Transfer of Units

Units may be transferred or sold at any time as provided in the Partnership Agreement provided such transaction is in accordance with applicable securities laws. Among other things, Units are transferable on the following conditions:

(a) the transferee has executed and delivered a Transfer Form and Power of Attorney (pursuant to which, among other things, the transferee will appoint the General Partner his or her attorney to sign the Partnership Agreement (see "The Partnership Agreement – The Power of Attorney");

(b) the transferee is an Accredited Investor or Eligible Investor under applicable securities laws and/or the securities laws applicable to the transfer have been complied with;

(c) the transferee is not a "non-Canadian" within the meaning of the Investment Canada Act and is not a "non-resident" within the meaning of the Tax Act;

(d) the transferor or transferee pays all reasonable fees and expenses in connection with the transfer; and

(e) the transferee is otherwise suitable in the opinion of the General Partner.

The Partnership will allow transfers of all or a portion of the Subscriber's Units to a third party that complies with the above criteria.

No transfer of Units relieves the transferor from any obligations to the Partnership incurred prior to the transfer becoming effective.

LIMITED PARTNERS SHOULD TAKE NOTE OF THE PROVISIONS OF THE *SECURITIES ACT* (ONTARIO), WHICH RESTRICT THEIR RIGHT TO SELL, TRANSFER OR ASSIGN THEIR UNITS. SEE "RESALE RESTRICTIONS." ALL TRANSFERS MUST BE EFFECTED IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS. UNIT HOLDERS ARE ADVISED TO SEEK LEGAL AND ACCOUNTING ADVICE WITH RESPECT TO THE LEGAL AND TAX CONSEQUENCES OF TRANSFERRING UNITS.

Fees and Expenses

The General Partner is entitled to receive from the Partnership a monthly management fee commencing on the initial Closing equal to 1/12 of 2.25% of the Net Asset Value of the Partnership, calculated and paid monthly based on the Net Asset Value of the Partnership on the Valuation Date for the preceding month. The General Partner will pay the Investment Manager and the Investment Fund Manager a portion of the management fee.

The Partnership will pay the Agent and the Selling Agent's Fees, to a maximum of 10.0% of the Gross Proceeds in the aggregate. The General Partner will pay the Selling Agents' Fees and Issue Expenses which are in the aggregate in excess of 10% plus $150,000 plus a 1% distribution fee in the case of the Maximum Offering of the Gross Proceeds. In addition to the management fee, the Partnership will also pay all of the Partnership's ongoing administrative and operating expenses, to a maximum of $200,000 per annum in the event of the Maximum Offering during the term of the Partnership, which expenses will include, without limitation, administration fees, expenses relating to investment transactions (not including brokerage fees), taxes, legal, audit and valuation fees, Limited Partner reporting costs, registrar and transfer agency costs, printing and mailing costs and costs to be incurred in connection with the Partnership's continuous public filing obligations and costs of the dissolution of the partnership. The Partnership will be required to sell assets from time to time to pay such ongoing operating and administrative expenses. The General Partner will pay any such administrative and operating expenses to the extent that such expenses in the aggregate exceed these applicable capped annual amounts during the term of the Partnership.

The General Partner may also be entitled to receive a performance fee from the Partnership (the "Performance Fee") payable on the earlier of (a) the business day prior to the date of the Mutual Fund Roll-Over Transaction (as defined below) and (b) the business day immediately prior to the date of dissolution or termination of the Partnership (the "Performance Fee Date"), equal to 20% of the amount that is equal to the product of (i) the number of Units outstanding on the Performance Fee Date and (ii) the amount by which the Net Asset Value per Unit on the Performance Fee Date plus any distributions per Unit paid until the Performance Fee Date exceeds $11.20. The Performance Fee will be paid to the General Partner for distribution to the Investment Manager and the Investment Fund Manager in cash before any assets of the assets are exchanged as part of a Mutual Fund Roll-Over Transaction (as defined below) or the dissolution or termination of the Partnership. The General Partner will pay the Investment Manager and the Investment Fund Manager a portion of the Performance Fee.

Accilent Capital Management is also acting as Agent for the Offering and may charge certain of the Resources Issuers fees from time to time, including without limitation commissions or finders' fees and broker's warrants in connection with the investments made by the Partnership. The Partnership does not participate in such fees. Accilent is controlled by the same individuals who control the General Partner and the Investment Manager and accordingly the Partnership is a "related issuer" and "connected issuer" of Accilent for the purposes of Applicable Securities Laws.

Distributions

Where deemed optimal by the Investment Manager to conform to the Investment Objective of the Partnership and to attempt to manage risk, the Investment Manager may sell a portion of the portfolio of Resource Issuers. The proceeds from such sales may be distributed to the Limited Partners to enhance liquidity. There is no requirement for such distributions to be made. It is anticipated that the net proceeds from the sale of any assets of the Partnership during the term of the Partnership will be used to pay ongoing expenses and be reinvested in accordance with the Investment Strategy. However, the Investment Manager may determine, in its sole discretion, to make a distribution to the Limited Partners. Any such distribution may not be sufficient to satisfy a Limited Partner's tax liability for any given taxation year arising from his or her status as a Limited Partner.

Limited Liability

The General Partner has unlimited liability for the liabilities and obligations of the Partnership. The liability of each of the Limited Partners will be limited to his or her capital contribution and his or her pro rata share of the undistributed Income of the Partnership.

There is a risk that, under certain circumstances, the limited liability of Limited Partners may be lost. For example, a Limited Partner who takes part in the management or control of the business of the Partnership or transacts any business for the Partnership may lose his or her limitation of liability. The General Partner will operate the Partnership in such a manner as to ensure to the greatest possible extent that the limited liability of the Limited Partners is maintained.

Fiscal Year

The fiscal year of the Partnership will end on December 31 in each year.

Accounting and Reporting

The General Partner will file and, if required by applicable law, deliver within the prescribed period of time to each Limited Partner, such financial statements (including the annual audited financial statements and interim unaudited financial statements) and other reports as are from time to time required by applicable law, subject to any exemption from such requirements that is available or may be obtained from regulatory authorities pursuant to applicable securities laws. The financial statements will be prepared in accordance with Canadian generally accepted accounting principles or IFRS as applicable.

The General Partner shall forward information in a suitable form to enable a Limited Partner to complete his or her income tax reporting relating to his or her interest in the Partnership by March 31 (or as soon as possible thereafter) each year to each Limited Partners of record on December 31 of the preceding fiscal year. The General Partner shall keep adequate books and records reflecting the activities of the Partnership. A Limited Partner or his duly authorized representative shall have the right to examine the books and records of the Partnership during normal business hours at the offices of the General Partner.

Meetings of Partners

The General Partner may convene a meeting of the Limited Partners at any time and is required to convene a meeting on receipt of a request in writing of Limited Partners holding, in the aggregate, 10% or more of the Units outstanding. Each Limited Partner is entitled to one vote for each Unit held. The General Partner is entitled to one vote in its capacity as General Partner.

A notice of a meeting of the Partners will be given not less than 21 days and not more than 60 days before the meeting and will specify the nature of all business to be transacted. All Partners may attend the meeting personally or be represented by proxy.

A quorum for any meeting of Partners consists of two or more Limited Partners present in person or by proxy representing at least 5% of the Units then outstanding, except a meeting to consider a Special Resolution (being a resolution to be passed by 66 and 2/3% or more of the votes cast at a meeting held to consider such proposal) at which two or more Limited Partners present in person or by proxy representing at least 20% of the Units then outstanding will constitute a quorum.

Except as set forth below, all decisions at a meeting of Partners may be made by Ordinary Resolution.

Decisions on the following matters require approval by Special Resolution in order to be effective:

(a) any amendment or rescission of a Special Resolution;

(b) any amendment to the Partnership Agreement including to the Investment Strategy, Investment Objective and Investment Criteria;

(c) the removal of the General Partner and appointment of a successor as provided in Section 15.1 of the Partnership Agreement;

(d) the waiver of any default of the General Partner and release of the General Partner from any claims in respect thereof;

(e) the subdivision or consolidation of Units;

(f) the continuation of the Partnership if it is terminated by operation of law;

(g) any agreement to any compromise or arrangement by the Partnership with any creditors or with the holders of any shares or securities of the General Partner;

(h) requiring the General Partner to enforce obligations of Limited Partners;

(i) the dissolution of the Partnership;

(j) the sale of all or substantially all of the assets of the Partnership;

(k) the change of the fiscal year end of the Partnership; and

(l) the approval of any transaction made outside of the ordinary course of business of the Partnership.

Authority of General Partner to Manage Partnership Business

Subject to the Partnership Agreement and any delegation of its powers properly authorized thereunder, the General Partner has the power and exclusive authority to manage the business and affairs of the Partnership, to make all decisions regarding the business of the Partnership and to bind the Partnership. The General Partner is required to exercise its powers and discharge its duties under the Partnership Agreement honestly, in good faith and in the best interests of the Limited Partners and the

Partnership. The General Partner is required to exercise the degree of care, diligence and skill that a reasonably prudent general partner would exercise in similar circumstances in discharging its duties. Certain restrictions are imposed on the General Partner and certain actions require the approval of the Limited Partners by Special Resolution. The General Partner cannot dissolve the Partnership, wind up its affairs, or affect a sale or other disposition of its assets except in accordance with the provisions of the Partnership Agreement.

The officers of the General Partner shall devote the time and effort necessary to adequately promote the interests of the Partnership and the mutual interests of the Limited Partners

Change or Resignation of General Partner

The General Partner may resign as the general partner of the Partnership at any time after receiving approval by Ordinary Resolution and on not less than 180 days written notice to all Limited Partners. Except in the case of the dissolution of the Partnership, at the time of resignation, a qualified successor to the General Partner shall have been appointed in accordance with the terms of the Partnership Agreement. In the event of the bankruptcy, dissolution, liquidation, insolvency or winding-up or the making of any assignment for the benefit of creditors of the General Partner or the appointment of a trustee, receiver, receiver and manager or liquidator, or following any event permitting a trustee, receiver or receiver and manager to administer the affairs of the General Partner, provided that the trustee, receiver, receiver and manager or liquidator performs its functions for 60 consecutive days, a new general partner shall be appointed by the Limited Partners by Ordinary Resolution within 180 days' notice of such event. The Limited Partners may at any time remove the General Partner by Ordinary Resolution and appoint a new general partner in its place if the General Partner commits fraud, or willful misconduct in the performance of, or willful disregard or breach of, the obligations or duties of the General Partner under the Partnership Agreement. In addition, the Limited Partners may also remove the General Partner and appoint a successor at any time after December 31, 2023 if the Partnership has not been liquidated prior thereto, provided such removal has been approved by Special Resolution.

Indemnification of Limited Partners and Liability of General Partner

The General Partner will indemnify and hold harmless each Limited Partner from any and all losses, liabilities, expenses and damages suffered by such Limited Partner where the liability of such Limited Partner is not limited, only if such loss of limited liability was caused by an act or omission of the General Partner or by fraud, negligence or willful misconduct in the performance of, or willful disregard or breach of, the obligations or duties of the General Partner under the Partnership Agreement except where the lack or loss of limited liability is also caused by an act or omission of such Limited Partner or a change in any applicable legislation. Such indemnity will apply only with respect to losses in excess of the agreed capital contribution of the Limited Partner. The General Partner will also indemnify and hold harmless the Partnership and each Limited Partner from any costs, damages, liabilities, expenses or losses suffered or incurred by the Partnership and/or the Limited Partner, as the case may be, resulting from or arising out of fraud, negligence or willful misconduct in the performance of, or willful disregard or breach of, the obligations or duties of the General Partner under the Partnership Agreement. The amount of any such indemnity will be limited to the extent of the assets of the General Partner and will under no circumstance include the assets of the General Partner's parent corporation or any Affiliate of the General Partner. Except for the foregoing matters, the General Partner will not otherwise be called upon or be liable to indemnify the Partnership or any Limited Partner.

The General Partner has unlimited liability for the undertakings, liabilities and obligations of the Partnership. The General Partner will not be liable to the Limited Partners for any mistakes or errors in judgment, or for any act or omission believed by it in good faith to be within the scope of the authority conferred upon it by the Partnership Agreement (other than an act or omission which is in contravention of the Partnership Agreement or which results from or arises out of negligence or willful misconduct in the performance of, or willful disregard of, the obligations or duties of the General Partner under the Partnership Agreement) or for any loss or damage to any of the property of the Partnership attributable to an event beyond the control of the General Partner or its Affiliates. The General Partner has limited financial resources which will affect its ability to indemnify Limited Partners. See "Risk Factors".

Indemnity of the General Partner, Investment Manager, and the Investment Fund Manager by the Limited Partners

Each Limited Partner is required to indemnify and hold harmless the Partnership, the General Partner and the Investment Manager, the Investment Fund Manager, and each other Limited Partner from and against all losses, liabilities, expenses and damages suffered or incurred by the Partnership, the General Partner or the other Limited Partners by reason of misrepresentation or breach of any of the warranties or covenants of such Limited Partner set out in the Partnership Agreement.

Allocation of Income, Loss and Eligible Expenditures

Subject to payment of the Performance Fee 99.99% of Income for each fiscal year will be allocated to the Limited Partners of record on December 31 of each such fiscal year and 0.01% such Income will be allocated to the General Partner at the end of each

such fiscal year. 100% of the Loss for each fiscal year will be allocated at the end of each fiscal year to the Limited Partners of record on December 31 of each such fiscal year.

The Partnership will allocate all Eligible Expenditures renounced to it by Resource Issuers with an effective date in a particular fiscal year *pro rata* to the Limited Partners of record at the end of that fiscal year, and will make such filings in respect of such allocations as are required by the Tax Act. The Partnership will, to the extent possible, allocate such unallocated Eligible Expenditures *pro rata* among the remaining Limited Partners. If Eligible Expenditures of the Partnership are reduced by the limited recourse amount applicable to a particular Limited Partner, such reduction shall first reduce that Limited Partner's *pro rata* share of the Eligible Expenditures and, to the extent necessary, an appropriate adjustment to the Income or Loss, as applicable, which is allocated to such Limited Partner will be made.

The Power of Attorney

The Subscription Agreement and the Transfer Form and Power of Attorney to be executed by a Subscriber or a transferee of a Unit, respectively, include an irrevocable power of attorney coupled with an interest authorizing the General Partner on behalf of the Limited Partner among other things to execute the Partnership Agreement and the Investment Management Agreement, any amendments to the Partnership Agreement and the Investment Management Agreement, and all instruments necessary to reflect the Mutual Fund Roll-Over Transaction dissolution of the Partnership and partition of assets distributed and Limited Partners on dissolution, as well as to execute, under seal or otherwise, any instrument, deed or document required in carrying on the business of the Partnership as authorized by the Partnership Agreement, to attend to certain formalities required to record changes in the ownership of Units and amendments to the Partnership Agreement to maintain the good standing of the Partnership, to make elections or designations under tax statutes and to apply for government incentives. The power of attorney does not include the authority to transfer a Limited Partner's interest in Units (except in circumstances where a Limited Partner has become a non-resident of Canada) or to execute any proxy on behalf of any Limited Partner or to vote on behalf of any Limited Partner. By purchasing Units, each Limited Partner acknowledges and agrees that he or she has given such power of attorney and will ratify any and all actions taken by the General Partner pursuant to such power of attorney. The power of attorney survives any dissolution of the Partnership.

Mutual Fund Roll-Over Transaction

To provide the potential for enhanced liquidity and long-term growth of capital on a tax-enhanced basis, the Investment Manager, may attempt to complete a transaction (the "Mutual Fund Roll-Over Transaction") pursuant to which, after the payment of the final Management Fee (as defined herein) and the Performance Fee (as defined herein), if any, to the General Partner and the Investment Manager, and the Investment Fund Manager and the payment of all other outstanding liabilities of the Partnership, all assets of the Partnership will be transferred to a mutual fund corporation, on a tax deferred basis, in exchange for mutual fund shares ("Fund Shares") of the mutual fund corporation following which the Fund Shares would be distributed to the Limited Partners *pro rata* on a tax deferred basis upon the-dissolution of the Partnership. The Mutual Fund Roll-Over Transaction will be subject to the agreement of the General Partner, the Investment Manager and the mutual fund corporation and to obtaining any necessary regulatory approvals, as well as compliance with all applicable laws. There can be no assurance that such transaction will receive the necessary regulatory approvals. *It is the current intention of the Investment Manager to develop and register such a mutual fund corporation, and/or to develop a relationship with another mutual fund corporation, though there is no assurance that it will be able to do so.* Limited Partners would receive the shares of the mutual fund corporation on a tax deferred basis, following the dissolution of the Partnership. Any such Mutual Fund Roll-Over Transaction would be implemented on not less than 21 days' prior written notice to Limited Partners. If the Investment Manager decides to implement the Mutual Fund Roll-Over Transaction, the Mutual Fund Roll-Over Transaction will require the mutual agreement of the General Partner, the Investment Manager and the mutual fund corporation which is under no obligation to complete such transaction, and obtaining the approval of all necessary regulatory authorities, which may not be obtained, and compliance with all applicable laws (which may require the specific approval of the Limited Partners). The Mutual Fund Roll-Over Transaction will not be implemented if the Investment Manager determines that it would prospectively or retrospectively affect the status of the Flow-Through Shares as flow-through shares for income tax purposes or if there is another market reason not to do. The Partnership Agreement states that, if the General Partner does implement a Mutual Fund Roll-Over Transaction and/or that the General Partner has not otherwise fully monetized or distributed the securities of the Partnership, the Mutual Fund Roll-Over Transaction must be implemented by December 31, 2022 failing which the Partnership will be terminated on a date no later than March 31, 2024, unless market conditions do not permit an orderly termination, in which case the term of the Partnership will be extended for successive one year periods at the sole discretion of the General Partner. The partnership may be extended for an additional one year period if approved by unitholders through a simple majority of votes obtained by proxy with a quorum of 50% of unitholders. If no quorum is reached on the proxy vote the General Partner may extend the term by an additional year at its sole discretion. At the time of such termination, the Limited Partners will receive their pro rata share of the net assets of the Partnership. At that time, the Partnership will primarily own shares of Resource Issuers and cash.

The terms of the Mutual Fund Roll-Over Transaction will provide for the receipt by the Partnership of all necessary regulatory approvals and the requirements of applicable law, regulations and policies which may result in specific Limited Partner approval

of the Mutual Fund Roll-Over Transaction being required notwithstanding that the ability to provide such approvals to the extent possible have been granted to the General Partner by way of power of attorney. The completion of any such transaction will also be subject to the receipt of exemptions, if any, under National Instrument 81-102 to the extent that the assets of the Partnership being transferred to the mutual fund corporation may conflict with the investment restrictions of that National Instrument. There can be no assurances that the Mutual Fund Roll-Over Transaction will receive the necessary regulatory approvals.

Dissolution of the Partnership

Unless dissolved earlier upon the occurrence of certain events stated in the Partnership Agreement, the Partnership will terminate by or on March 31, 2024, unless market conditions do not permit an orderly termination, in which case the term of the Partnership will be extended for successive one year periods at the sole discretion of the General Partner. The partnership may be extended for an additional one year period if approved by unitholders through a simple majority of votes obtained by proxy with a `quorum of 50% of unitholders. If no quorum is reached on the proxy vote the General Partner may extend the term by an additional year at its sole discretion. At the time of such termination, the Limited Partners will receive their pro rata share of the net assets of the Partnership and the net assets of the Partnership will be distributed to the Limited Partners and the General Partner unless the Mutual Fund Roll-Over Transaction is implemented by the General Partner.

The General Partner or its designee shall ensure that, to the extent practicable, the assets of the Partnership are converted to cash prior to termination of the Partnership. Should the liquidation of certain securities not be practicable or appropriate prior to such termination date, those securities will be distributed to the Partners in specie on such date. The market for such securities may be limited due to factors such as fluctuations in trading volumes and prices and such securities may be subject to resale restrictions which may restrict the ability of the Partnership or, in the case of an in specie distribution, the Limited Partners from disposing of such shares until applicable statutory hold periods have expired. The Partnership Agreement provides that the Partnership and the General Partner will prior to the termination of the Partnership use their best efforts to obtain such regulatory relief as may be appropriate to eliminate any such resale restrictions. However, the granting of such relief is at the discretion of applicable regulatory authorities.

DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

Compensation and Securities Held

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

Name and Municipality of Principal Residence	**Daniel C. Pembleton, Toronto, Ontario**	**Paul J. Crath, Toronto, Ontario**
Positions Held (e.g., Director, Officer, Promoter and/or Principal Holder) and the Date of Obtaining That Position	Director, President and CEO since April 3, 2018	Vice-President and Secretary since April 3, 2018
Compensation Paid by the Issuer Since Inception and the Compensation Anticipated to be Paid in the Current Financial Year	Nil	Nil
Number and Percentage of Securities of the Issuer Held After Completion of Minimum Offering	Nil	Nil
Number and Percentage of Securities of the Issuer Held After Completion of Maximum Offering	Nil	Nil

The General Partner may be considered to be the promoter of the Partnership. The controlling shareholder of Accilent Capital Management Inc. is Daniel C. Pembleton.

The General Partner will receive a management fee equal to 2.25% of the Net Asset Value of the Partnership per annum calculated and payable monthly. In addition, the General Partner may be entitled to a performance fee. These fees will be shared with the Investment Manager and the Investment Fund Manager. See "Business of the Partnership - General Partner".

Management Experience

The following table provides the principal occupations of the directors and executive officers of the General Partner and the relevant business experience of such individuals:

Daniel C. Pembleton, MBA, CFA

Dan Pembleton MBA, CFA, founded Accilent Capital Management Inc. in 2002 to provide investment advisory services for third party and proprietary funds, individual managed accounts, and structured investments. He has been working in the financial industry as a trader and portfolio manager for 20 years. Nearly a decade of this time was spent with RBC Dominion Securities in institutional fixed income where he rose to the level of Vice-President Global Money Markets.

Mr. Pembleton is a Commodity Trading Manager (CTM).

Mr. Pembleton's education includes an Honours BA from Brock University, an MBA from Western's Ivey School of Business and a Chartered Financial Analyst (CFA) designation in 1998 from the CFA institute.

(Also see "Investment Manager")

Paul J. Crath, JD

Mr. Crath has over 25 years experience as a merchant banking and mergers and acquisitions executive, financier, business development, legal and strategic advisor to family investors, chief executive officers, boards and owners of growing companies and fund management companies.

In such role Mr. Crath is a director and the Interim Chief Executive Officer of Nebu Resources Inc. (TSXV: NBU).

He is also the principal and Managing Director of Tarra Partners Inc., a merchant bank that acts as investment principal and/or provides advisory services in the areas of institutional real estate, infrastructure, private equity and lending transactions and the President and CEO of Ahmic Energy Group Inc.

Previously, Mr. Crath was a Managing Director actively involved in finance, origination and corporate development for Norvista Resources Corporation and Norvista Capital Corporation, mining merchant banking operations with a portfolio of pro-active mining

investments in various public mining companies and was past President and COO of Prince Arthur Capital Corporation, a family-backed merchant bank. Mr. Crath is also a former Vice-President and Principal of Tricaster Capital Corporation, a family investment company and merchant bank he co-founded with the Campbell family of Toronto.

He began his career as a corporate lawyer at White & Case, LLP in New York City, specializing in acquisition financings.

Mr. Crath is an independent director of the Corporation for the purpose of MI 52-110.

Mr. Crath is a non-executive director of McLaren Resources Corporation (CSE: MCL) and Nebu Resources Inc. (TSXV: NBU).

Other Limited Partnerships Managed by the General Partner

The General Partner is also the general partner of Pavilion Flow-Through L.P. (2018) 1, which closed its unit offering on December 31, 2018 (the "(2018) 1 Partnership") raising $2,264,200 at a price of $10.00 per Unit. The (2018) 1 Partnership offering is now closed. The (2018) 1 Partnership, owns flow-through shares of companies involved in the exploration and/or development of natural resources, oil and gas or alternative energy sectors located in Canada.

Penalties, Sanctions and Bankruptcy

None of the directors, executive officers or control person of the General Partner or the Partnership, nor any issuer of which any such person was a director, executive officer or control person, has been subject to any penalty or sanction that has been in effect during the last 10 years, nor has any of them made any declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets, that has been in effect during the last 10 years.

CAPITAL STRUCTURE

Capital and Prior Sales

Subscribers of Units of the Partnership will be governed by the terms of the Partnership Agreement. All Subscribers will be subject to the terms of the Partnership Agreement. The following table provides relevant information about the outstanding securities of the Partnership:

Description Of Security	*Number Authorized To Be Issued*	*Number Outstanding As At Date Hereof*	*Units Outstanding After Maximum Offering*
Units	2,000,000	1[(1)]	2,000,000

(1) This Unit was acquired by the Initial Limited Partner upon the formation of the Partnership. On the completion of the initial closing of the Offering, the Initial Limited Partner's Unit will be surrendered for cancellation.

Long Term Debt

Neither the Partnership nor the General Partner has any debt nor do they intend to incur any long term debt during the term of the Partnership.

SECURITIES OFFERED

Terms of Securities

The Partnership is authorized to issue a minimum of 1 and a maximum of 2,000,000 Units. Each Unit will be entitled to one vote. Each Unit ranks equally with all other Units in respect of distributions, liquidation and winding up of the Partnership. For additional details of the terms of the Units, please see "The Partnership Agreement".

Subscription Procedure

The Units are offered for sale if, as and when issued by the Partnership during the period (the "Offering Period"), which is intended to end on November 30, 2019. The General Partner reserves the right to leave the offering open for a longer period at its sole discretion. The Subscription Price of the Units are $10 per Unit payable in full at time of subscription, with a minimum subscription of 1000 Units, and thereafter in multiples of 100 Units each ($1,000) for larger subscriptions. Subscribers resident in Ontario and purchasing more than 1000 Units and fewer than 15,000 Units must be Accredited Investors.

Subscribers are required to execute the Subscription Agreement and, the completed certification of the Subscriber's status as an Accredited Investor or as an Eligible Investor and a Risk Acknowledgement Form all as attached to the Subscription Agreement.

If there is a misrepresentation in this Offering Memorandum, a Subscriber has the right to sue either for damages or to cancel the agreement. See "Purchasers' Rights".

After each closing, it is expected that a certificate representing the Units will be available for delivery as soon as feasible.

The General Partner will be responsible for collecting Subscription Agreements and Subscription Price from Subscribers and the Selling Agents. If the Minimum Offering is not completed on or prior to November 30, 2019, unless extended herein, the General Partner will return same. Prior to November 30, 2019 the General Partner will remit the Selling Agents' Fees to the Selling Agents and remit the balance to the Partnership upon the occurrence of a Closing.

The General Partner is not obligated to and may refuse to accept any subscription in whole or in part. If a subscription for Units is not accepted or accepted in part, the appropriate monies will be returned to the Subscriber without interest or deduction. Subscriptions for Units of the Partnership must be made by completing the Subscription Agreement and by forwarding such agreement directly to the General Partner. Subscription proceeds pursuant to the Offering will be received by the General Partner pending closing. All subscription funds will be returned to Subscribers without interest or deduction as soon as possible, if the Offering is not completed because the Minimum Offering has not been subscribed for by November 30, 2019, unless such period is extended in accordance herewith.

AN INVESTMENT IN UNITS INVOLVES CERTAIN RISK FACTORS. SEE "RISK FACTORS". THERE IS NO PUBLIC MARKET FOR THE UNITS NOR IS IT EXPECTED THAT SUCH WILL DEVELOP AND, ACCORDINGLY, THIS INVESTMENT SHOULD BE CONSIDERED ONLY BY THOSE PERSONS WHO ARE ABLE TO MAKE A LONG-TERM INVESTMENT. INVESTORS WILL BE RELYING ON THE GOOD FAITH, JUDGMENT AND EXPERTISE OF THE GENERAL PARTNER AND THE INVESTMENT MANAGER WITH REGARD TO THE MANAGEMENT OF THE PARTNERSHIP BUSINESS AS DESCRIBED HEREIN.

Exemptions from Prospectus Requirement

The Units are being offered on a private placement basis in all of the Provinces and Territories of Canada, except Quebec. This Offering is being made in reliance upon exemptions from the registration and prospectus requirements contained in National instrument 45-106 ("NI 45-106") and the *Securities Act* (Ontario). Accordingly, no prospectus has been or will be filed in connection with the Offering.

Offering Memorandum Exemption

(a) If you are a resident in any jurisdiction in Canada, **other than Ontario**, and are subscribing under the "Offering Memorandum Exemption", and your subscription amount does not exceed $10,000, complete and initial the following appendices to the Subscription Agreement:

  (i) the applicable reference in the Risk Acknowledgement Form of **Appendix "A 1"**; and

  (ii) the Classification of Investors Under the Offering Memorandum Exemption Form of **Appendix "A 2"**; and

  (iii) the Investment Limits for Investors Under the Offering Memorandum Exemption Form of **Appendix "A-3"**.

(b) If you are a resident in any jurisdiction in Canada, **other than Ontario**, and are subscribing under the "Offering Memorandum Exemption", and your subscription amount is **greater than $10,000**, complete and initial the following appendices to the Subscription Agreement:

  (i) the applicable reference in the Risk Acknowledgement Form of **Appendix "A 1"**; and

(ii) the Classification of Investors Under the Offering Memorandum Exemption Form of **Appendix "A-2"**; and

(iii) the Investment Limits for Investors Under the Offering Memorandum Exemption Form of **Appendix "A-3"**; and

(iv) the Accredited Investor Risk Acknowledgement - **Appendix "B-1"**, if applicable.

Accredited Investor

Under Section 2.3 of NI 45-106 and, for residents of Ontario under the *Securities Act* (Ontario) neither registration nor a prospectus are required with respect to a distribution of the securities offered hereunder where the trade is made by the issuer with a view to the sale of securities of its own issue if the Subscriber is purchasing Units as principal and is an Accredited Investor. Each Subscriber relying on this exemption must complete the Accredited Investor Certification attached as Appendix "B" to the Subscription Agreement.

Potential Subscribers resident in Ontario should contact their advisors to determine if they qualify as Accredited Investors and in any of the other Provinces and Territories of Canada whether they qualify as Accredited Investors or Eligible Investors. For Eligible Investor refer to the Offering Memorandum Exemption above.

$150,000 Minimum Purchase Exemption

Under Section 2.10 of NI 45-106, and, for residents of Ontario, under the *Securities Act* (Ontario), states that neither registration nor a prospectus are required with respect to a distribution of the securities offered hereunder where the purchaser is purchasing as principal and invests not less than $150,000 to purchase Units. A Subscriber relying on this exemption need not complete the Accredited Investor or the Eligible Investor Form. Please note that you will not be allowed to participate in the Offering with reliance on the $150,000 exemption if you are an "individual" which is generally defined under securities laws as a natural person, but does not include (a) a partnership, unincorporated association, unincorporated syndicate, unincorporated organization or trust, or (b) a natural person in the person's capacity as a trustee, administrator or personal or other legal representative.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

Tax considerations ordinarily make the Units offered hereunder most suitable for taxpayers whose income is subject to the highest marginal rates of tax. Regardless of any tax benefits that may be obtained, a decision to purchase Units should be based primarily on an appraisal of their *merits* as an investment and on a Subscriber's ability to bear the loss of the investment.

You should consult your own professional advisers to obtain independent advice on the tax consequences that apply to you.

INVESTORS ACQUIRING UNITS WITH A VIEW TO OBTAINING TAX ADVANTAGES SHOULD OBTAIN INDEPENDENT TAX ADVICE FROM A KNOWLEDGEABLE TAX ADVISOR.

In the opinion of Blaney McMurtry LLP, the following is a fair and accurate summary, as of the date of this Offering Memorandum, of the principal Canadian federal income tax consequences under the Tax Act and the regulations thereto for a Limited Partner acquiring, holding and disposing of purchased Units pursuant to this Offering. This summary only applies to Limited Partners who are and remain, at all relevant times, resident in Canada for purposes of the Tax Act and who will hold their Units as capital property. Units will generally be considered to be capital property to a Limited Partner unless such Limited Partner holds Units in the course of carrying on a business or has acquired the Units as part of an adventure in the nature of trade. This summary also assumes that Flow-Through Shares of Resource Issuers to be acquired by the Partnership will be capital property to the Partnership. For clarity, there is no assurance the CRA will regard the Flow-Through Shares as capital property. It is also assumed that all partners of the Partnership are and will be resident in Canada at all relevant times and that Units that represent more than 50% of the fair market value of all interests in the Partnership are not and will not be held by financial institutions (as that term is defined in the Tax Act) at all relevant times.

Unless stated otherwise, this summary assumes that recourse for any financing by a Limited Partner of the Subscription Price for Units is not limited and is not deemed to be limited for the purposes of the Tax Act. Generally speaking, any Limited Partner who acquires Units with a financing where the recourse against the Limited Partner is limited, which has a term in excess of 10 years (which may include a demand loan) or in respect of which interest is not paid annually within 60 days after the end of each taxation year at a rate equal to or greater than the lesser of the prescribed rate under the Tax Act in effect (i) at the time the indebtedness arose; and (ii) from time to time during the term of the indebtedness, will have, or will be deemed to have, incurred a limited-recourse amount such that all or a portion of the deductions set out herein may not be available to the Limited Partner (see "Canadian Federal Income Tax Considerations Limitation on Deductibility of Expenses or Losses of the Partnership"). **Limited Partners who intend to borrow to finance the purchase of Units should consult their own tax advisors.**

This summary also assumes that a Limited Partner will at all relevant times deal at arm's length, for the purposes of the Tax Act, with the Partnership and with each of the Resource Issuers with which the Partnership has entered into a Flow-Through Investment Agreement. This summary is not applicable to a Limited Partner (i) that is a "financial institution" as defined in subsection 142.2(1) of the Tax Act, (ii) that is a "principal business corporation" for the purposes of subsection 66(15) of the Tax Act, (iii) whose business includes trading or dealing in rights, licenses or privileges to explore for, drill for or take minerals, petroleum, natural gas or other related hydrocarbons, or (iv) an interest in which is a "tax shelter investment" as defined in subsection 143.2(1) of the Tax Act.

This summary is based upon the assumptions that the Partnership and any other partnership of which the Partnership is a member is dealing, and will deal at all relevant times, at arm's length for purposes of the Tax Act with any Resource Issuer with which it has entered into a Flow-Through Investment Agreement and that the Resource Issuer does not and will not have a "prohibited relationship", within the meaning of the Tax Act, with the Partnership or any other partnership of which the Partnership is a member.

The income tax consequences for a Limited Partner will depend upon a number of factors, including whether the Units held by the Limited Partner are characterized as capital property, the province or territory in which the Limited Partner resides, carries on business or has a permanent establishment, the amount that would be the Limited Partner's taxable income but for the Limited Partner's interest in the Partnership, and the legal status of the Limited Partner as an individual, corporation, trust or partnership.

This is only a general summary and a prospective Subscriber should not consider it to be legal or tax advice. A prospective Subscriber should obtain independent advice from a tax advisor who is knowledgeable in the area of income tax consequences of investing in the Partnership based on his or her own particular circumstances. A prospective subscriber that proposes to use borrowed funds to acquire Units should consult their own tax advisors before doing so. See "Interest Expense or Money Borrowed to Acquire Units" and "Limitation on Deductibility of Expenses or Losses of the Partnership" in this regard.

This summary is based upon the facts set out in this Offering Memorandum, the current provisions of the Tax Act including the regulations (the "Regulations") thereunder and the counsel's understanding of the current published administrative practices of the Canada Revenue Agency ("CRA"). The summary also takes into account all specific proposals to amend the Tax Act and Regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof but not withdrawn (the "Tax Proposals") and assumes that they will be enacted in the form proposed. There is no certainty that the Tax Proposals will be

enacted in the form proposed or at all. This summary does not otherwise take into account or anticipate any changes in laws whether by judicial, governmental or legislative decision or action nor does it take into account provincial or foreign income tax legislation or considerations.

Computation of Income

The Partnership itself is not liable for income tax and is only required to file an annual information return. The Partnership is required to compute its Income (or Loss) in accordance with the provisions of the Tax Act for each of its fiscal periods as if it were a separate person resident in Canada, but without taking into account certain deductions, including the amount of Eligible Expenditures renounced to it. Subject to the restrictions described below under "Limitation on Deductibility of Expenses or Losses of the Partnership", each Limited Partner will be required to include (or be entitled to deduct) in computing income, a proportionate share of the Income (or Loss) of the Partnership as allocated pursuant to the Partnership Agreement for the fiscal period of the Partnership ending in the Limited Partner's taxation year. A Limited Partner's share of the Partnership's Income (or Loss) must be included in determining the Limited Partner's Income (or Loss) for the year, whether or not any distribution of Income has been made by the Partnership. The fiscal year of the Partnership ends on December 31 and will end as a result of the dissolution of the Partnership.

Amounts relating to Eligible Expenditures renounced to the Partnership will be taken into account directly by the Limited Partners in computing their income as described below. The Income of the Partnership will include the taxable portion of capital gains (one-half of capital gains) that may arise on the disposition of Flow-Through Shares. The Tax Act deems the cost to the Partnership of any Flow-Through Share which it acquires to be nil and, therefore, the amount of such capital gain will generally equal the proceeds of disposition of the Flow-Through Shares, net of any reasonable costs of disposition. The Income of the Partnership will also include any interest earned on funds held by the Partnership prior to investment in Flow-Through Shares.

The costs associated with the organization of the Partnership will not be fully deductible by the Partnership in determining its Income for the fiscal period in which they are incurred. Organization expenses incurred by the Partnership, which were formerly eligible capital expenditures, now fall into a new class of depreciable property which the Partnership at the rate of 5% per year on a declining balance basis. Agent and Selling Agents' Fees and Issue Expenses incurred by the Partnership (to the extent that they are reasonable in amount) will generally be deductible by the Partnership as to 20% in the year of payment, and as to 20% in each of the four subsequent years, prorated for short taxation years. The Partnership will not be entitled to deduct any amount in respect of such expenses in the fiscal year ending on its dissolution. After dissolution of the Partnership, Limited Partners will be entitled to deduct, at the same rate, their pro rata share of any such expenses that were not deducted by the Partnership. The adjusted cost base of a Limited Partner's Units will be reduced on dissolution of the Partnership by the Limited Partner's share of such expenses.

Where the Partnership is a member of another limited partnership, Eligible Expenditures, gains, income and losses incurred or realized or earned by the other partnership will, in general, be determined in the manner applicable to the Partnership as described in this summary and allocated to the Limited Partners at the end of the fiscal period of the Partnership in which the fiscal period of the other partnership ends.

Adjusted Cost Base of Units

Subject to any adjustments required by the Tax Act, a Limited Partner’s adjusted cost base of a Unit will generally consist of the purchase price paid for the Unit, increased by any share of income allocated to the Limited Partner in respect of the Unit (including a *pro rata* share of any capital gains realized by the Partnership) and reduced by any share of losses (including a pro rata share of any capital losses realized by the Partnership) and any CEE allocated to the Limited Partner, and the amount of any distributions made to the Limited Partner from the Partnership in respect of the Unit.

Where the total of any such reductions to the adjusted cost base of a Unit exceeds the original cost of the Unit plus any such increases to the adjusted cost base of the Unit at the end of a fiscal period of the Partnership, such excess (“negative amount”) will be deemed to be a capital gain of the Limited Partner in respect of the Unit at that time. While there can be no assurance, it is not anticipated that original Limited Partners will realize such a capital gain.

Eligible Expenditures

Provided that certain conditions in the Tax Act are complied with, the Partnership will be deemed to have incurred, on the effective date of renunciation, Eligible Expenditures that have been renounced (directly or indirectly through other partnerships) to the Partnership by a Resource Issuer pursuant to a Flow-Through Investment Agreement entered into by the Partnership and the Resource Issuer. See "The Partnership - Investment Agreements".

Generally, an issuer of Flow-Through Shares may incur Eligible Expenditures, which are available for renunciation, commencing on the date the Flow-Through Investment Agreement is entered into.

Certain corporations with "taxable capital" as that term is defined in the Tax Act of not more than $15,000,000 may, generally speaking, renounce up to $1,000,000 annually of certain CDE, incurred before 2021 to subscribers of Flow-Through Shares ("Qualifying CDE"). Upon renunciation to the Partnership, Qualifying CDE is deemed to constitute CEE to the Partnership and will be allocable by the Partnership to Limited Partners and will be added to their cumulative CEE on the basis described below.

Provided that certain conditions are met, the issuer of the Flow-Through Shares will be entitled to renounce to the Partnership, effective December 31 of the year in which its Flow-Through Investment Agreement was entered into, Eligible Expenditures incurred by it on or before December 31 (and renounced during the first three months) of the subsequent calendar year. Any such Eligible Expenditures properly so renounced by the issuer to the Partnership effective December 31 of the year in which the agreement was entered into may be allocated by the Partnership to Limited Partners, also effective on December 31 of that year. The General Partner will cause the Partnership to ensure that if a Flow-Through Investment Agreement entered into during 2019 permits a Resource Issuer to incur Eligible Expenditures at any time up to December 31, 2020, the Resource Issuer will agree to renounce such Eligible Expenditures to the Partnership with an effective date of no later than December 31, 2019.

To the extent Resource Issuers do not incur the requisite amount of Eligible Expenditures on or before December 31, 2020, the Eligible Expenditures renounced to the Partnership, and consequently the Eligible Expenditures allocated to the Limited Partners, will be adjusted downwards effective in the prior year. However, none of the Limited Partners will be charged interest before May, 2021, by the CRA on any unpaid tax resulting from such reduction in allocated Eligible Expenditures.

Eligible Expenditures allocated to a Limited Partner are not deducted by him, her or it. Rather, a Limited Partner who continues to be a Limited Partner at the end of a particular fiscal period of the Partnership will be entitled to include in the computation of his or her cumulative CEE account, his or her share of the Eligible Expenditures renounced to the Partnership effective in that fiscal period allocated to him or her on a *pro rata* basis based on the number of Units held by such Limited Partner at the end of the applicable fiscal period, or in the event of the dissolution of the Partnership, on the date of dissolution. In the computation of income for purposes of the Tax Act from all sources for a taxation year, an individual or a corporation may deduct up to 100% of the balance of his or her cumulative CEE account. Certain restrictions apply in respect of the deduction of cumulative CEE following an acquisition of control of, or certain corporate reorganizations involving a corporate Limited Partner.

A Limited Partner's share of Eligible Expenditures renounced to the Partnership in a fiscal year is limited to his or her "at-risk" amount in respect of the Partnership at the end of the fiscal year. If the Limited Partner's share of the Eligible Expenditures is so limited, any excess will be added to his or her share, as otherwise determined, of the Eligible Expenditures incurred by the Partnership for the immediately following fiscal year (and will be potentially subject to the application of the "at-risk" rules in that year).

The undeducted balance of a Limited Partner's cumulative CCEE account may be carried forward indefinitely. The cumulative CCEE account balance is reduced by deductions in respect thereof by a Limited Partner made in prior taxation years and by a Limited Partner's share of any amount that he, she, it or the Partnership receives or is entitled to receive in respect of assistance or benefits in any form that relate to the Limited Partner's investment in the Partnership. If, at the end of a taxation year, the reductions in calculating cumulative CEE exceed the aggregate of the cumulative CEE balance at the beginning of the taxation year and any additions thereto, the excess must be included in income for the taxation year and the cumulative CCEE account will then be adjusted to a nil balance.

Any undeducted addition to a Limited Partner's cumulative CCEE account which has been allocated to a Limited Partner will remain with the Limited Partner after a disposition of his or her Units or Flow-Through Shares. A Limited Partner's ability to deduct such expenses will not be restricted as a result of his or her prior disposition of Units unless a claim in respect of his or her Eligible Expenditures has been previously reduced by virtue of the application of the "at-risk" rules. In such instances, the Limited Partner's future ability to deduct such expenses relating to the Partnership may be eliminated.

Interest Expense on Money Borrowed to Acquire Units

In computing a taxpayer's income, the taxpayer may deduct interest expense on money borrowed that is used for the purpose of earning income from a business or property. Therefore, in computing a Limited Partner's income, generally the Limited Partner can deduct a reasonable amount in respect of a legal obligation to pay interest on money he, she or it borrows for the purpose of acquiring Units. Subject to restrictions in the Tax Act, interest can continue to be deductible where there is a loss of the source of income connected to the borrowing. A Limited Partner that proposes to use borrowed funds to acquire Units should consult his or her own tax advisors in this regard.

Limitation on Deductibility of Expenses or Losses of the Partnership

Subject to the following limitations, a Limited Partner's share of the business losses of the Partnership for any fiscal year may be applied against the Limited Partner's income from any other source to reduce net income for the relevant taxation year and, to the extent it exceeds other income for that year, generally may be carried back three years and forward twenty years and applied against taxable income of such other years.

The Tax Act limits the amount of deductions, including Eligible Expenditures and losses, that a Limited Partner may claim as a result of an investment in the Partnership to the amount that the Limited Partner has contributed to the Partnership or otherwise has "at-risk" in respect thereof. Generally, a Limited Partner's "at-risk" amount will, subject to the detailed provisions of the Tax Act, be the amount actually paid for Units plus the amount of any Partnership Income (including the full amount of any Partnership capital gains) allocated to such Limited Partner for completed fiscal periods less the aggregate of the amount of any Eligible Expenditures renounced to the Partnership and allocated to the Limited Partner, the amount of any Partnership losses allocated to the Limited Partner and the amount of any distributions from the Partnership. A Limited Partner's "at-risk" amount may be reduced by certain benefits or in circumstances where amounts are owed to the Partnership by the Limited Partner.

The Tax Act contains additional rules that restrict the deductibility of certain amounts by persons who acquire a "tax shelter investment" for purposes of the Tax Act. The Units are "tax shelter investments" and will be registered with the CRA under the "tax shelter" registration rules. If any Limited Partner has funded the acquisition of Units with a financing for which recourse is or is deemed to be limited (a "limited-recourse amount") within the meaning of the Tax Act or has the right to receive certain amounts where such rights were granted for the purpose of reducing the impact of any loss that a Limited Partner may sustain by virtue of acquiring, holding or disposing of an interest in Units, the Eligible Expenditures or other expenses renounced to or incurred by the Partnership may be reduced by the amount of such financing to the extent that the financing can reasonably be considered to relate to such amounts. The Partnership Agreement provides that where Eligible Expenditures of the Partnership are so reduced the amount of Eligible Expenditures that would otherwise be allocated by the Partnership to the Limited Partner who incurs the limited-recourse financing shall be reduced by the amount of the reduction. Where the reduction of other expenses reduces the loss of the Partnership, the Partnership Agreement provides that the General Partner will have the right to make a corresponding reduction in Eligible Expenditures and to the extent necessary an appropriate adjustment to the income or loss allocated to that Limited Partner. The cost of a Unit to a Limited Partner may also be reduced by the total of limited-recourse amounts and "at-risk adjustments" that can reasonably be considered to relate to such Units held by the Limited Partner. Any such reduction may reduce the "at-risk" amount of the Limited Partner thereby reducing the amount of deductions otherwise available to the Limited Partner to the extent that deductions are not reduced at the Partnership level as described above.

A limited-recourse amount means the unpaid principal of any indebtedness for which recourse is limited, either immediately or in the future and either absolutely or contingently. A limited-recourse amount is also deemed to include:

(a) debt bearing interest at less than the lesser of the rate prescribed by the Tax Act at the time the debt is incurred or the rate prescribed from time to time;

(b) debt in respect of which bona fide written arrangements were not made, at the time the debt was incurred, for repayment of principal and interest within a reasonable period not exceeding 10 years (which may include a demand loan); and

(c) debt in respect of which interest is not paid within 60 days after the end of the debtor's tax year.

Subscribers who propose to finance the acquisition of Units should consult with their own tax advisors.

Federal Investment Tax Credits

A taxpayer who is an individual (other than a trust) and is a Limited Partner at the end of a fiscal period of the Partnership may, in computing such taxpayer's federal tax payable for the taxpayer's taxation year in which the fiscal period of the Partnership ends, be entitled to claim a non-refundable investment tax credit of 15% of such Limited Partner's share of specified "Flow-Through Mining Expenditures" computed for the Partnership, for such fiscal period, as if it were a person and its fiscal period were its taxation year. "Flow-Through Mining Expenditures" are generally CEE related to certain surface "grass roots" mining exploration expenses, effective for Flow-Through Agreements entered into before April 1, 2019 (provided the Resource Issuer incurs or is deemed to incur in Canada before 2020 and renounces such “Flow-Through Mining Expenditures” with an effective date in 2019 in accordance with the Tax Act).

Tax Proposals extend each of the dates that are relevant for purposes of the Federal investment tax credit by five years, such that the CEE that gives rise to the Federal investment tax credit would be described as specified surface grass roots mining exploration expenses incurred or deemed incurred in Canada by a Resource Issuer before 2020 (provided the Resource Issuer renounces CEE incurred prior to April 2020 with an effective date in 2019 in accordance with the Tax Act) under an agreement for the issuance of a Flow-Through Share made before April 2020.

The amount of CEE upon which the credit is computed would be reduced by any provincial tax credit that the Limited Partner has received, was entitled to receive or could reasonably have been expected to receive in respect of the CEE. To the extent available, if any, such Federal Investment Tax Credit can be used by a Limited Partner to reduce the tax otherwise payable in the taxation year of the Limited Partner in which the Limited Partner becomes entitled to the credit. Any unapplied portion of the credit may be claimed in the following twenty years or the preceding three years. To the extent the credit is applied in a year, the amount of the credit is deducted from the Limited Partner’s CCEE account in the following taxation year. As discussed above, where the balance of a Limited Partner’s CCEE pool is negative at the end of a taxation year, the negative amount must be included in the Limited Partner’s income

for that taxation year. As such, a Limited Partner who deducts this credit for the 2019 taxation year will be required to include in his 2020 income the amount deducted unless there is a sufficient offsetting balance in his CCEE account in 2020.

Income Tax Withholdings and Installments

Limited Partners who are employees and have income tax withheld at source from remuneration paid by an employer may request the CRA to authorize a reduction of such withholding. The CRA, however, has a discretionary power whether or not to accede to such a request.

Limited Partners who are required to pay income tax on an installment basis may, depending on the method used for calculating their installments, take into account their share (subject to the "at-risk" rules) of the Eligible Expenditures renounced to, and any Income or Loss of, the Partnership in determining their installment remittances.

Disposition of Units in Partnership

Subject to any adjustment required by the tax shelter investment rules and the other detailed provisions of the Tax Act, a Limited Partner's adjusted cost base of a Unit for income tax purposes will consist of the Subscription Price of the Unit, increased by any share of Income allocated to the Limited Partner (including the full amount of any capital gains realized by the Partnership, including on the disposition of the Flow-Through Shares) for fiscal periods ending before that time and reduced by any share of Losses (including the full amount of any capital losses realized by the Partnership), the amount of Eligible Expenditures renounced to the Partnership and allocated to him or her, and the amount of any Partnership distributions made to the Limited Partner before that time. The adjusted cost base of a Limited Partner's Units will be reduced on dissolution of the Partnership by the amount of the Issue Expenses and Agents' Fee incurred by the Partnership in respect of this Offering that are deductible by the Limited Partner as described above under "Computation of Income". Where, at the end of a fiscal period of the Partnership, including the deemed fiscal period that ends at the time immediately before dissolution of the Partnership, the adjusted cost base to a Limited Partner of a Unit becomes a negative amount, the negative amount is deemed to be a capital gain realized by the Limited Partnership at that time from the disposition of the Unit and, also at that time, the Limited Partner's adjusted cost base of the Unit will be increased by an amount equal to that of the deemed capital gain, so that the Limited Partner's adjusted cost base of the Unit at that time will be nil.

Generally, one-half of any capital gain (the "taxable capital gain") realized upon a disposition by a Limited Partner of Units in the Partnership will be included in the Limited Partner's income for the year of disposition, and one-half of any capital loss so realized (the "allowable capital loss") must be deducted by the Limited Partner against taxable capital gains for the year of disposition. Subject to the detailed rules in the Tax Act, any excess of allowable capital losses over taxable capital gains of the Limited Partner may be carried back up to three taxation years or forward indefinitely and deducted against net taxable capital gains in those other years.

Capital gains realized by an individual or certain trusts may result in a liability to pay alternative minimum tax under the Tax Act. A Limited Partner that is a Canadian-controlled private corporation (as defined in the Tax Act) may be liable to pay an additional refundable tax of 10% on taxable capital gains.

A Limited Partner who is considering disposing of Units during a fiscal period of the Partnership should obtain tax advice before doing so since ceasing to be a Limited Partner before the end of the Partnership's fiscal year may result in certain adjustments to his or her adjusted cost base and will adversely affect his or her entitlement to a share of the Partnership's income or loss and Eligible Expenditures.

Dissolution of Partnership

Generally, the liquidation of the Partnership and the distribution of its assets to Limited Partners will constitute a disposition by the Partnership of such assets for proceeds equal to their fair market value and a disposition by Limited Partners of their Units for an equivalent amount. In the event the Mutual Fund Roll-Over Transaction is not implemented the Partnership will be dissolved and the Limited Partners will receive their Pro Rata share of the net assets of the Partnership. Following a dissolution of the Partnership, certain costs incurred by the Partnership in marketing the Units, including Issue Expenses and Agent's Fees that were deductible by the Partnership at a rate of 20% per annum, subject to proration for a short taxation year, will, to the extent they remain undeducted by the Partnership at the time of its dissolution, be deductible by the Limited Partners (based on their proportionate interest in the Partnership), on the same basis as they were deductible by the Partnership. A Limited Partner's adjusted cost base in his or her Units will be reduced by the aggregate of such undeducted expenses allocated to the Limited Partner. A Limited Partner's adjusted cost base in his or her Units should also be adjusted to reflect his or her share of the Partnership's income, losses and Eligible Expenditures for the Partnership's final fiscal period. In circumstances where Limited Partners receive on the dissolution of the Partnership, a proportionate undivided interest in each asset of the Partnership on the dissolution of the Partnership, and certain other requirements of the Tax Act are met, the Partnership is deemed to have disposed of its property at its cost amount and the Limited Partners are deemed to have disposed of their Units for the greater of the adjusted cost base of their Units and the aggregate of the adjusted cost bases of the undivided interests distributed to the Limited

Partners plus the amount of any money distributed to the Limited Partners. Provided that under the relevant law, shares may be partitioned, it is the CRA's position that shares may be partitioned on a tax-deferred basis. The cost to a Limited Partner of his, her or its undivided interest in a share will generally be his, her or its pro rata share of the cost of the Partnership of that share. Since the adjusted cost base of Flow-Through Shares to the Partnership generally will be nil, a Limited Partner will generally acquire the partitioned Flow-Through Shares at nil cost. Consequently, a subsequent disposition of Flow-Through Shares by such a Limited Partner will result in the Limited Partner realizing substantially the whole of the proceeds of disposition as a capital gain.

Transfer of Partnership Assets to a Mutual Fund Corporation

If the Partnership transfers its assets to a mutual fund corporation pursuant to the Mutual Fund Roll-Over Transaction, provided the appropriate elections are made and filed in a timely manner, no taxable capital gains will be realized by the Partnership from the transfer. The mutual fund corporation will acquire each asset of the Partnership at the cost amount equal to the lesser of the cost amount thereof to the Partnership and the fair market value of the asset on the transfer date. Provided that the dissolution of the Partnership takes place within 60 days of the transfer of assets to the mutual fund corporation, the shares of the mutual fund corporation will be distributed to the Limited Partners with a cost for tax purposes equal to the adjusted cost base of the Units held by such Limited Partner less the amount of any money distributed to the Limited Partner and the Limited Partner will be deemed to have disposed of the Units for proceeds of disposition equal to that same cost plus the amount of any money so distributed. As a result, a Limited Partner will generally not be subject to tax in respect of such transaction.

Alternative Minimum Tax on Individuals

Under the Tax Act, tax payable by an individual is the greater of the tax otherwise determined and an alternative minimum tax. In calculating taxable income for the purpose of computing the alternative minimum tax, a tax payer must include, among other things, all taxable dividends (without application of the gross-up), and 80% of net capital gains. Various deductions and credits otherwise available are disallowed. The disallowed items include deductions claimed by the individual in respect of his or her share of Eligible Expenditures renounced to the Partnership in a particular fiscal period thereof to the extent such deductions exceed his or her share of the Partnership's Income. In computing adjusted taxable income for alternative minimum tax purposes, an exemption of $40,000 is allowed to the taxpayer who is an individual other than most *inter vivos* trusts. The federal rate of minimum tax is 15% of the amount subject to minimum tax, from which the individual's "basic minimum tax credit for the year" is deducted. Included in the basic minimum tax credit are certain specified personal and other credits available to an individual under the Tax Act as deductions from tax payable for the year but not the investment tax credit. Generally, if the minimum tax so calculated exceeds the tax otherwise payable under the Tax Act, the minimum tax will be payable.

Whether and to what extent the tax liability of a particular Limited Partner will be increased as a result of the application of the alternative minimum tax rules will depend on the amount of his or her income, the sources from which it is derived, and the nature and amounts of any deductions he or she claims.

Any additional tax payable by an individual for the year resulting from the application of the alternative minimum tax will be deductible in any of the seven immediately following taxation years in computing the amount that would, but for the alternative minimum tax, be his or her tax otherwise payable for any such year.

Subscribers are urged to consult their tax advisors as to the potential application of the alternative minimum tax.

Non-Eligibility for Investment in Deferred Income Plans

A Unit will not be a qualified investment under the Tax Act for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans.

Tax Shelter

The federal tax shelter identification number in respect of the Partnership has been applied for by the General Partner. The identification number issued for this tax shelter is to be included in any income tax return filed by the investor (i.e., Limited Partner). Issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of any investor to claim any tax benefits associated with the tax shelter.

The General Partner will file all necessary tax shelter information returns and, where applicable, provide each Limited Partner with copies thereof.

COMPENSATION PAID TO AGENT AND SELLING AGENTS

The Partnership will engage the Agent, who in turn may engage Selling Agents for the purpose of selling Units to Subscribers. The Partnership will pay to the Agent a cash fee of up to 10.0% of the Gross Proceeds in respect of Units sold plus a 1% distribution fee. The Agent will pay the Selling Agents from the aggregate Agent's fee.

RISK FACTORS

THIS IS A SPECULATIVE OFFERING AND A BLIND POOL OFFERING. The purchase of Units involves a number of risk factors. Limited Partners may not receive any return on or repayment of their capital contributions to the Partnership. An investment in Units is appropriate only for investors who have the capacity to absorb a loss of their investment. Investors who are not willing to rely on the discretion and judgment of the General Partner, which has no operating or investment history and is expected only to have nominal assets, and the Investment Manager, should not subscribe for Units. The anticipated tax benefits resulting from an investment in the Partnership are greatest for an investor whose income is subject to the highest marginal income tax rate. Regardless of any tax benefits that may be obtained, a decision to purchase Units should be based primarily on an appraisal of the merits of the investment and on an investor's ability to bear a loss of his or her investment. Investors acquiring Units with a view to obtaining tax advantages should obtain independent tax advice from a tax advisor who is knowledgeable in the area of income tax law. In addition to the factors set forth elsewhere in this Offering Memorandum, prospective investors should consider the following risks:

(i) ***Subscription Price***

The price per Unit paid by Subscribers may be less or greater than the Net Asset Value per Unit at the time of purchase.

(ii) ***Liquidity of Units***

There is currently no market through which the Units of the Partnership may be sold and it is unlikely that such a market will develop. The Units will be subject to resale restrictions for an indefinite period of time and a Limited Partner will only be able to transfer his or her Units in very limited circumstances. Consequently, Limited Partners may not be able to liquidate their Units in a timely manner, if at all, or pledge their Units as collateral for loans.

(iii) ***No Operating History***

The Partnership has not entered into any Flow-Through Investment Agreements to acquire Flow-Through Shares or selected any Resource Issuers in which to invest and will not enter into any such agreements until after the initial Closing.

(iv) ***Underlying Securities***

Generally, the value of Units will vary in accordance with the value of the securities acquired by the Partnership and in some cases the value of securities owned by the Partnership may be affected by such factors as investor demand, resale restrictions, general market trends or regulatory restrictions. Fluctuations in the market values of such securities may occur for a number of reasons beyond the control of the General Partner or the Partnership and there is no assurance that a Liquid Market will exist for securities acquired by the Partnership. If the General Partner is unable to dispose of all investments prior to the termination of the Partnership, Limited Partners may receive shares of Resource Issuers upon the termination of the Partnership, for which there may be an illiquid market or which may be subject to indefinite resale restrictions.

Securities purchased by the Partnership are normally purchased at prices greater than the market prices of their common shares and will be subject to resale restrictions under applicable securities laws.

The Limited Partners are entirely dependent on the discretion and judgment of the General Partner and the Investment Manager for the management of the assets of the Partnership. Neither the Partnership nor the General Partner has any operating history or investment history. The General Partner will only have nominal assets.

There is no assurance of a positive return on investment and an investment in Units should be considered only by those who can afford to lose their investment.

The General Partner and the Investment Manager may not be able to identify a sufficient number of Resource Issuers willing to issue Flow-Through Shares to permit the Partnership to commit all of the Available Funds to purchase Flow-Through Shares on or before December 31, 2019**,** and, therefore, unless such amounts are invested in non-flow-through shares of Resource Issuers, capital may be returned to Limited Partners and Limited Partners may be unable to claim anticipated deductions from income or credits from tax for income tax purposes.

The Partnership does not expect to pay, but the General Partner can decide to pay, dividends or other cash distributions to the Limited Partners prior to the dissolution of the Partnership.

The possibility exists that Resource Issuers will not renounce Eligible Expenditures equal to the subscription price paid to them.

The possibility exists that Limited Partners will receive allocations of income and/or capital gains without receiving cash distributions from the Partnership in a year sufficient to satisfy a Limited Partner's tax liability for the year arising from his or her status as a Limited Partner.

The Partnership will invest in securities of Resource Issuers which may result in value of the Partnership's portfolio being more volatile than portfolios with a more diversified investment focus and may result in volatility based upon the underlying market for

commodities produced by those sectors of the economy. The amount of Available Funds will directly affect the degree of diversification of the Partnership's portfolio and may affect the scope of investment opportunities available to the Partnership.

The share price of the Resource Issuers in which the Partnership owns Flow-Through Shares may decline due to factors such as investor demand, resale restrictions, general market trends or regulatory restrictions. Hedging activities may or may not be able to offset these risks and it is possible for the Partnership to lose money on both the hedging instrument and the share price of the Resource Issuer.

Resource Issuers may not hold or discover commercial quantities of oil, natural gas or minerals, and their profitability may be affected by adverse fluctuations in commodity prices, liability for environmental damage, competition and government regulation.

A Liquid Market may not exist for Flow-Through Shares due to fluctuations in trading volumes and prices and, if the General Partner is unable to dispose of all investments prior to the termination of the Partnership, Limited Partners may receive shares of Resource Issuers upon the termination of the Partnership, for which there may be an illiquid market or which may be subject to resale restrictions.

The Partnership may be required to dispose of assets to covers its ongoing expenses at times when it would otherwise not do so which could have an adverse effect on the Net Asset Value of the Units.

Income tax laws in the various jurisdictions of Canada may be changed in a manner which will fundamentally alter the tax consequences to Limited Partners of holding or disposing of Units, including the ability to claim deductions for all expenditures by the Partnership.

If a Limited Partner finances the Subscription Price of a Unit with indebtedness that is a "limited-recourse amount" for purposes of the Tax Act, the tax benefits of an investment in Units to the Limited Partner and other Limited Partners will be adversely affected.

Unless the continuation of the Partnership is approved by Special Resolution, the General Partner is unable to dispose of all investments prior to the termination of the Partnership and the Mutual Fund Roll-Over Transaction is not implemented, Limited Partners may receive shares of Resource Issuers upon liquidation of the Partnership, for which there may be an illiquid market or which may be subject to indefinite resale restrictions. In the case of Illiquid Investments, the Flow-Through Shares may be subject to indefinite resale restrictions. See "The Partnership Agreement - Mutual Fund Roll-Over Transaction" and "Dissolution".

(v) ***Resource Issuers***

Because the Partnership will invest in securities of Resource Issuers engaged in oil and gas, mineral or alternative energy exploration, development and/or production, the Net Asset Value of the Partnership may be more volatile than that of portfolios with a more diversified investment focus.

The business activities of Resource Issuers are speculative and may be adversely affected by factors outside their control, including global political and economic events which could significantly influence the prices for commodities, such as oil, natural gas, base and precious metals or demand for alternative energy technologies. Resource development and exploration involves a high degree of risk which even the combination of the experience and knowledge of management of the Resource Issuers may not be able to avoid. There is no assurance that commercial quantities of oil, natural gas or minerals will be discovered. Other risks to be considered include possible significant fluctuations in the commodity prices and/or in the costs of production; possible land claims; government regulations, including regulations relating to prices, royalties, allowable production, importing and exporting of petroleum products and environmental protection; risks and hazards relating to operations which may damage persons, property or the environment; competition; and title risks. The effect of these factors cannot be accurately predicted.

(vi) ***Flow-Through Shares***

There can be no assurance that there will be a sufficient number of Resource Issuers willing to issue Flow-Through Shares to permit the Partnership to commit all Available Funds to purchase Flow-Through Shares on or before December 31, 2019. Any Available Funds that have not been committed by the Partnership to purchase Flow-Through Shares or which have not been invested in non-flow-through shares of Resource Issuers on or before December 31, 2019, will be either invested in non-Flow-Through Shares of Resource Issuers or distributed on or prior to January 15, 2020, on a *pro rata* basis to Limited Partners of record on December 31, 2019. If Available Funds are returned in this manner, Limited Partners will not be entitled to claim the anticipated deductions from income for income tax purposes in respect of this Partnership. See "Use of Proceeds".

(vii) ***Possible Loss of Limited Liability and Liability for Return of Capital***

Maintaining limited liability requires Limited Partners to comply with certain legal requirements in jurisdictions in which the Partnership will operate and there is a risk that Limited Partners could lose their limited liability in certain circumstances. The General Partner will operate the Partnership in such a manner as to ensure, to the greatest extent possible, the limited liability of the Limited Partners. See "The Partnership Agreement - Limited Liability".

Where a Limited Partner receives a distribution from the Partnership, such Limited Partner may be liable to return to the Partnership or, if the Partnership is dissolved, to its creditors a maximum of the amount distributed to such Limited Partner with

interest, as may be necessary to discharge the liabilities of the Partnership to all creditors who extended credit or whose claims otherwise arose before such distribution.

(viii) ***No Review by Regulatory Authorities***

This Offering Memorandum constitutes a private offering of the Units in Ontario pursuant to the prospectus and registration exemptions under the securities laws of these provinces. This Offering Memorandum is not, and under no circumstances is to be construed as a prospectus, advertisement, or public offering of these Units. Neither this Offering Memorandum nor any other material relating to this offering has been reviewed or considered by the Ontario Securities Commission and the Canada Revenue Agency, nor any other governmental or regulatory authority.

(ix) ***Share Prices and Resale Restrictions***

The Flow-Through Shares may be issued to the Partnership at prices greater than the market price of such shares. In addition, all Flow-Through Shares issued to the Partnership will be subject to resale restrictions of a minimum of 4 months if the Resource Issuer is a reporting issuer in a jurisdiction in Canada or indefinitely if the Resource Issuer is a Private Company. The effect of such resale restrictions could include the inability of the Partnership to sell Flow-Through Shares into the market at advantageous or timely market prices, or ever.

(x) ***Reliance on General Partner, the Investment Manager, and the Investment Fund Manager***

The Partnership and the General Partner of the Partnership have no previous operating or investment history. Investors who are not willing to rely on the discretion and judgment of the General Partner, which has no operating or investment history and is expected to have only nominal assets, of the Investment Manager, and of the Investment Fund Manager should not subscribe for Units. The board of directors of the General Partner and the Investment Manager, and, therefore, management of the General Partner, the Investment Manager, and of the Investment Fund Manager may be changed at any time.

The General Partner has unlimited liability for the obligations of the Partnership and has agreed to indemnify the Limited Partners against losses, costs or damages suffered if the Limited Partner's respective liabilities are not limited as provided herein, provided that the loss of limited liability was caused by an act or omission of the General Partner or by the negligence or willful misconduct in the performance of, or willful disregard or breach of, the obligations or duties of the General Partner under the Partnership Agreement. However, such indemnity will apply with respect to losses in excess of the agreed capital contribution of the Limited Partner and the amount of this protection is limited by the extent of the net assets of the General Partner and such assets may not be sufficient to fully cover any actual loss. The General Partner is expected to have only nominal assets and, therefore, the indemnity of the General Partner may have nominal value. And prospective investors should not rely on the General Partner to provide any additional capital or loans to the Partnership in the event of any contingency.

Limited Partners must rely entirely on the discretion of the General Partner, the Investment Manager, and the Investment Fund Manager in entering into any Flow-Through Investment Agreements with Resource Issuers, in determining (in accordance with the Partnership's Investment Strategy, Investment Objective and Investment Criteria) the composition of the portfolio of securities of Resource Issuers to be owned by the Partnership, and in determining whether to dispose of securities (including Flow-Through Shares) owned by the Partnership. Flow-Through Shares are normally issued to the Partnership at prices greater than the market prices of comparable common shares not qualifying as Flow-Through Shares, and Limited Partners must rely entirely on the discretion of the General Partner, the Investment Manager, and of the Investment Fund Manager in negotiating the pricing of those securities.

(xi) ***Competition***

The Partnership will be competing with numerous other groups, possessing greater financial resources and technical and investment expertise, in the search for the best Flow-Through Share opportunities.

(xii) ***Tax-Related Risks***

The tax benefits resulting from an investment in the Partnership are greatest for a Limited Partner whose income is subject to the highest marginal income tax rate. Regardless of any tax benefits that may be obtained, a decision to purchase Units should be based primarily on an appraisal of the merits of the investment and on a prospective investor's ability to bear a loss of his or her investment. Investors acquiring Units with a view to obtaining tax advantages should obtain independent tax advice from a tax advisor who is knowledgeable in the area of income tax law. The tax consequences of holding or disposing of Units or the Flow-Through Shares issued to the Partnership may be fundamentally altered by changes in federal or provincial income tax legislation. All of the Available Funds may not be invested in Flow-Through Shares, Resource Issuers may not incur or renounce the amount of Eligible Expenditures required to be incurred or renounced under the Flow-Through Investment Agreements in a timely manner, if at all, or amounts renounced by Resource Issuers to the Partnership may not qualify as Eligible Expenditures. Each Limited Partner will represent that he or she has not acquired Units with limited-recourse borrowing for the purposes of the Tax Act, however there is no assurance that this will not occur. Any of the above occurrences would reduce the amount of the Eligible Expenditures and/or Losses allocated to Limited Partners and in certain circumstances may require the Limited Partners to amend their tax returns filed for previous years. There may be disagreements with the CRA with respect to certain tax consequences of an

investment in Units of the Partnership. The alternative minimum tax could limit tax benefits available to Limited Partners who are individuals. See "Canadian Federal Income Tax Considerations".

Limited Partners will receive the tax benefits associated with Eligible Expenditures in the years in which the Partnership invests in Flow-Through Shares and will benefit to the extent that any gains on the disposition of Flow-Through Shares by the Partnership are capital gains rather than income gains for tax purposes. However, the sale of Flow-Through Shares by the Partnership will trigger larger tax liabilities in the year any gain is recognized than would be the case upon the sale of common shares that do not constitute Flow-Through Shares because the cost of the Flow-Through Shares is deemed to be nil for the purposes of the Tax Act. As a result, there is a risk that Limited Partners will receive allocations of income and/or capital gains for a year without receiving distributions from the Partnership in that year sufficient to pay any tax they may owe as a result of being a Limited Partner during that year. See "The Partnership Agreement - Distributions".

Where a Resource Issuer has a "prohibited relationship" as defined in the Tax Act with an investor that is a trust, corporation or partnership, the Resource Issuer may not renounce Qualifying CDE to such an investor. Briefly, a Resource Issuer has a prohibited relationship with a trust, a particular corporation or a partnership if the Resource Issuer or a corporation related to the Resource Issuer is a beneficiary of the trust, is the corporation or is a member of the partnership. Shares of a Resource Issuer issued to an investor that does not deal at arm's length with the Resource Issuer or to a trust of which such investor is a beneficiary or to a partnership of which such investor is a member may not qualify for renunciation as Flow-Through Shares. Further, a Resource Issuer may not renounce Eligible Expenditures incurred by it after December 31, 2019, with an effective date of December 31, 2019, to a Subscriber with which it does not deal at arm's length at any time during 2019. A prospective Subscriber who does not deal at arm's length with a corporation whose principal business is oil and gas exploration, development and/or production that may issue flow-through shares, as defined in subsection 66(15) of the Tax Act, prior to December 31, 2019, should consult their independent tax advisor before acquiring Units. The Partnership will be deemed to not deal at arm's length with a Resource Issuer if any of its partners do not deal at arm's length with such Resource Issuer.

The Partnership has engaged the General Partner to perform management services and, consistent with that arrangement, the Partnership intends to deduct management fees payable to the General Partner in computing income in the year in which the services to which they relate are rendered. The CRA may assert that an entitlement of the General Partner to management fees is more appropriately treated as an entitlement to share in any income of the Partnership as a partner and, therefore, does not result in a deduction in computing the Partnership's income. If the CRA successfully applied any such treatment then a loss of the Partnership otherwise allocable to the Limited Partners would be reduced or denied to the extent of such deduction.

If a Limited Partner finances the acquisition of Units with a financing for which recourse is, or is deemed to be, limited, the Eligible Expenditures renounced to or other expenses incurred by the Partnership will be reduced by the amount of such financing.

(xiii) ***Mutual Fund Roll-Over Transaction***

There can be no assurance that the General Partner will decide to implement a Mutual Fund Roll-Over Transaction. Further, if the General Partner decides to implement the Mutual Fund Roll-Over Transaction, there can be no assurance that the Mutual Fund Roll-Over Transaction will be implemented by the Investment Manager or that a mutual fund corporation will agree to complete the Mutual Fund Roll-Over Transaction, as it is under no obligation to do so, or that it will receive the necessary regulatory approvals for such a transaction.

If the Mutual Fund Roll-Over Transaction is implemented, then each former Limited Partner will receive shares of a mutual fund corporation initially and future investment returns will be dependent on the performance of the mutual fund corporation. If the Mutual Fund Roll-Over Transaction is implemented, there is no assurance it will be implemented on a tax-deferred basis.

(xiv) ***Fund Shares***

In the event that the Mutual Fund Roll-Over Transaction is completed, Limited Partners will receive shares of a mutual fund corporation upon the dissolution of the Partnership. These shares of the mutual fund corporation will be subject to various risk factors applicable to shares of mutual fund corporations which invest in securities of Canadian companies engaged in the energy and natural resource industries, such as oil and gas, mining and minerals, forestry and other resources. These risks are similar to the risks described under "Underlying Securities" above.

An investment in shares of the mutual fund corporation will also be subject to the following additional risk factors. The net asset value of the mutual fund corporation may fluctuate with changes in the market of its investments. Such changes in market value may occur as a result of various factors, including general, economic and market conditions. A large part of the portfolio of the mutual fund corporation will be invested in equities of companies in the oil and gas and mining industries and, accordingly, the holding of such shares or units will be subject to certain risks inherent in the nature of such investments (see "Resource Issuers" above). A portion of the assets of the mutual fund corporation will be invested in equity securities of small and medium size companies which may involve greater risks than investments in larger, more established companies. As well, the liquidity of the securities comprising the mutual fund corporation's portfolio may be limited. Consequently, in order to fund redemptions, the mutual fund corporation may have to liquidate its shareholdings in more liquid, large and medium size companies. As well, to the extent that the liquidity of the mutual fund corporation is limited, its ability to realize profits and/or minimize losses may be

limited, which could adversely affect its net asset value. The capacity to redeem shares of the mutual fund corporation may be limited from time to time. There will be no assurance as to the amount of return a Limited Partner will receive on the redemption of shares of the mutual fund corporation received upon the dissolution of the Partnership after completion of the Mutual Fund Roll-Over Transaction, as the net asset value per share or unit may be more or less than its net asset value as at the date of closing of the Mutual Fund Roll-Over Transaction.

(xv) ***Conflicts of Interest***

Various conflicts of interest exist or may arise between the Partnership, the General Partner, the Investment Manager, and the Investment Fund Manager and other partnerships or entities of which Affiliates of the General Partner are a general partner or act as a manager. Some of these conflicts may arise as a result of the power and authority of the General Partner to manage and operate the business and affairs of the Partnership. These conflicts of interest may have a detrimental effect on the business of the Partnership.

The General Partner, the Investment Manager, and the Investment Fund Manager will engage in other business ventures (the "Conflicting Ventures"), including, without limitation, acting as general partners, or directors, officers and consultants to Resource Issuers, or officers of general partners, of other limited partnerships or entities which invest the securities of Resource Issuers, in Flow-Through Shares of Resource Issuers or other tax-advantaged investment vehicles, or may individually or in previous partnerships own securities of the Resource Issuers. Neither the Partnership nor any Partners shall by virtue of the Partnership Agreement or otherwise have any right, title or interest in or to such Conflicting Ventures.

The Investment Manager, and the Investment Fund Manager may also make decisions to dispose of Flow-Through Shares held by the Partnership in the same Resource Issuers in which Conflicting Ventures may wish to acquire Flow-Through Shares or non-flow through securities. Conversely, the General Partner may wish to acquire Flow-Through Shares or other securities in the same Resource Issuers in which Conflicting Ventures already hold securities, and which securities the Conflicting Ventures wish to dispose of.

The services of the directors and officers of the General Partner are not exclusive to the Partnership, and the directors and officers of the General Partner may, from time to time, engage in the promotion, management or investment management of another fund, partnership, or entity, including future partnerships and other fund, partnerships or entities which invest primarily in flow-through shares and for shares of the Resource Issuers. One or more investee Resource Issuers may pay a due diligence and/or placement fee to the General Partner and/or the Investment Manager. The Investment Manager, and the Investment Fund Manager may perform services for additional compensation with one or more investee Resource Issuers in its capacity as Agent as it relates to Flow-Through Shares and non-flow-through shares.

Accilent Capital Management is also acting as Agent for the Offering and may charge certain of the Resources Issuers fees from time to time, including without limitation commissions or finders' fees and broker's warrants in connection with the investments made by the Partnership. The Partnership does not participate in such fees. Accilent is controlled by the same individuals who control the General Partner, the Investment Manager, and the Investment Fund Manager and accordingly the Partnership is a "related issuer" and "connected issuer" of Accilent for the purposes of Applicable Securities Laws.

Any of the aforementioned conflicts of interest, as well as others, may be difficult, if not impossible, to resolve equitably.

REPORTING OBLIGATIONS

Audited financial statements prepared by the General Partner and tax reporting information will be distributed to Limited Partners within 120 days after the end of each Fiscal Year end of the Partnership. The Fiscal Year end of the Partnership is December 31 in each calendar year.

The General Partner will send to Subscribers, on an ongoing basis, any notice required to be sent to the Limited Partners pursuant to the Partnership Agreement.

RESALE RESTRICTIONS

In addition to the restrictions on transfer contained in the Partnership Agreement, the Units are subject to the following resale restrictions:

There is no market for the Units and it is not anticipated that any market for the Units will be developed or created. The Units will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, Subscribers will not be able to trade the Units unless in compliance with an exemption from the prospectus and registration requirements of applicable securities laws.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, SUBSCRIBERS MUST NOT TRADE THE UNITS BEFORE THE DATE THAT IS FOUR (4) MONTHS AND ONE DAY FROM THE DATE THE PARTNERSHIP BECOMES A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY IN CANADA.

The Partnership is not a reporting issuer in Ontario or in any other jurisdiction and has no intention of becoming a reporting issuer. Because the Partnership is not and does not intend to become a reporting issuer in any jurisdiction, the applicable hold period will never expire, and if no further statutory exemption may be relied upon and if no discretionary order is obtained, a Subscriber will have to hold the Units acquired for an indefinite period of time.

NO ATTEMPT IS MADE TO FULLY REPRODUCE OR INTERPRET THE RELEVANT TERMS OF THE SECURITIES LAWS APPLICABLE IN EACH PROVINCE OR TERRITORY WHERE EACH PROSPECTIVE INVESTOR RESIDES., EACH PROSPECTIVE INVESTOR SHOULD CONSULT HIS OWN INDEPENDENT LEGAL COUNSEL AND OTHER PROFESSIONAL ADVISORS, INCLUDING, WITHOUT LIMITATION, TAX ADVISOR BEFORE SUBSCRIBING FOR UNITS TO DETERMINE WHICH PROVISIONS MAY APPLY TO HIS SITUATION.

PURCHASERS' RIGHTS

If you purchase these Units you will have certain rights, some of which are described below. These rights may not be available to you if you purchase the Units pursuant to a prospectus exemption other than the offering memorandum exemption in section 2.9 of National Instrument 45-106 Prospectus and Registration Exemptions. For information about your rights you should consult a lawyer.

Two Day Cancellation Right

You can cancel your agreement to purchase these Units. To do so, you must send a notice to us by midnight on the second (2nd) business day after you sign the agreement to buy the Units.

Statutory and Contractual Rights of Action in the Event of a Misrepresentation

Securities legislation in certain of the provinces and territories of Canada provides purchasers with a statutory right of action for damages or rescission in cases where an offering memorandum, any amendment thereto or any Marketing Materials contains an untrue statement of a material fact or omits to state a material fact that is required to be stated or is necessary to make any statement contained therein not misleading in light of the circumstances in which it was made (a "**misrepresentation**"). These rights, or notice with respect thereto, must be exercised or delivered, as the case may be, by purchasers within the time limits prescribed and are subject to the defences and limitations contained under the applicable securities legislation. Purchasers of Units resident in provinces and territories of Canada that do not provide for such statutory rights will be granted a contractual right similar to the statutory right of action and rescission described below for purchasers resident in Ontario and such right will form part of the subscription agreement to be entered into between each such purchaser and the Partnership in connection with this Offering.

The following summaries are subject to the express provisions of the securities legislation applicable in each of the provinces and territories of Canada and the regulations, rules and policy statements thereunder. Purchasers should refer to the securities legislation applicable in their province along with the regulations, rules and policy statements thereunder for the complete text of these provisions or should consult with their legal advisor. The contractual and statutory rights of action described in this Offering Memorandum are in addition to and without derogation from any other right or remedy that purchasers may have at law.

Rights of Purchasers in Alberta

If you are a resident of Alberta, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

(a) the Partnership to cancel your agreement to buy these securities, or

(b) for damages against the Partnership, every person who was a director of the General Partner at the date of this Offering Memorandum and every person or company who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Partnership you will have no right of action against the persons described in (b) above.

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 an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the securities.

Rights of Purchasers in British Columbia

If you are a resident of British Columbia, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

(a) the Partnership to cancel your agreement to buy these securities, or

(b) for damages against the Partnership, every person who was a director of the General Partner at the date of this Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Partnership, you will have no right of action against the Partnership.

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 an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the securities.

Rights of Purchasers in Saskatchewan

If you are a resident of Saskatchewan and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

(a) the Partnership to cancel your agreement to buy these securities, or

(b) for damages against the Partnership, every promoter of the Partnership, every person who was a director of the General Partner at the date of this Offering Memorandum, every person whose consent has been filed respecting the offering but only with respect to reports, opinions or statements that have been made by them, every person who or company that signed this Offering Memorandum and every person who or company that sells securities on behalf of the Partnership under this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Partnership, you will have no right of action against the Partnership.

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 an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six years after the date you purchased the securities.

Rights of Purchasers in Manitoba

If you are a resident of Manitoba, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

(a) the Partnership to cancel your agreement to buy these securities, or

(b) for damages against the Partnership, every person who was a director of the General Partner at the date of this Offering Memorandum and every person or company who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Partnership, you will have no right of action against the persons described in (b) above.

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 an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action or two years after the date you purchased the securities.

Rights of Purchasers in Ontario

If you are a resident of Ontario, and if there is a misrepresentation in this Offering Memorandum, you have a right to sue:

(a) the Partnership to cancel your agreement to buy these securities, or

(b) for damages against the Partnership.

If you elect to exercise a right to cancel your agreement to buy these securities against the Partnership, you will have no right of action against the Partnership.

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 an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the securities.

Securities legislation in Ontario does not extend the statutory rights of action for damages or rescission to a purchaser who is purchasing the securities in reliance on the "accredited investor" exemption set out in section 2.3 of National Instrument 45-106 if the purchaser is: (a) a "Canadian financial institution" or a "Schedule III Bank" (each as defined under applicable securities laws); (b) the Business Development Bank of Canada; or (c) a subsidiary of any person referred to in (a) or (b), if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary (collectively, the "**Excluded Ontario Purchasers**"). The Excluded Ontario Purchasers will be entitled to a contractual right of action for damages or rescission that is equivalent to the statutory right of action for damages or rescission available to purchasers' resident in Ontario as described above (including insofar as such rights may be subject to the defences and limitations provided for under the *Securities Act* (Ontario)).

Rights of Purchasers in Nova Scotia

If you are a resident of Nova Scotia and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

(a) the Partnership to cancel your agreement to buy these securities, or

(b) for damages against the Partnership, every person who was a director of the General Partner at the date of this Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Partnership, you will have no right of action against the persons described in (b) above.

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 an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the securities.

Rights of Purchasers in New Brunswick

If you are a resident of New Brunswick and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

(a) the Partnership to cancel your agreement to buy these securities, or

(b) for damages against the Partnership, every person who was a director of the General Partner at the date of this Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Partnership, you will have no right of action against the Partnership.

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 an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six years after the date you purchased the securities.

Rights of Purchasers in Newfoundland and Labrador

If you are a resident of Newfoundland and Labrador and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

(a) the Partnership to cancel your agreement to buy these securities, or

(b) for damages against the Partnership, every person who was a director of the General Partner at the date of this Offering Memorandum and every person or company who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Partnership you will have no right of action against the persons described in (b) above.

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 an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the securities.

Rights of Purchasers in Prince Edward Island, Northwest Territories, Yukon and Nunavut

If you are a resident of Prince Edward Island, Northwest Territories, Yukon or Nunavut and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

(a) the Partnership to cancel your agreement to buy these securities, or

(b) for damages against the Partnership, every person who was a director of the General Partner at the date of this Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Partnership, you will have no right of action against the persons described in (b) above.

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 an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your

action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the securities.

THE FOREGOING IS A SUMMARY ONLY AND SUBJECT TO INTERPRETATION. REFERENCE SHOULD BE MADE TO THE APPLICABLE SECURITIES LEGISLATION, THE REGULATIONS AND THE RULES THEREUNDER FOR THE COMPLETE TEXT OF THE PROVISIONS UNDER WHICH THE FOREGOING RIGHTS ARE CONFERRED. THE FOREGOING SUMMARY IS SUBJECT TO THE EXPRESS PROVISIONS THEREOF.

OTHER INFORMATION

Auditors and Counsel

The auditors of the Partnership are BDO Canada LLP, Mississauga, Ontario.

Counsel to the Partnership and the General Partner is Blaney McMurtry LLP, Toronto, Ontario.

Registrar and Transfer Agent

The General Partner will be the registrar and transfer agent for the Units or retain the services of the Investment Manager as registrar and transfer agent. The register of Limited Partners will be kept by the General Partner or Investment Manager at its registered office or at such other location as may be determined from time to time by the General Partner.

Legal Proceedings

To the best of the knowledge of the General Partner, there are no legal proceedings outstanding or threatened against the General Partner or the Partnership.

Financial Statements

Attached hereto are an audited opening balance sheet of the Partnership as at May 21, 2019.

Pavilion Flow-Through L.P. (2019) 1
Financial Statement
As at May 21, 2019

Contents

The accompanying notes are an integral part of this financial statement.

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Independent Auditor's Report

To the Directors of the General Partner of

Pavilion Flow-Through L.P. (2019) 1

Opinion

We have audited the statement of financial position of Pavilion Flow-Through L.P. (2019) 1 ("the Limited Partnership") as at May 21, 2019, and notes to the financial statement, including a summary of significant accounting policies (together "the financial statement").

In our opinion, the accompanying financial statement present fairly, in all material respects, the financial position of the Limited Partnership as at May 21, 2019 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 Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are independent of the Limited Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statement in 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 Statement

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

In preparing the financial statement, management is responsible for assessing the Limited Partnership'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 Limited Partnership or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 this financial

statement.

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:

- Identify and assess the risks of material misstatement of the financial statement, 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 Limited Partnership'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 Limited Partnership's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement 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 auditor's report. However, future events or conditions may cause the Limited Partnership to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario

June 28, 2019

Pavilion Flow-Through L.P. (2019) 1
Statement of Financial Position

As at May 21, 2019

Asset

Cash	**$**	**10**

Equity

Issued and fully paid – Initial Limited Partner – 1 unit	**$**	**10**

Approved on behalf of the Board of Directors of PRF (GP) Management (No. 4) Limited

(Signed) Daniel C. Pembleton
Dan Pembleton
Director

The accompanying notes are an integral part of this financial statement.

Pavilion Flow-Through L.P. (2019) 1
Notes to Financial Statement

May 21, 2019

1. Nature of Business

Pavilion Flow-Through L.P. (2019) 1 (the "Partnership") was formed as a Limited Partnership under the laws of the Province of Ontario on May 21, 2019. The principal purpose of the Partnership is to invest in flow-through shares and, where applicable, warrants to acquire shares of resource sector issuers in accordance with the terms of the Limited Partnership Agreement (the "Partnership Agreement"). The Partnership has been inactive other than the issuance of one limited partnership unit for cash consideration of $10.

The General Partner of the Partnership is PRF (GP) Management (No. 4) Limited which acts as a promoter of the Partnership in connection with the offering of the units of the Partnership (the "Units"). The General Partner of the Partnership has retained Accilent Capital Management Inc. to act as the Investment Manager.

The General Partner may unilaterally cause, on its scheduled dissolution date, which is March 31, 2024 or some other date determined by the partners pursuant to an extension by the General Partner based on market conditions or pursuant to a special resolution (the "Liquidity Alternatives"), to transfer its assets to a mutual fund corporation on a tax-deferred basis in exchange for redeemable shares in a mutual fund corporation.

The Limited Partnership is not subject to income taxes. The income or loss is allocable to the Limited Partners pro-rated by units held and is included in the taxable income of the partners in accordance with the provisions of the Income Tax Act (Canada). Accordingly, income tax is not provided for in this financial statement. Income for Canadian income tax purposes is allocated 99.99% to the Limited Partners and .01% to the General Partner. Losses are allocated 100% to the Limited Partners.

The Partnership is not a reporting issuer under securities legislation and therefore is relying on Part 2.11 of National Instrument 81-106 for exemption from the requirement to file financial statements with the applicable securities regulatory authorities.

Ongoing expenses of the Partnership will be satisfied by investment income earned and the sale of investments as necessary.

2. Summary of Significant Accounting Policies

Basis of Presentation

This financial statement has been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial statement was approved by the Board of Directors of the General Partner on June 28, 2019.

Basis of Preparation and Measurement

The financial statement has been prepared under the historical cost convention and is presented in Canadian dollars, which is the Partnership's functional and presentation currency.

2. Summary of Significant Accounting Policies (continued)

Critical Accounting Judgments, Estimates and Assumptions

To prepare financial statements in conformity with IFRS, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the given circumstances. The Company has not utilized any significant judgments, estimates or assumptions during the current period.

Financial Instruments

Recognition and Classification

Financial assets and financial liabilities are initially measured at fair value and are subsequently accounted for based on their classification as described below. The classification depends on the purpose for which the financial instruments were acquired and their characteristics. Except in very limited circumstances, the classification is not changed subsequent to initial recognition.

Financial Assets
The Partnership classifies its financial assets into one of the following categories depending on the purpose for which the asset was acquired:

i) Fair value through profit or loss ("FVTPL");
ii) Amortized cost; or
iii) Fair value through other comprehensive income.

The Partnership does not have any financial assets that it classifies as Fair value through profit or loss or Fair value through other comprehensive income.

Amortized Cost
These assets incorporate financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortized cost using the effective interest rate method, less provision for impairment.

The Partnership's financial assets measured at amortized cost is comprised of cash.

Financial Liabilities
Financial liabilities are classified into one of two categories:

i) Fair value through profit or loss; and
ii) Other financial liabilities.

The Partnership does not have any financial liabilities that it classifies as fair value through profit or loss or other financial liabilities.

Determination of Fair Value

The fair value of a financial instrument on initial recognition is the transaction price, which is the fair value of the consideration given or received. Subsequent to initial recognition, fair value is determined by management using available market information or other valuation methodologies.

2. Summary of Significant Accounting Policies (continued)

Partners' Equity
Partners' equity represents the value of interests that have been issued. Costs incurred in connection with the offering of units of the Partnership are reflected as a reduction of Partners' Equity. Distributions payable to Partners are payable when the distributions have been approved by the General Partner prior to the reporting date.

Related Parties
For the purpose of the financial statement, a party is considered related to the Partnership if such party or the Partnership has the ability to, directly or indirectly, control or exercise significant influence over the other entity's financial and operating decisions, or if the Partnership and such party are subject to common significant influence. Related parties may be individuals or other entities.

3. Payments to the General Partner

As at May 21, 2019, the General Partner held no Units in the Partnership.

The General Partner is reimbursed for reasonable costs related to maintaining the register of the Partnership and the preparation and distribution of financial statements and other documents sent to Limited Partners.

4. Partnership Units

The General Partner is authorized to issue a maximum of 2,000,000 partnership units at $10 per unit. Partnership units are non-redeemable until the scheduled dissolution date of the Partnership.

5. Payments to the Investment Manager

The Investment Manager (Accilent Capital Management Inc.) is entitled to an annual fee (the "Management Fee") of 2.25% of the Net Asset Value of the Partnership accrued daily and paid monthly in arrears. The fee will be paid by the Partnership to the Investment Manager commencing on the date one month from the date the initial closing of the initial offering of Units (the "Offering") is completed.

The General Partner and the Investment Manager will be collectively entitled to a performance fee on the earlier of (a) the day on which a distribution is made to the Limited Partners, (b) the business day prior to the date of the mutual fund roll-over transaction and (c) the business day immediately prior to the date of dissolution or termination of the Partnership (the "Performance Fee Date"), in an amount equal to 20% of the amount that is equal to the product of (i) the number of Units outstanding on the Performance Fee Date and (ii) the amount by which the Net Asset Value per Unit on such Performance Fee Date plus any distributions per Unit paid until the Performance Fee Date exceeds $11.20.

5. Payments to the Investment Manager (continued)

It is agreed and understood that Accilent Capital Management Inc. is also acting as Agent for the offering and entitled to receive fees thereunder.

Accilent Capital Management may charge certain of the Resource Issuers fees from time to time, including without limitation commissions or finders' fees and broker's warrants in connection with the investments made by the Partnership. The Partnership does not participate in such fees.

6. Agent's Fees and Expenses of the Offering

The Agent is entitled to commissions of 10% of the gross proceeds (the "Agent's Fee") payable on closing of the Offering. Expenses of the Offering, which include a fee of 0.75% (to cover items such as expenses in connection with the formation and organization of the Partnership, the preparation of the Offering Memorandum, initial legal and audit expenses of the Partnership and marketing expenses) and 1% of gross proceeds for dealer due diligence, platform and distribution override fees (collectively "Issue Expenses") will be no more than $150,000 plus a 1% distribution fee for a total of $350,000 in the case of the Maximum Offering. Agent's fees and issue expenses are treated as costs of the Offering and will be charged to equity.

7. Operating Expenses

In addition, the Partnership is also responsible for the payment of all administrative and operating expenses (to a maximum of $100,000 per annum during the term of the Partnership) incurred in connection with the operation of the business of the Partnership. It is expected that these expenses will include, without limitation: (a) mailing and printing expenses for periodic reports to Limited Partners; (b) fees payable to the auditors, legal and other professional advisors of the Partnership; (c) taxes and ongoing regulatory filing fees and compliance costs; (d) any reasonable out of pocket expenses incurred by the General Partner or its agents in connection with their ongoing obligations to the Partnership; (e) expenses relating to portfolio transactions (including investment management fees, trustee, custodial and safekeeping fees, but excluding brokerage commissions). No additional fee will be payable to the General Partner for administrative services; however, it will be entitled to reimbursement for reasonable out of pocket expenses related to its performance of these services.

8. Capital Management

The Partnership defines its capital as the aggregate of its Partners' Equity, which is mainly comprised of issued Units. The Partnership's objective in managing its capital is to use the proceeds from the Units to invest in Flow-Through Shares of Resource Issuers and/or warrants to acquire shares related thereto, engaged in (i) oil and gas exploration development and/or production; (ii) mineral exploration, development and/or production; or (iii) renewable energy exploration, development and/or production.", and to provide returns to Limited Partners.

9. Offering Memorandum

The Partnership has issued an Offering Memorandum dated June 28, 2019 for the sale and issuance of up to $20,000,000 (2,000,000 units). The final closing date for which units may be purchased is November 30, 2019 unless the Maximum Offering has been achieved at an earlier date.

DATE AND CERTIFICATE

Dated: June 28, 2019

This Offering Memorandum, to the best knowledge of the undersigned, does not contain a misrepresentation.

(Signed) Daniel C. Pembleton
Daniel C. Pembleton
Director, President
of the General Partner

On behalf of the Board of Directors of the General Partner:

(Signed) Daniel C. Pembleton
Daniel C. Pembleton
Director

Promoter:

PRF (GP) MANAGEMENT (No. 4) LIMITED
(Signed) Daniel C. Pembleton
Dan Pembleton
President and Director

On behalf of the Agent
ACCILENT CAPITAL MANAGEMENT INC.

(Signed) Daniel C. Pembleton
Daniel C. Pembleton
President and Chief Executive Officer