*This Confidential Offering Memorandum ("**Offering Memorandum**") constitutes an offering of securities only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale. This Offering Memorandum is not, and under no circumstances is to be construed as, a prospectus or advertisement or a public offering of these securities.* ***No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of the securities offered hereby, and any representation to the contrary is an offence.***

This Offering Memorandum is personal to each prospective purchaser and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the securities offered hereby. Distribution of this Offering Memorandum to any person other than the prospective purchaser and any person retained to advise such prospective purchaser with respect to its purchase is unauthorized, and any disclosure of any of its contents without the Fund Manager's prior written consent is prohibited. Each prospective purchaser, by accepting delivery of this Offering Memorandum, agrees to the foregoing and to make no photocopies of this Offering Memorandum or any documents referred to in, or incorporated into, this Offering Memorandum.

This Confidential Offering Memorandum dated September 15, 2017 supersedes and replaces in its entirety the Confidential Offering Memorandum dated September 8, 2017.

CONFIDENTIAL OFFERING MEMORANDUM

September 15, 2017

EDE 2017 FLOW-THROUGH LIMITED PARTNERSHIP

LIMITED PARTNERSHIP UNITS

CLASS A UNITS

$1,000 per Unit

Minimum Subscription: $25,000 (25 Units)

EDE 2017 Flow-Through Limited Partnership (the "**Partnership**") is a limited partnership established under the laws of the Province of Ontario. The Partnership proposes to offer and issue up to 10,000 Class A limited partnership units of the Partnership (the **"Units"**) at a price of $1,000 per Unit under this Offering Memorandum pursuant to exemptions from the prospectus requirements of applicable securities legislation (the "**Offering**"). Units are offered at a minimum subscription of $25,000 to "accredited investors" (as such term is defined in National Instrument 45-106 – *Prospectus Exemptions*) resident in, or otherwise subject to the securities laws of, any province or territory of Canada (the "**Offering Jurisdictions**"). See "*The Partnership*" and "*The Offering*".

If there is a misrepresentation in this Offering Memorandum, purchasers resident in Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, Yukon, Nunavut and the Northwest Territories may, in certain circumstances, be provided with a remedy for rescission or damages. See "*Statutory Rights of Action and Rescission*".

The investment objectives of the Partnership are to preserve capital; achieve capital appreciation; and provide holders of Units (the "**Limited Partners**") with a tax-assisted investment in a diversified portfolio of Flow-Through Shares issued by Resource Issuers engaged in mineral exploration and development in Canada that will incur "Canadian exploration expenses" (as defined in the *Income Tax Act* (Canada) (the "**Tax Act**")) ("**CEE"**). See "*Investment Objectives of the Partnership*".

The Partnership will be managed with a view to the preservation of capital and capital appreciation on the Partnership's investments. The Partnership's investment strategy is to invest in Flow-Through Shares that: (a) represent good value in relation to the market price and intrinsic value of the shares of a Resource Issuer; (b) are issued by Resource Issuers that have experienced and capable senior management; (c) have a strong exploration or development program; and (d) offer potential for future growth. Investments will be made in the mineral resource sector with the objective of creating a diversified portfolio of securities of Resource Issuers involved in gold, silver, diamond, platinum group metals, base metals and other commodities exploration and development. The Partnership intends to focus on intermediate and junior Resource Issuers with advanced exploration programs. It is the General

Partner's intention to invest all Available Funds of the Partnership on or before December 31, 2017. See "*Investment Strategies of the Partnership*".

EDE Flow Through GP Inc. (the "**General Partner**") is the general partner of the Partnership. The Partnership is a related and connected issuer of EDE Asset Management Inc. (the "**Manager**"), the manager of the Partnership and an affiliate of the General Partner. The Manager will earn management fees from the Partnership. Also, the General Partner will be entitled to receive a performance distribution from the Partnership. See "*Conflicts of Interest*".

All Units purchased pursuant to this Offering Memorandum are subject to restrictions on resale unless a further statutory exemption may be relied upon by the investor or an appropriate discretionary order is obtained pursuant to applicable securities laws. Therefore, all potential purchasers under this Offering should consult with their legal advisors prior to seeking to sell or otherwise transfer any Units purchased hereunder. As there is no market for the Units, it may be difficult or even impossible for a Unitholder to sell them. However, Units may be redeemed in accordance with the provisions of this Offering Memorandum.

Potential purchasers should carefully review the Section entitled "*Risk Factors*" in this Offering Memorandum before making any decision to invest in the Units.

THIS IS A BLIND POOL OFFERING. The Units are speculative in nature, as are the securities in which the Available Funds will be invested. An investment in Units should be considered only by those investors who can afford a complete loss of their investment. There is no assurance of a return on an investor's initial investment. The potential tax benefits resulting from an investment in Units are greatest for an individual investor whose income is subject to a high marginal tax rate and who is not subject to minimum tax. Federal or provincial income tax legislation may be amended, or their interpretation changed, so as to alter fundamentally the tax consequences of holding or disposing of Units.

Capitalized terms used in this Offering Memorandum and not otherwise defined are defined in the Glossary.

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SUMMARY

The following is a summary of the principal features of the Offering and should be read together with the more detailed information and financial data and statements contained elsewhere in this Offering Memorandum. Certain capitalized terms used but not defined in this summary are defined on the face page of this Offering Memorandum or in the Glossary.

The Partnership: EDE 2017 Flow-Through Limited Partnership, a limited partnership formed under the laws of Ontario. The Partnership proposes to offer and issue Class A limited partnership units (the "**Units**").

General Partner: EDE Flow Through GP Inc. (the "**General Partner**"), a corporation incorporated under the *Business Corporations Act* (Ontario), is the general partner of the Partnership. The General Partner is responsible for management and control of the business and affairs of the Partnership. In exchange for its services, the General Partner will receive a share of Partnership profits.

See "*The General Partner*".

Manager: EDE Asset Management Inc. (the "**Manager**") is a corporation incorporated under the *Canada Business Corporations Act*. The General Partner has engaged the Manager to direct the affairs of the Partnership and to provide day-to-day management services to the Partnership, management of the Partnership's portfolio on a discretionary basis and distribution of the Units of the Partnership.

See "*The Manager*".

The Offering: Units are offered to "accredited investors" (as such term is defined in NI 45-106) resident in, or otherwise subject to the securities laws of, any province or territory of Canada (the "**Offering Jurisdictions**") under this Offering Memorandum. Currently, one class of Units is offered by the Partnership as follows:

Units are available to all investors who meet the minimum investment criteria.

A maximum of 10,000 Units and a minimum of 1,000 Units are being offered pursuant to this Offering Memorandum.

The Units are being distributed through registered dealers, including the Manager in its capacity as an exempt market dealer. See "Dealer Compensation".

Price: $1,000 per Unit.

The Units: Investments in the Partnership are represented by Units, which are limited partnership units of the Partnership. The Partnership may issue a maximum of 10,000 Units. Additional series of Units may be created and offered in the future at the discretion of the General Partner and without notice to or approval of existing Unitholders of the Partnership.

See "*The Partnership".*

Subscription: An investor must purchase at least 25 Units.

See "*Subscriptions*"

Investment Objectives:

The investment objectives of the Partnership are to preserve capital; achieve capital appreciation; and to provide holders of Units (the "**Limited Partners**") with a tax-assisted investment in a diversified portfolio of Flow-Through Shares issued by Resource Issuers engaged in mineral exploration and development in Canada that will incur CEE.

See "*Investment Objectives of the Partnership*".

Investment Strategies:

The Partnership will be managed with a view to the preservation of capital and capital appreciation on the Partnership's investments. The Partnership's investment strategy is to invest in Flow-Through Shares that: (a) represent good value in relation to the market price and intrinsic value of the Resource Issuer's shares; (b) are issued by Resource Issuers having experienced and capable senior management; (c) have a strong exploration or development program; and (d) offer potential for future growth. Investments will be made in the mineral resource sector with the objective of creating a diversified portfolio of securities of Resource Issuers involved in gold, silver, diamond, platinum group metals, base metals and other commodities exploration and development. The Manager will be responsible for managing the Partnership's portfolio, including selecting Resource Issuers and the General Partner will enter into Flow-Through Agreements on behalf of the Partnership.

The Partnership intends to focus on intermediate and junior Resource Issuers with advanced exploration programs. Resource Issuers that incur Qualified CEE in Canada may deduct 100% of such Qualified CEE for tax purposes to the extent permitted by the Tax Act. These income tax deductions may be flowed through to investors who agree to purchase Flow-Through Shares from a Resource Issuer under an agreement whereby such Resource Issuer agrees to incur the exploration expenses and renounce such expenses to investors.

Investments made by the General Partner on behalf of the Partnership will be made having regard to the investment guidelines described herein.

The General Partner intends to invest the Available Funds such that the Limited Partners will each be entitled to claim certain deductions from income for income tax purposes for the 2017 taxation year and subsequent taxation years and may be entitled to certain non-refundable investment tax credits deductible from tax payable for the 2017 taxation year.

It is the General Partner's intention to invest all Available Funds of the Partnership on or before December 31, 2017. The Partnership may make commitments with one or more Resource Issuers prior to Closing, which shall be conditional upon the occurrence of Closing. Any Available Funds of the Partnership that have not been invested or committed by the Partnership to be invested by December 31, 2017 will be distributed to Limited Partners of record on December 31, 2017 on a *pro rata* basis by January 31, 2018, without interest or deduction except to the extent that such funds are expected to be used to finance the operations of the Partnership, including the accrued Management Fee. The return of such uncommitted funds will reduce the potential tax benefit to the Limited Partners of an investment in the Units. If the Partnership determines that it is in the best interests of the Partnership to do so, the Partnership may sell Flow-Through Shares from its portfolio and reinvest the net sale proceeds in additional Flow-Through Shares or non-flow-through

shares of Resource Issuers.

See "*Investment Strategies of the Partnership*".

Calculation of Net Asset Value: As at 4:00 p.m. (Toronto time) on each Valuation Date (or such other appropriate time designated by the General Partner), the fair market value of the assets and the amount of the liabilities of the Partnership (the net result of which is the "**Net Asset Value**" of the Partnership) shall be determined by the General Partner or a third party engaged by the General Partner for that purpose, who may consult with any investment adviser and/or custodian of the Partnership.

Transfer or Resale: Units may only be transferred with the consent of the General Partner and in compliance with all applicable securities legislation, and transfers will generally not be permitted.

Management Fees: The Manager will receive a management fee per annum equal to 2% of the Net Asset Value of the Partnership's assets, calculated and paid quarterly in arrears for managing the business of the Partnership. The management fee is payable to the Manager for identifying, analyzing and selecting investment opportunities in the mineral resource sector, assisting in monitoring the performance of Resource Issuers, providing management and administrative services and facilities, services related to negotiation of the terms and conditions of any prospective investment in Flow-Through Shares, and regulatory compliance, accounting and record keeping services.

Management fees payable by the Partnership are subject to HST and will be deducted as an expense of the Partnership in the calculation of the Net Asset Value of the Partnership. See "Summary of Limited Partnership Agreement – Management Fee " and "Net Asset Value".

There are no additional fees payable by the Partnership to the Manager. The General Partner also has a 0.01% interest in the Partnership. The Partnership will not pay any compensation directly to the General Partner.

There are no additional fees payable by the General Partner, or by any other person, to the Manager for its services to the Partnership. The Manager and the General Partner, as applicable, will be reimbursed by the Partnership for expenses incurred in providing administrative services to the Partnership including costs of reporting to Limited Partners, related printing and mailing costs and costs of preparing and regulatory filings in conjunction with the Partnership.

Performance Distribution Payable to the General Partner: The General Partner, in its capacity as general partner of the Partnership, will receive a special allocation of the Partnership's profits referred to as a Performance Distribution, on the earlier of: (a) the business day before the implementation of the Liquidity Event; and (b) the date of dissolution of the Partnership. The Performance Distribution is an amount in respect of each Unit then outstanding equal to 20% of the amount by which

(a) the sum of

(i) the Net Asset Value per Unit as of that date; and

(ii) all distributions per Unit on or before that date,

exceeds

(b) the original subscription price of $1,000 per Unit.

Payment of Expenses:

The Partnership shall be responsible for all expenses, and the General Partner shall be entitled to reimbursement from the Partnership for all costs actually incurred by it (or by any person to whom the General Partner or Manager has assigned or delegated any of its duties), in connection with the formation and organization of the General Partner and the Partnership and the ongoing operation and administration of the Partnership.

It is expected that these expenses will include, without limitation: all costs of portfolio transactions, custodial fees, legal, audit and valuation fees and expenses, premiums for directors' and officers' insurance coverage for the directors and officers of the Manager, the general partner of the General Partner, costs of reporting to Limited Partners, registrar, transfer costs, printing and mailing costs, fees and expenses and other administrative expenses and costs incurred in connection with regulatory filing obligations of the Partnership and investor relations, fees and expenses relating to any services provided by third parties, any reasonable out of pocket expenses incurred by the Manager in connection with their ongoing obligations to the Partnership, taxes, costs and expenses relating to the issuance of Units, costs and expenses of preparing financial and other reports, costs and expenses arising as a result of complying with all applicable laws, regulations and policies, extraordinary expenses that the Partnership may incur and all amounts paid on account of indebtedness of the Partnership, including interest charges.

The Partnership will also pay all expenditures which may be incurred in connection with the dissolution of the Partnership and any Liquidity Event.

See "*Summary of Limited Partnership Agreement – Expenses*".

Expenses incurred that are specific to a class, subclass, series or subseries of Units shall be deducted from the Net Asset Value of the relevant class, subclass, series or subseries only.

Dealer Compensation:

The Partnership will pay fees ("**Dealer Compensation**") out of the proceeds of the Offering to registered dealers, or where permitted, non-registrants equal to 5% of the subscription proceeds, obtained by such persons or from subscribers for Units introduced to the Partnership by such persons, including the Manager, an affiliate of the General Partner, for its services as agent and in its capacity as exempt market dealer.

Subject to applicable law, the Manager may pay out of the Management Fee, a negotiated referral fee or trailing commission to registered dealers in connection with the holding of Units.

See "*Subscriptions*"

Allocations and Distributions:

Subject to the Performance Distribution, for each fiscal year of the Partnership, 99.99% of the Partnership's net income or loss and 100% of any Qualified CEE renounced to the Partnership with an effective date in such fiscal year will be allocated in accordance with the Limited Partnership Agreement among the Limited Partners on the last day of such fiscal year, and 0.01% of the net

income or loss of the Partnership will be allocated to the General Partner.

If the Performance Distribution is payable, the General Partner will be allocated an amount of income of the Partnership equal to the lesser of such income and the Performance Distribution (and will be liable to pay tax thereon), and the remaining net income will be allocated to the Limited Partners and the General Partner as set out above.

On dissolution of the Partnership, the General Partner is entitled to the Performance Distribution (if any) which will be deducted from the assets of a Partnership, and Limited Partners holding Units are entitled to 99.99% of the remaining assets of the Partnership *pro rata* in accordance with the number of Units held on dissolution and the General Partner is entitled to 0.01% of such remaining assets.

See "*Summary of Limited Partnership Agreement – Allocations and Distributions*".

Fiscal Year End: December 31 in each year or such other date as the General Partner may determine from time to time.

Liquidity Event: In order to provide Limited Partners with liquidity and the potential for long-term growth of capital and income, the General Partner intends (subject to market conditions) to implement a liquidity transaction on or before September 30, 2019, and in any case no later than September 30, 2020 (a "**Liquidity Event**"). The Liquidity Event will be implemented on not less than 21 days' prior notice to Limited Partners.

See "*Termination of the Partnership*".

Financial Reporting: Audited annual financial statements will be delivered to Unitholders within 90 days of each fiscal year end. Unaudited interim financial statements for the first six months of each fiscal year will be available and delivered to Unitholders within 60 days of the end of such period. Unaudited financial information respecting the Net Asset Value per Unit will be provided on a quarterly basis to Unitholders. Additional interim reporting to Unitholders will be at the General Partner's discretion and as required by applicable securities legislation.

See "*Summary of Limited Partnership Agreement – Reports to Limited Partners*".

Federal Income Tax Considerations: In general, a taxpayer (other than a "principal-business corporation" as defined in the Tax Act) who is a Limited Partner at the end of the Partnership's fiscal year may, in computing his or her income for his or her taxation year in which the Partnership's fiscal year ends, subject to the "at-risk" and "limited-recourse financing" rules, deduct 100% of Qualified CEE renounced to the Partnership and allocated to the taxpayer by the Partnership in respect of the fiscal year and the taxpayer's share of the Partnership's net loss for the fiscal year. If a taxpayer finances the subscription price of Units with a borrowing or other indebtedness that is or is deemed to be a "limited-recourse amount", the tax benefits of the investment to such taxpayer, and possibly to other Limited Partners, will be adversely affected.

A Limited Partner who is an individual (other than a trust) may be entitled to reduce tax otherwise payable by the amount of a Limited Partner's EITC, which

is equal to 15% of certain Qualified CEE renounced to the Partnership and allocated to the Limited Partner by the Partnership. Certain Canadian provinces have investment tax credits which generally parallel the EITC for certain Qualified CEE renounced in respect of exploration occurring in the province. Limited Partners who are resident in a province, or otherwise liable to pay income tax in a province, as the case may be, that provides such an investment tax credit may claim the credit in combination with the EITC. The CCEE of a Limited Partner for a taxation year is reduced by the amount of the EITC or any provincial investment tax credit claimed in the preceding taxation year. A negative CCEE account balance at the end of a taxation year must be included in a Limited Partner's income.

If the Partnership transfers its assets to a Liquidity Vehicle that is a corporation pursuant to the Liquidity Event, provided the appropriate elections are made and filed in a timely manner, no taxable capital gains will be realized by the Partnership. Provided the dissolution of the Partnership takes place within 60 days of Liquidity Event and certain other conditions are met, the Liquidity Vehicle Securities 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. As a result, a Limited Partner will not be subject to tax in respect of such transaction.

Income and taxable capital gains realized by the Partnership will be allocated in accordance with the Limited Partnership Agreement to the Limited Partners of record on December 31 of each fiscal year of the Partnership. The Tax Act deems the cost to the Partnership of Flow-Through Shares it acquires to be nil. Therefore the Partnership will generally realize a capital gain on disposition of these shares equal to the proceeds of disposition net of any reasonable costs relating to the disposition.

A disposition of Units (other than in accordance with the Liquidity Event) will generally result in a capital gain (or capital loss) to the extent that the Limited Partner's proceeds of disposition, net of reasonable disposition costs, exceed (or are less than) the Limited Partner's adjusted cost base of the Units immediately prior to the disposition. The dissolution of the Partnership may result in capital gains (or capital losses) to Limited Partners.

These comments are subject to and must be read in conjunction with the detailed summary of the federal income tax considerations contained under "*Federal Income Tax Considerations*". Each investor should obtain advice from his or her professional tax advisor regarding the potential federal and provincial tax considerations of investing in Units.

Eligibility for Investment:

A Unit will not be a qualified investment under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts.

See "*Federal Income Tax Considerations*".

Tax Shelter Identification:

The federal shelter identification numbers for the Partnership is TS 086 397. The identification number issued for this tax shelter must be included in any income tax return filed by any Limited Partner. Issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of any Limited Partner to claim any tax benefits associated with an

investment in the Partnership.

Limited Liability: The liability of each Limited Partner for the liabilities and obligations of the Partnership is limited to the amount of cash and property the Limited Partner contributes or agrees in writing to contribute to the capital of the Partnership, less any such amounts properly returned to the Limited Partner, unless the Limited Partner takes part in the control of the business of the Partnership.

See "*Summary of Limited Partnership Agreement – Liability*" and "*Risk Factors*".

Release of Confidential Information: Under applicable anti-money laundering rules, the General Partner, the Manager or the NAV Administrator may voluntarily release confidential information about Limited Partners and, if applicable, about the beneficial owners of corporate Limited Partners, to regulatory or law enforcement authorities if they determine to do so in their discretion.

Risk Factors: Investors should consider a number of factors in assessing the risks associated with investing in Units including those generally associated with the investment techniques used by the Manager.

See "*Risk Factors*"

Conflicts of Interest: The Manager is the investment fund manager and portfolio manager of the Partnership, and receives a fee in connection with its services as an investment fund manager and portfolio manager. The Manager also acts as an exempt market dealer and will receive a dealer fee with respect to distributions of Units to prospective purchasers. As a result of the foregoing relationships, the Partnership may be considered a related and/or connected issuer of the Manager under applicable securities legislation. See "Dealer Compensation".

In addition, the Manager, a corporation registered as an exempt market dealer with the Ontario Securities Commission and other applicable Canadian jurisdictions, may receive fees from Resource Issuers in which the Partnership invests. Accordingly, the Manager may receive fees, commissions, right to purchase shares of Resource Issuers or other compensation in consideration for its services as agent or finder in connection with private placements of Flow-Through Shares to the Partnership.

See "*Conflicts of Interest*".

Auditors: Collins Barrow Toronto LLP of Toronto, Ontario is the auditor of the Partnership and General Partner.

SELECTED FINANCIAL ASPECTS

The following tables have been prepared by the General Partner to assist prospective investors in evaluating the income tax consequences to them of acquiring and disposing of Units and are not based upon an independent legal or accounting opinion. The following tables set out certain financial aspects, based on the estimates and assumptions described below and in the notes to the tables below, for a Limited Partner who is an individual (other than a trust), who has invested $25,000 in the Units, assuming the provincial marginal tax rates noted below after giving effect to all applicable deductions. **Actual tax rates, tax deductions, money at-risk and portfolio values could be significantly different from those shown in the tables below.**

The following calculations and assumptions do not constitute a forecast, projection, estimate of possible results, contractual undertaking or guarantee. An investment in Units is appropriate only for investors who have the capacity to absorb a loss of all of their investment. The tax benefits resulting from an investment in the Partnership are greatest for an investor whose income is subject to a high marginal income tax rate. 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.

To qualify for income tax deductions available in respect of a particular fiscal year of the Partnership, an investor must be a Limited Partner at the end of the year. It is assumed that the Limited Partner holds the Units throughout all periods. Investors should be aware that these calculations are based on assumptions by the General Partner, which may not be complete or accurate in all respects. 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 investor's present and future tax position and any change in the market value of the portfolio of Flow-Through Shares held by the Partnership. The following illustrations were prepared by the General Partner and are not based on an independent opinion rendered by an accountant or lawyer.

The amounts in the following tables are computed based on the assumptions set out in the notes to the tables. **There is no assurance that any or all of the assumptions upon which the following calculations are based will be applicable to all or any of the Limited Partners, the Partnership or the Flow-Through Shares purchased by the Partnership.**

An investment in Units will have a number of tax implications for a prospective investor. The following presentation has been prepared by the General Partner to assist prospective investors in evaluating the income tax consequences to them of acquiring, holding and disposing of Units and are not based upon an independent legal or accounting opinion. The presentation is intended to illustrate certain income tax implications to investors who are Canadian resident individuals (other than trusts) who have purchased $25,000 of Units (25 Units) in the Partnership and who continue to hold their Units in the Partnership as of December 31, 2017. **These illustrations are examples only and actual tax deductions may vary significantly. See "Risk Factors". The timing of such deductions may also vary from that shown in the table**. A summary of the Canadian federal income tax considerations for a prospective investor for Units is set forth under "*Federal Income Tax Considerations*". Each prospective investor is urged to obtain independent professional advice as to the specific implications applicable to such investor's particular circumstances. The calculations are based on the estimates and assumptions described in the "Notes and Assumptions" set forth below, which form an integral part of the following illustration. Please note that some columns may not sum due to rounding. The actual tax savings, money at risk and break-even proceeds of disposition may be different from what is shown below. Prospective investors should be aware that these calculations do not constitute forecasts, projections, contractual undertakings or guarantees and are based on estimates and assumptions that are necessarily generic and, therefore, cannot be represented to be complete or accurate in all respects.

Class A Units

Example of Tax Deductions

	Minimum Offering			Maximum Offering		
	2017	**2018 & Beyond**	**Total**	**2017**	**2018 & Beyond**	**Total**
Initial Investment	$25,000	$ -	$ 25,000	$25,000	$ -	$25,000
Investment Tax Credits						
Investment Tax Credits	$481	$ -	$481	$523	$ -	$523
Tax Payable on Recapture of Investment Tax Credits	$ -	($241)	($241)	$ -	($262)	($262)
Total Investment Tax Credits[1,2]	$481	($241)	$240	$523	($262)	$261
Income Tax Deductions						
CEE[1]	$21,375	$ -	$21,375	$23,250	$ -	$23,250
Other [2, 3]	$663	$5,451	$6,115	$351	$2,717	$3,068
Total Income Tax Deductions[4, 5, 6, 7, 8]	$22,038	$5,451	$27,490	$23,601	$2,717	$26,318

At-Risk Capital, Breakeven and Downside Protection Calculations

	Minimum Offering			Maximum Offering		
	2017	**2018 & Beyond**	**Total**	**2017**	**2018 & Beyond**	**Total**
Assumed Marginal Tax Rate:[9]	50%	50%		50%	50%	
Investment Amount:	$25,000	$ -	$25,000	$25,000	$ -	$25,000
Net Flow-Through Share and other Tax Savings [10]	($11,500)	2,485)	($13,985)	($12,323)	($1,096)	($13,419)
Capital Gains Tax[11]	$ -	$622	$622	$ -	$329	$329
Total Net Income Tax Savings	($11,500)	($1,863)	($13,363)	($12,323)	($767)	($13,090)
At-Risk Capital[12]			$11,637			$11,910
Breakeven Proceeds[13]			$15,516			$15,879
Downside Protection [14, 15]			38%			36%

Notes and Assumptions:

(1) The calculations assume that the Offering expenses are $135,000 in the case of the Minimum Offering and $600,000 in the case of the Maximum Offering (see "*Use of Proceeds*"), that the operating and administration expenses are $62,500 in the case of the Minimum Offering and $156,250 in the case of the Maximum Offering over the lifetime of the Partnership, and that all Available Funds ($855,000 in the case of the Minimum Offering and $9,300,000 in the case of the Maximum Offering; see "*Use of Proceeds*") are invested in Flow-Through Shares of Resource Issuers that, in turn, expend such amounts on Qualified CEE which are renounced to the Partnership with an effective date in 2017 and allocated to a Limited Partner and deducted by him or her in 2017.

(2) It is assumed that 15% of Available Funds will be used to acquire Flow-Through Shares of Resource Issuers in 2017 that will entitle a Limited Partner to the 15% non-refundable "flow-through mining expenditure" investment tax credit available to him or her in respect of certain "grass roots" mining CEE incurred by a Resource Issuer in 2017 and

renounced under investment agreements entered into before December 31, 2017. It is assumed that the Limited Partner will be subject to tax on the recapture of the investment tax credit in 2018. See "*Federal Income Tax Considerations*".

The 15% investment tax credit reduces federal income tax otherwise payable by an individual Limited Partner other than a trust. As described below, certain Canadian provinces also provide investment tax credits. These credits generally parallel the federal tax credits for flow-through mining expenditures renounced to taxpayers residing in the province in respect of exploration occurring on properties located in that province. Limited Partners resident, or subject to tax, in a province that provides such an investment tax credit may claim the credit in combination with the federal investment tax credit. However, the use of a provincial investment tax credit will generally reduce the amount of expenses eligible for the federal investment tax credit and the Limited Partner's "cumulative CEE" pool. Provincial investment tax credits have not been incorporated into this illustration.

(3) These amounts relate to costs incurred by the Partnership, including the Offering expenses (including Dealer Compensation, travel, sales and marketing expenses including taxes), the fees payable to the General Partner and Manager, and certain estimated operating and administrative expenses (see Note (1) above).

Calculations assume that the Partnership will realize sufficient capital gains to permit it to pay any operating and administrative expenses where these exceed those funded by the Working Capital Reserve. No portion of such fees or expenses incurred by the Partnership in respect of its portfolio will be paid through funds borrowed by the Partnership.

(4) Subject to Note (3) above, Offering expenses are deductible for the purposes of the Tax Act at a rate of 20% per annum.

(5) Assumes no portion of the subscription price for the Units will be financed with limited recourse financing. See "*Federal Income Tax Considerations*".

(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 minimum tax.

(8) The amount of tax deductions, income or proceeds of disposition in respect of a particular investor will likely be different from those depicted above.

(9) **For simplicity an assumed marginal tax rate of 50% has been used**. Each investor's actual tax rate will vary from the assumed marginal rate set forth above. The highest combined federal, provincial and territorial marginal tax rates in 2017 as expected based on current legislation and proposed amendments to the legislation as of the date of this Offering Memorandum are set forth below. Future federal, provincial and territorial legislative amendments may modify these rates.

Province/Territory	Highest Marginal Tax Rate
British Columbia	47.7%
Alberta	48.0%
Saskatchewan	47.8%
Manitoba	50.4%
Ontario	53.5%
Québec	53.3%
New Brunswick	53.3%
Nova Scotia	54.0%
Prince Edward Island	51.4%
Newfoundland and Labrador	51.3%
Yukon Territory	48.0%
Northwest Territories	47.1%
Nunavut	44.5%

(10) The tax savings are calculated by multiplying the total estimated income tax deductions for each year by the assumed marginal tax rate of 50% for that year, plus any investment tax credits. This illustration assumes that the investor has sufficient income so that the illustrated tax savings are realized in the year shown.

(11) The calculations assume there are capital gains realized on the sale of assets of the Partnership in order to pay operating and administrative expenses in excess of the Working Capital Reserve, as described in Note (3). The table does not take into account capital gains tax payable upon the disposition of Units or Liquidity Vehicle Securities by Limited Partners.

(12) At-risk capital (money at risk) is generally calculated as the total investment plus undistributed income less all anticipated income tax savings from deductions and the amount of any distributions. See "*Federal Income Tax Considerations*".

(13) Breakeven proceeds of disposition represent the amount an investor must receive such that, after paying capital gains tax, the investor would recover his or her at-risk capital (money at risk). Capital gains tax is calculated on the assumption that the adjusted cost base of the investment is nil and that 50% of the investor's gain is subject to the assumed marginal tax rate of 50%. See "*Federal Income Tax Considerations*".

(14) 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 investor's present and future tax position and any change in the market value of the portfolio, none of which can presently be estimated accurately by the General Partner.

(15) Downside protection is calculated by subtracting break even proceeds of disposition from initial investment cost and then dividing by investment cost.

SUMMARY OF KEY DATES

Closing on or about October 20, 2017	Investors purchase Units and pay the subscription price ($1,000 per Unit).
By December 31, 2017	*Partnership fully invested.* The General Partner intends to fully invest the proceeds of the offering no later than December 31, 2017.
By March 31, 2018	*Financial Statements*. The Partnership sends its audited financial statements for the period ended December 31, 2017 to investors.
March 31, 2018	*Tax Receipt*. Limited Partners receive a 2017 tax receipt for CEE tax deductions and mining exploration investment tax credits (where applicable).
On or Before September 30, 2019	*Liquidity Event.* On or before September 30, 2019, and in any case no later than September 30, 2020, the General Partner intends to implement the Liquidity Event, described in detail under "*Termination of the Partnership*". If the General Partner does not implement the Liquidity Event, the Partnership may be dissolved on or about March 31, 2021, unless the Limited Partners by extraordinary resolution approve an alternative transaction or an extension of the termination date. On any termination, the Partnership's net assets will be distributed *pro rata* to the Limited Partners. The Performance Distribution, if any, will be paid to the General Partner before distribution of the Partnership's net assets.

STATUTORY CAUTION

The disclosure in this Offering Memorandum or in materials deemed to be incorporated into this Offering Memorandum, regarding the investment strategies and intentions of the Partnership may constitute "forward-looking information" for the purpose of applicable securities legislation, as it may contain statements of the General Partner's and Manager's intended course of conduct and future operations of the Partnership. These statements are based on assumptions made by the General Partner and the Manager of the success of their investment strategies in certain market conditions, relying on the experience of the General Partner's and Manager's officers and employees and their knowledge of historical economic and market trends. Investors are cautioned that the assumptions made by the General Partner and Manager and the success of their investment strategies are subject to a number of mitigating factors. Economic and market conditions may change, which may materially impact the success of the General Partner's and Manager's intended strategies as well as their actual course of conduct. Investors are urged to read "Risk Factors" for a discussion of other factors that will impact the operations of the Partnership.

GLOSSARY

When used in this Offering Memorandum, the following terms have the following meanings:

"**Act**" means the *Limited Partnerships Act* (Ontario);

"**Affiliate**" and "**Associate**" have the meanings given to them in the *Securities Act* (Ontario);

"**Available Funds**" means, in respect of the Partnership, all funds available after deducting from the total proceeds of the issue of Units under this prospectus the expenses related to the issue, Dealer Compensation and the initial Working Capital Reserve;

"**business day**" means any day on which the Toronto Stock Exchange is open for trading;

"**CCEE**" means "cumulative Canadian exploration expense" as defined in subsection 66.1(6) of the Tax Act;

"**CEE**" means "Canadian exploration expense" as defined in subsection 66.1(6) of the Tax Act, which includes certain expenses incurred for the purpose of determining the existence, location, extent or quality of a mineral resource in Canada;

"**Closing**" means the closing of the sale of Units to investors pursuant to this Offering. The Closing date is expected to be on or about October 20, 2017;

"**CRA**" means the Canada Revenue Agency;

"**Dealer Compensation**" means the fees payable to registered dealers and persons who introduce the Partnership to potential subscribers of Units pursuant to the Offering in accordance with applicable securities laws, including the Manager in its capacity as an exempt market dealer;

"**EITC**" means the federal investment tax credit of 15% in respect of an eligible individual's "flow-through mining expenditure" as defined in subsection 127(9) of the Tax Act;

"**Flow-Through Agreement**" means a Flow-Through Share subscription agreement between the Partnership and a Resource Issuer under which the Partnership subscribes for Flow-Through Shares (and other securities, if applicable) and the Resource Issuer agrees to incur and renounce to the Partnership Qualified CEE in an amount equal to the subscription price for the Flow-Through Shares;

"**Flow-Through Share**" means a "flow-through share" as defined in subsection 66(15) of the Tax Act, and "**Flow-Through Shares**" means more than one Flow-Through Share;

"**General Partner**" means EDE Flow Through GP Inc. or if it ceases to be the General Partner of the Partnership, any successor general partner appointed in the manner provided herein;

"**High-Quality Liquid Investments**" means high-quality money market instruments that are given the rating category of A-1 by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. (**Standard & Poor's**) or R-1 by Dominion Bond Rating Service Limited, interest-bearing accounts of Canadian chartered banks or Canadian trust companies with assets in excess of $15 billion or securities issued or guaranteed by the Government of Canada or by the government of any province of Canada or agency thereof or preferred shares with a remaining term of three years or less and having a rating of P-2 (Standard & Poor's) or PFD-2 (Dominion Bond Rating Service Limited) or better, and excludes asset-backed commercial paper;

"**Investment Restrictions**" means those investment guidelines and restrictions described under "*Investment Restrictions*";

"**Liberal CEE Initiative**" means the initiative of the federal government to phase out subsidies for the fossil fuel industry which includes a direction to the Minister of Finance to develop proposals to allow CEE deductions only in cases of unsuccessful exploration;

"**Limited Partners**" means holders of Units whose names and other required information appear on the record of limited partners maintained under the *Limited Partnerships Act* (Ontario);

"**Limited Partnership Agreement**" means the initial limited partnership agreement governing the Partnership dated August 28, 2017, as amended and restated on or prior to the Closing, as it may be further amended, restated or supplemented from time to time;

"**Liquidity Event**" means a transaction the General Partner intends to implement on or before September 30, 2019, and in any case no later than September 30, 2020, in order to provide liquidity and the prospect for long-term growth of capital and for income for Limited Partners which the General Partner intends will be a Rollover Transaction but which may be on such other terms as the General Partner may determine (subject to the approval of Limited Partners in certain circumstances). If the General Partner is of the opinion that due to then prevailing market conditions it would not be in the best interests of the Partnership or the Limited Partners to implement a Liquidity Event on or before September 30, 2019, it may continue to operate the Partnership until such time as the General Partner determines that market conditions are favourable for a Liquidity Event, provided the Liquidity Event, if any, must take place before September 30, 2020;

"**Liquidity Vehicle**" means an investment vehicle that that may be established, recommended or referred to by the Manager or an Affiliate of the Manager to participate in a Liquidity Event;

"**Liquidity Vehicle Securities**" means securities of the Liquidity Vehicle which offer a degree of liquidity to the holders thereof by way of redemption rights, access to a trading market or some other form of liquidity the General Partner determines to be acceptable, in its discretion. The General Partner currently anticipates that the Liquidity Vehicle will offer monthly redemption rights to the holders of Liquidity Vehicle Securities;

"**Management Agreement**" means the management agreement to be dated on or prior to the Closing date among the Manager, the General Partner and the Partnership, as it may be amended, restated or supplemented from time to time;

"**Manager**" means EDE Asset Management Inc.;

"**Maximum Offering**" means the distribution of 10,000 Units under this Offering Memorandum;

"**Minimum Offering**" means the distribution of 1,000 Units under this Offering Memorandum;

"**NAV Administrator**" means a third party administrator engaged by the General Partner from time to time to provide record-keeping and valuation services to the Partnership in accordance with the terms of the Limited Partnership Agreement;

"**Net Asset Value**" means the net asset value of the Partnership or of a series or class, as the context may require;

"**Net Asset Value per Unit**" for each series or subseries shall be calculated by dividing the Net Asset Value of a series or subseries by the number of Units of such series or subseries then outstanding. Net Asset Value per Unit for Units of a class or subclass shall be calculated in a similar manner, with necessary adjustments, if there is only one series or subseries (or no series or subseries designated) for such class or subclass;

"**NI 45-106**" means National Instrument 45-106 – *Prospectus Exemptions*;

"**Offering"** means the offering for sale of the Units by the Partnership under this Offering Memorandum;

"**Offering Jurisdiction**" means each of the provinces and territories of Canada where the Units are being offered to qualified investors pursuant to available prospectus exemptions (in accordance with applicable securities legislation) in the Offering Jurisdictions and provided that the Manager has the relevant registrations under applicable securities legislation in the Offering Jurisdictions in which the Units are being offered;

"**Partner**" means the General Partner or a Limited Partner;

"**Partnership**" means EDE 2017 Flow-Through Limited Partnership;

"**Performance Distribution**" means the bonus, if any, payable on the earlier of the business day before the implementation of the Liquidity Event and the date of dissolution of the Partnership, as described under "*Summary of Limited Partnership Agreement – Performance Distribution*";

"**Prohibited Person**" means: (i) a Resource Issuer that has entered into a Flow-Through Agreement with the Partnership; (ii) a Limited Partner; (iii) the General Partner; (iv) a person or partnership that, for the purposes of the Tax Act, does not deal at arm's length with a Resource Issuer described in (i), a Limited Partner or the General Partner; (v) any partnership, other than the Partnership, in which a Prohibited Person is a member; or (vi) a trust in which a Prohibited Person has a beneficial interest (other than an indirect beneficial interest that exists solely as a result of the Partnership having a beneficial interest in the relevant trust);

"**Qualified CEE**" means CEE, other than expenses which constitute Canadian exploration and development overhead expenses as prescribed by section 1206 of the Regulations, expenses which are specified seismic data expenses as described in paragraph 66(12.6)(b.1) of the Tax Act, and any expenses for prepaid services or rent that do not qualify as outlays or expenses for the period as described in the definition of "expense" in subsection 66(15) of the Tax Act that can be renounced as CEE to the Partnership under subsection 66(12.6) of the Tax Act;

"**Regulations**" means the regulations to the Tax Act as promulgated from time to time;

"**Related Corporation**" means a corporation that is related to a Resource Issuer for the purposes of subsection 251(2) or 251(3) of the Tax Act;

"**Resource Issuer**" means a company which represents to the Partnership in a Flow-Through Agreement that it is a "principal-business corporation" as defined in subsection 66(15) of the Tax Act that intends (either by itself or through a Related Corporation) to incur Qualified CEE in respect of at least one property in Canada;

"**Rollover Transaction**" means an exchange transaction pursuant to which the Partnership will transfer its assets to the Liquidity Vehicle on a tax deferred basis in exchange for Liquidity Vehicle Securities and within 60 days thereafter the Liquidity Vehicle Securities will be distributed to the Limited Partners, pro rata among the holders of Units, on a tax deferred basis (to the extent possible) upon the dissolution of the Partnership;

"**Subscription Agreement**" means the subscription agreement executed by a subscriber to purchase Units;

"**Tax Act**" means the *Income Tax Act* (Canada) as may be amended, supplemented or replaced from time to time;

"**Tax Proposals**" has the meaning specified under "*Federal Income Tax Considerations*";

"**TSX**" means the Toronto Stock Exchange;

"**TSX-V**" means the TSX Venture Exchange;

"**Unit**" means a limited partnership interest in the Partnership entitling the holder of such interest as recorded in the register to the rights provided in the Limited Partnership Agreement;

"**Valuation Date**" means the last business day of March, June, September and December in each year, and such other date(s) as the General Partner may in its sole discretion designate;

"**Warrants**" means common share purchase warrants that are acquired in connection with an investment in Flow-Through Shares pursuant to a unit offering consisting of Flow-Through Shares and common share purchase warrants but does not include special warrants exercisable for Flow-Through Shares for no additional consideration; and

"**Working Capital Reserve**" means funds which in the opinion of the General Partner, are necessary or advisable, having regard to the current and anticipated cash requirements of the Partnership including, without limitation, funding the Partnership's ongoing fees and general administrative expenses (which reserve amount of up to 1% of the gross proceeds of the Offering), to be held in High-Quality Liquid Investments.

THE PARTNERSHIP

EDE 2017 Flow-Through Limited Partnership (the "**Partnership**") was formed under the laws of the Province of Ontario and became a limited partnership by filing a Declaration of Limited Partnership under the Act on August 28, 2017. The Partnership is governed by a limited partnership agreement dated as of August 28, 2017 (the "**Limited Partnership Agreement**"), made between the General Partner and EDE Asset Management Inc. (the "**Initial Limited Partner**"). The principal place of business of the Partnership and of the general partner of the Partnership, EDE Flow Through GP Inc. (the "**General Partner**"), is 357 Bay Street, Suite 1003, Toronto, ON, M5H 2T7. See "*Summary of Limited Partnership Agreement*". The Partnership is not considered a mutual fund under applicable Canadian securities legislation.

The interest of each Limited Partner will represent the same proportion of the total interest of all Limited Partners as the Net Asset Value of Units held by such Limited Partner is of the total Net Asset Value of the Partnership.

THE GENERAL PARTNER

The General Partner was incorporated under the *Business Corporations Act* (Ontario) on August 23, 2017. The General Partner may act as the general partner of other limited partnerships, but does not presently carry on any other business operations and currently has no significant assets or financial resources. The General Partner is a wholly owned subsidiary of the Manager. The directors and officers of the General Partner are the same as the directors and officers of the Manager (see *"The Manager").* Certain Limited Partners may from time to time directly or indirectly own shares of the General Partner. The General Partner may also become a Limited Partner by purchasing Units. The General Partner is generally responsible for management and control of the business and affairs of the Partnership in accordance with the terms of the Limited Partnership Agreement. The General Partner has engaged the Manager to carry out its duties, including management of the Partnership on a day-to-day basis, management of the Partnership's portfolio and distribution of the Units of the Partnership, but remains responsible for supervising the Manager's activities on behalf of the Partnership. In exchange for its services, the General Partner will receive a share of Partnership profits.

THE MANAGER

The General Partner has engaged EDE Asset Management Inc. (the "**Manager**") to direct the day-to-day business, operations and affairs of the Partnership, including management of the Partnership's portfolio on a discretionary basis and distribution of the Units. The Manager may delegate certain of these duties from time to time with the consent of the General Partner. The Manager was incorporated under the *Canada Business Corporations Act* on September 29, 2016. The principal place of business of the Manager is 357 Bay Street, Suite 1003, Toronto, ON, M5H 2T7. EDE Capital Inc., a corporation incorporated under the *Canada Business Corporations Act*, is the principal shareholder of the Manager. The following are the directors and officers of the Manager:

Name and Municipality of Residence	Office with the Manager
Qi Guo Toronto, Ontario	Chief Executive Officer and Director
Yong (Eric) Yan Toronto, Ontario	Chief Investment Officer, Chief Compliance Officer and Director
Mingxin (Aaron) Zhong Toronto, Ontario	Chief Operating Officer, Chief Financial Officer and Director
Shaolin (Jack) Zhan Toronto, Ontario	Director and Chairman

Set out below are the particulars of the relevant experience of each director and officer:

Qi Guo

Qi Guo co-founded the Manager in 2016 and serves as Chief Executive Officer and Ultimate Designated Person of the Manager. Mr. Guo is an independent investor focussing on investments in equities listed on the TSX and TSX-V with a primary focus on the resource sector. Mr. Guo emigrated from China to Canada in 2004.

Yong (Eric) Yan

Yong (Eric) Yan co-founded the Manager in 2016 and serves as Chief Investment Officer and Chief Compliance Officer overseeing the investment and compliance side of the business. Mr. Yan is an investment veteran with over twenty years of experience in commodities and emerging market investment.

Prior to co-founding the Manager, Mr. Yan spent four years holding senior portfolio management roles covering mainland China A share mandates, including Head of Qualified Foreign Institutional Investment (QFII) in China International Fund Management Co., Ltd. overseeing the foreign institutional investment advisory business, and Senior Portfolio Manager in China Qianhai Foundation Asset Management.

Mr. Yan was the lead manager of Matrix Asia Pacific Fund and investment analyst with the Seamark Asset Management Ltd. international team between 2007 and 2012. The Matrix Asia Pacific fund was ranked 2ndin the MSCI All Country category in Canada in 2009. Prior to joining Matrix, Mr. Yan covered China strategy and commodities research at Scotia Capital for four years after spending eight years with China Minmetals Group as a senior commodity trader.

Mr. Yan obtained his MBA degree from the University of Toronto in 2003 and has held the CFA charter since 2006.

Mingxin (Aaron) Zhong

Aaron Zhong serves as Chief Financial Officer and Chief Operating Officer of the Manager. Mr. Zhong is an entrepreneur who currently owns Ajcom Enterprises Inc., an accounting firm that provides bookkeeping, payroll, income tax preparation, and other accounting services for small and medium size businesses.

Shaolin (Jack) Zhan

Shaolin (Jack) Zhan is an investment veteran with over 20 years of experience in the global markets, focussing on strategic investment and risk management. He is currently Chairman and a director of the Manager.

INVESTMENT OBJECTIVES OF THE PARTNERSHIP

The investment objectives of the Partnership are to preserve capital; achieve capital appreciation; and to provide the Limited Partners with a tax-assisted investment in a diversified portfolio of Flow-Through Shares issued by Resource Issuers engaged in mineral exploration and development in Canada that will incur CEE.

INVESTMENT STRATEGIES OF THE PARTNERSHIP

The Partnership will be managed with a view to the preservation of capital and capital appreciation on the Partnership's investments. The Partnership's investment strategy is to invest in Flow-Through Shares that, in the view of the Manager: (a) represent good value in relation to the market price and intrinsic value of the Resource Issuer's shares; (b) are issued by Resource Issuers having experienced and capable senior management; (c) have a strong exploration or development program; and (d) offer potential for future growth. In managing the Partnership's assets, the Manager may sell Flow-Through Shares held by the Partnership and may reinvest the net proceeds from any sales in additional shares of Resource Issuers. Investments will be made in the mineral resource sector with the objective of creating a diversified portfolio of securities of Resource Issuers involved in gold, silver, diamond, platinum group metals, base metals and other commodities exploration and development. The Manager will be responsible for managing the Partnership's portfolio, including selecting Resource Issuers and the General Partner will enter into Flow-Through Agreements on behalf of the Partnership.

The Partnership intends to focus on intermediate and junior Resource Issuers with advanced exploration programs. Resource Issuers that incur Qualified CEE in Canada may deduct 100% of such Qualified CEE for tax purposes. These income tax deductions may be flowed through to investors who agree to purchase Flow-Through Shares from a Resource Issuer under an agreement whereby such Resource Issuer agrees to incur Qualified CEE and renounce such Qualified CEE to investors.

Investments made by the General Partner will be made having regard to the investment guidelines described herein. The General Partner intends to invest the Available Funds such that the Limited Partners will each be entitled to claim certain deductions from income for income tax purposes for the 2017 taxation year and subsequent taxation years and may be entitled to certain non-refundable investment tax credits deductible from tax payable for the 2017 taxation year.

Flow-Through Shares are common shares subscribed for from the treasury of a Resource Issuer under a Flow-Through Agreement which provides that, in addition to issuing common shares, the Resource Issuer agrees to "flow-through" certain tax deductions equal to the purchase price of the Flow-Through Shares. The tax benefits to an individual holder of Flow-Through Shares is enhanced where the Resource Issuer incurs and renounces certain Qualified CEE that is eligible for the EITC. In such cases, the individual holder will not only benefit from the "flowed-through" tax deductions, but also a 15% federal non-refundable investment tax credit (*i.e.*, the EITC) in respect of the "flowed-through" deductions. See "*Federal Income Tax Considerations – Taxation of Limited Partners – Federal Investment Tax Credits*".

Flow-Through Shares are typically purchased at a premium to the market price of the Resource Issuer's common shares as compensation for the benefit of tax deductions. Flow-Through Shares of reporting issuers are usually subject to a resale restriction of up to four months as they are typically issued pursuant to an exemption from the prospectus and registration requirements under applicable securities laws. Flow-Through Shares are considered an attractive means of financing Canadian exploration expenditures for Resource Issuers which have significant tax deductions available to them.

The General Partner, on behalf of the Partnership, will enter into Flow-Through Agreements with Resource Issuers as required to expend the Available Funds. Each Flow-Through Agreement will set forth, among other things the pricing and plan of distribution of the Flow-Through Shares to be purchased by the Partnership; the information to be transmitted by the Resource Issuer to the Partnership; and the undertakings, representations, warranties and covenants of the Resource Issuer.

Pursuant to the terms of Flow-Through Agreements under which the Partnership agrees to acquire Flow-Through Shares, Resource Issuers are obligated to incur exploration and development expenditures or expenses in respect of certain mining projects that qualify as Qualified CEE. The subscription price for Flow-Through Shares issuable under such a Flow-Through Agreement may be released to the Resource Issuer and the Flow-Through Shares issued prior to the Resource Issuer incurring such expenditures and expenses provided the Flow-Through Agreement contains a covenant that the Resource Issuer shall indemnify affected Limited Partners for an amount equal to the tax payable by each such Limited Partner under the Tax Act and the laws of a province as a consequence of: (a) the failure of the Resource Issuer to renounce Qualified CEE to the Partnership equal to the subscription price of the Flow-Through Shares; or (b) a reduction pursuant to subsection 66(12.73) of the Tax Act of an amount purported to be renounced to the Partnership in respect of the Flow-Through Shares. In all cases under Flow-Through Agreements pursuant to which the Partnership agrees to acquire Flow-Through Shares, the Resource Issuers will be obligated to incur Qualified CEE and renounce Qualified CEE to the Partnership and will be liable to the Partnership if they fail to satisfy such obligations.

It is the General Partner's intention to invest all Available Funds of the Partnership on or before December 31, 2017. The Partnership may make commitments with one or more Resource Issuers prior to Closing, which shall be conditional upon the occurrence of Closing. Any Available Funds that have not been invested or committed by the Partnership to be invested by December 31, 2017 will be distributed to Limited Partners of record on December 31, 2017 on a *pro rata* basis by January 31, 2018, without interest or deduction except to the extent that such funds are expected to be used to finance the operations of the Partnership, including the accrued Management Fee to December 31, 2017. The return of such uncommitted funds will reduce the potential tax benefit to the Limited Partners of an investment in the Units. If the Partnership determines that it is in the best interests of the Partnership

to do so, the Partnership may sell Flow-Through Shares from its portfolio and reinvest the net sale proceeds in additional Flow-Through Shares or non-flow-through shares of Resource Issuers.

The General Partner will not enter into Flow-Through Agreements to purchase Flow-Through Shares under which Available Funds are committed which contemplate that Qualified CEE will be incurred after December 31, 2018 or which contemplate that Qualified CEE will be renounced with an effective date later than December 31, 2017. See "*Risk Factors — Tax-Related Risks*". The Flow-Through Agreements will include rights of termination in favour of the Partnership and the Resource Issuers that may be exercised in specified circumstances.

For each fiscal year of the Partnership, 100% of any Qualified CEE renounced to the Partnership with an effective date in such fiscal year will be allocated to Limited Partners who are shown as such on the record of the limited partners maintained by the General Partner on the last day of such fiscal year. Subject to the reduction in the allocation of the proportionate share of a loss of the Partnership to Limited Partners who have financed the acquisition of Units with indebtedness for which recourse is or is deemed to be limited for the purposes of the Tax Act and the Performance Distribution, the Partnership will allocate 99.99% of the net income (net loss) of the Partnership for such fiscal period and on the dissolution of the Partnership to Limited Partners and the remainder to the General Partner. For greater certainty, net income and net loss includes realized capital gains and realized capital losses. The General Partner has the discretion to adjust the allocations described if desirable to reflect the economic results of the Partnership's activities. See "*Summary of Limited Partnership Agreement – Allocations and Distributions*" and "*Summary of Limited Partnership Agreement − Allocation of CEE*". The Partnership will make such filings in respect of such allocations as are required by the Tax Act. Limited Partners will be entitled to claim deductions from income for income tax purposes and may be entitled to certain investment tax credits deductible from tax payable as described under "*Federal Income Tax Considerations*".

In the unlikely event that the Partnership has entered into a Flow-Through Agreement with a Resource Issuer for the purchase of Flow-Through Shares and the Resource Issuer does not or is unable to incur sufficient expenditures to enable it to issue the maximum number of Flow-Through Shares issuable to the Partnership pursuant to the Flow-Through Agreement, the General Partner may use the funds which it would otherwise have used for such Flow-Through Shares in a manner which it determines is in the best interests of the Partnership, which may include: investing all or any portion of such funds to purchase common shares issued by such Resource Issuer which do not constitute Flow-Through Shares; investing all or any portion of such funds in Flow-Through Shares of other Resource Issuers; investing all or any portion of such funds in High-Quality Liquid Investments; or distributing all or any portion of such funds to Limited Partners.

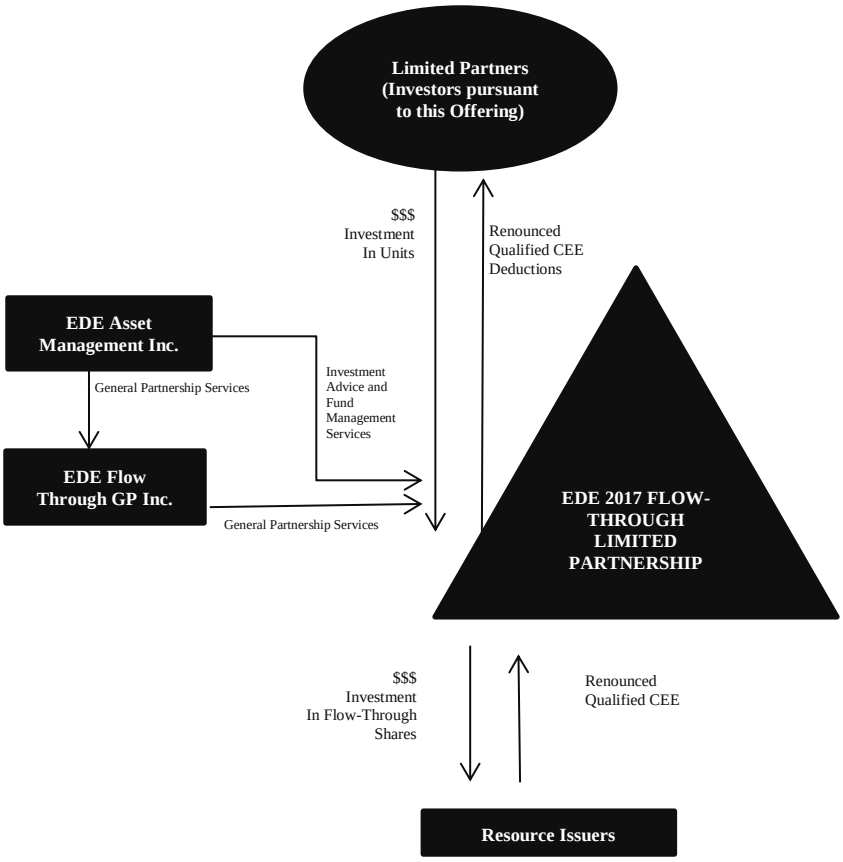
The General Partner, on behalf of the Partnership, may sell Flow-Through Shares and other shares acquired on behalf of the Partnership before dissolution of the Partnership if the General Partner is of the opinion that it is in the best interests of the Partnership to do so. Any net cash balances of the Partnership arising from any sales that occur later in, or after 2017 (net of a reserve for fees and expenses), unless reinvested in additional shares of Resource Issuers, will be invested in High-Quality Liquid Investments.

On dissolution of the Partnership, the General Partner is entitled to the Performance Distribution (if any) which will be deducted from the assets of the Partnership, and Limited Partners are entitled to 99.99% of the remaining assets of the Partnership *pro rata* in accordance with the number of Units held on dissolution and the General Partner is entitled to 0.01% of such remaining assets.

The investment objective and investment strategies of the Partnership may not be amended without the approval of the Limited Partners by extraordinary resolution.

Overview of the Investment Structure

The management and investment structure of the Partnership and the relationship among the Partnership, General Partner, the Manager, the investors (i.e. Limited Partners) and the Resource Issuers are illustrated below. The diagram is provided for illustration purposes only and is qualified by information set forth elsewhere in this Offering Memorandum.



INVESTMENT RESTRICTIONS OF THE PARTNERSHIP

The Partnership will follow the investment restrictions contained in the Limited Partnership Agreement (the "**Investment Restrictions**"), which may be changed only in the manner described under "*Summary of Limited Partnership Agreement - Amendment*". For the purposes of the Investment Restrictions, all percentage limitations will be determined at the date the relevant Flow-Through Agreement is entered into, and any subsequent change in any applicable percentage resulting from changing values will not require the disposition of any security from the Partnership's portfolio. The Investment Restrictions are as follows.

Resource Issuers. The Partnership will invest Available Funds in Flow-Through Shares across Canada. To the extent the Partnership sells Flow-Through Shares, the Partnership may reinvest the net proceeds from any sales in additional shares of Resource Issuers.

No Other Undertaking. The Partnership will not engage in any undertaking other than the investment of the Partnership's assets with regard to the Partnership's investment objectives, investment strategy and Investment Restrictions.

Exchange Listings. The Partnership will invest all Available Funds in securities of issuers which are listed and posted for trading on a North American stock exchange.

Market Capitalization. The Partnership will invest a minimum of 50% of its Available Funds in securities of issuers with a market capitalization of at least $25,000,000.

Diversification. No more than 10% of the Net Asset Value of the Partnership will be invested in the securities of any one issuer other than in connection with the Liquidity Event.

No Control. The Partnership will not own more than 10% of any class of securities of any one issuer or purchase securities of an issuer for the purpose of exercising control or management over such issuer other than in connection with the Liquidity Event.

Purchasing Securities. The Partnership will not purchase securities other than through normal market facilities unless the purchase price thereof approximates the prevailing market price or is negotiated or established with an issuer that deals on an arm's length basis with the Partnership, the General Partner, the Manager and its affiliates.

Fixed Price. The Partnership will not purchase any security which may by its terms require the Partnership to make a contribution in addition to the payment of the purchase price, but this restriction will not apply to the purchase of securities which are paid for on an instalment basis where the total purchase price and the amount of all such instalments is fixed at the time the initial instalment is paid.

No Material Interest. The Partnership will not purchase securities from, or sell securities to, the account of the General Partner, the Manager or any of their respective affiliates, any officer, director or shareholder of any of them, any person, trust, firm or corporation managed by the General Partner, the Manager or any of their respective affiliates or any firm or corporation in which any officer, director or shareholder of the General Partner, the Manager may have a material interest (which, for these purposes, includes beneficial ownership of more than 10% of the voting securities of such entity). If completed, the restriction will not apply to the sale of Partnership assets as part of the Liquidity Event.

No Commodities. The Partnership will not purchase or sell commodities.

No Mutual Funds. The Partnership will not purchase the securities of any mutual fund other than in connection with the Liquidity Event.

No Guarantees. The Partnership will not guarantee the securities or obligations of any person.

No Real Estate. The Partnership will not purchase or sell real estate or interests therein.

No Lending. The Partnership will not lend money, provided that the Partnership may purchase (i) debt obligations issued by the Government of Canada or any agency thereof or by the government of any province of Canada or any agency thereof, or investment grade short-term commercial paper or interest-bearing accounts of Canadian chartered banks or trust companies with assets in excess of $15 billion pending the making of investments in accordance with the Investment Restrictions, and (ii) debt obligations which are convertible into equity securities of issuers that meet the investment objectives, investment strategies and Investment Restrictions.

No Derivatives. The Partnership will not purchase or sell derivatives.

Transactions. The Partnership will not enter into any transaction prior to 2019 if such transaction, either alone or in combination with any other undertakings of the Partnership or a Prohibited Person, will entitle any Limited Partner or a person or partnership which for the purposes of the Tax Act does not deal at arm's length with such Limited Partner, to receive or obtain any amount or benefit, either immediately or at any time in the future and either absolutely or contingently, that reduces the impact of any loss such Limited Partner may sustain by virtue of holding Units unless the entire quantum of such amount or benefit would be included in such Limited Partner's "at-risk amount" in respect of the Partnership for a particular year by virtue of paragraphs 96(2.2)(b) or (b.1) of the Tax Act.

Restriction on Underwriting. The Partnership will not act as an underwriter except to the extent that the Partnership may be deemed to be an underwriter in connection with the sale of securities in the Partnership's portfolio.

Restriction on Short Sales. The Partnership will not make short sales of securities or maintain a short position in any security other than for hedging purposes against existing positions held by the Partnership.

No Mortgages. The Partnership will not purchase mortgages.

Warrants. The Partnership may invest up to 5% of the Available Funds in Warrants forming part of an offering of units consisting of Flow-Through Shares and Warrants, provided that not more than 5% of the aggregate purchase price under the relevant Flow-Through Agreement shall be attributable to Warrants. The Partnership shall not exercise any such Warrants prior to January 1, 2018.

THE OFFERING

The Offering consists of a maximum of 10,000 Units and a minimum of 1,000 Units. The minimum purchase per investor is 25 Units. The material attributes of the Units are described under "*Summary of Limited Partnership Agreement – Units*". The Offering is being made to qualified investors in the Offering Jurisdictions pursuant to available prospectus exemptions (under applicable securities legislation) in the Offering Jurisdictions. Currently, one class of Units is being offered by the Partnership as follows:

Units are available to all investors who meet the minimum investment criteria.

Prospectus Exemptions

Units are being sold under available exemptions from the prospectus and, where applicable, registration requirements under applicable securities laws. The Units are being distributed only to investors (a) who are "accredited investors" as defined in NI 45-106, or (b) to whom Units may otherwise be sold.

Purchasers will be required to make certain representations in the Subscription Agreement and the General Partner will rely on such representations to establish the availability of the exemptions from prospectus requirements described above. Investors, other than individuals, that are not accredited investors, or are accredited investors solely on the basis that they have net assets of at least $5,000,000, must also represent to the General Partner (and may be required to provide additional evidence at the request of the General Partner to establish) that such investor was not formed solely in order to make private placement investments which may not have otherwise been available to any persons holding an interest in such investor. The so-called "Offering Memorandum Exemption" is not being relied on and investors do not have the benefit of certain additional protections that NI 45-106 gives to investors when an issuer relies on the Offering Memorandum Exemption.

No subscription will be accepted unless the Manager is satisfied that the subscription is in compliance with applicable securities laws.

Accredited Investors

The Manager has determined that the minimum investment for persons who meet the definition of "accredited investor" (as defined in NI 45-106) is $25,000. A list of the criteria used to determine whether an investor is an accredited investor is set out in the Subscription Agreement delivered with this Offering Memorandum, but generally includes individuals who have net investment assets of at least $1,000,000, or personal income of at least $200,000 or combined spousal income of at least $300,000 (in the previous two years with reasonable prospects of same in the current year).

ELIGIBLE INVESTORS

The Partnership is designed to attract investment capital which is surplus to an investor's basic financial requirements.

The dealer through whom the Units are purchased has an obligation under applicable securities laws to determine suitability of the investment for such purchaser, unless the purchaser is a "permitted client" and either waives such requirement or the dealer is otherwise exempt from such requirement. Subscribers purchasing directly from the Manager will be required to provide certain information in the subscription agreement (referred to as know-your-client information) on which the Manager will rely in determining such suitability.

The following persons and entities may not invest in this Partnership:

(a) "non-residents", partnerships other than "Canadian partnerships", "tax shelters", "tax shelter investments", or any entities an interest in which is a "tax shelter investment", or in which a "tax shelter investment" has an interest, within the meaning of the Tax Act; and

(b) a partnership which does not have a prohibition against investment by the foregoing persons.

By purchasing Units, a Limited Partner represents and warrants that he, she or it is not one of the above and shall indemnify and hold harmless the Partnership and each other Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by the Partnership or such other Limited Partner, as the case may be, that result from or arise out of a breach of such representation and warranty. Any Limited Partner who fails to provide evidence satisfactory to the General Partner of such status when requested to do so from time to time may be removed as a Limited Partner by the redemption of its Units in accordance with the Limited Partnership Agreement.

Any Limited Partner whose status in that regard changes shall be deemed to have ceased to be a Limited Partner (for all purposes other than taxation and liability) immediately prior to the date on which such status changes and shall thereafter only be entitled to receive from the Partnership an amount equal to the lesser of the Net Asset Value of such Limited Partner's Units as at the date on which he or she ceases to be a Limited Partner and the Net Asset Value of such Units as at the date the General Partner learns that such Limited Partner's status has changed, less all such deductions as provided in the Limited Partnership Agreement as if such Limited Partner voluntarily redeemed his or her Units.

In addition, any Limited Partner that is or becomes a "financial institution" within the meaning of Section 142.2 of the Tax Act (as same may be amended or replaced from time to time) shall disclose such status to the General Partner at the time of subscription (or when such status changes) and the General Partner may restrict the participation of any such Limited Partner or require any such Limited Partner at any time to redeem all or some of such Limited Partner's Units. A Limited Partner who fails to identify itself as a financial institution shall indemnify and hold harmless the Partnership and each other Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by the Partnership or such other Limited Partner, as the case may be, that result from or arise out of such failure. Any Limited Partner who is or who becomes a financial institution after becoming a Limited Partner shall be deemed to have, immediately prior to the date on which it becomes a financial institution (or the date of issue of Units to such financial institution, whichever is later), redeemed some or all of such Limited Partner's Units to the extent necessary to result in financial institutions owning in the aggregate Units having a Net Asset Value that is less than one-half of the Net Asset Value of all of the Units, and shall be entitled to receive from the Partnership as redemption proceeds an amount equal to the lesser of the Net Asset Value of such redeemed Units as at the date on which it is deemed to have redeemed such Units and the Net Asset Value of such Units as at the date the General Partner learns that such Limited Partner is a financial institution, less all such deductions as provided in the Limited Partnership Agreement as if such Limited Partner voluntarily redeemed its Units.

SUBSCRIPTIONS

The Offering consists of a maximum of 10,000 Units and a minimum of 1,000 Units. The minimum purchase per investor is 25 Units. The material attributes of the Units are described under "*Summary of Limited partnership*

Agreement – The Units". An investor whose subscription is accepted by the General Partner will become a Limited Partner when his or her name and other prescribed information is entered in the record of Limited Partners on or as soon as possible after Closing.

Subscriptions for Units must be made by completing and executing the Subscription Agreement provided by the General Partner and by forwarding to the Manager such completed form together with a cheque made out to "EDE Asset Management Inc." (or such other form of funds transfer acceptable to the General Partner) representing payment of the subscription price. Subscription funds provided prior to the Closing date will be kept in a segregated non-interest bearing trust account. Subscriptions for Units are subject to acceptance or rejection in whole or in part by the General Partner in its sole discretion. In the event a subscription for Units is rejected, any subscription funds forwarded by the subscriber will be returned without interest or deduction.

The Partnership will pay fees ("**Dealer Compensation**") out of the proceeds of the Offering to registered dealers, or where permitted, non-registrants equal to 5% of the subscription proceeds, obtained by such persons or from subscribers for Units introduced to the Partnership by such persons, including the Manager, an affiliate of the General Partner, for its services as agent and in its capacity as exempt market dealer.

Subject to applicable law, the Manager may pay out of the Management Fee, a negotiated referral fee or trailing commission to registered dealers in connection with the holding of Units.

The Limited Partnership Agreement and the Subscription Agreement (required to be executed by an investor) include an irrevocable power of attorney authorizing the General Partner, on behalf of the investor (as a Limited Partner), to execute any amendments to the Limited Partnership Agreement and all instruments necessary to reflect the formation of, amendment to, or dissolution of, the Partnership or the registration of the Partnership in any jurisdiction as well as any elections, determinations or designations under the Tax Act or other taxation legislation or laws of like import with respect to the affairs of the Partnership or a Limited Partner's interest in the Partnership.

Pursuant to the Limited Partnership Agreement and the Subscription Agreement (required to be executed by an investor), the investor, among other things:

(a) provides certain information to the General Partner, including the investor's full name, residential address or address for service, social insurance number or corporation account number, as the case may be;

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

(c) makes the representations and warranties set out in the Limited Partnership Agreement, including without limitation, representations and warranties as to his or her residency and limited recourse financing;

(d) is deemed to represent and warrant that, unless the investor has provided written notice to the General Partner before the date of acceptance of its subscription to the contrary, it is (i) not a "financial institution" as that term is defined in subsection 142.2(l) of the Tax Act; and (ii) not a corporation the principal business of which is mineral exploration and development in Canada and deals at arm's length within the meaning of the Tax Act with any such corporation;

(e) irrevocably appoints the General Partner as his or her lawful attorney with the full power and authority as set out in the Limited Partnership Agreement;

(f) authorizes the General Partner to implement the Liquidity Event; and

(g) authorizes the General Partner to file all elections deemed necessary or desirable by the General Partner to be filed under the Tax Act and any other applicable tax legislation, including in respect of the Mutual Fund Rollover Transaction or the dissolution of the Partnership.

The Limited Partnership Agreement includes representations, warranties and agreements by the investor: (i) that the investor is not a non-resident of Canada for purposes of the Tax Act and will maintain that status while the investor holds Units, (ii) that the investor is not a "financial institution" as that term is defined in subsection 142.2(1) of the Tax Act (and will continue not to be a "financial institution" while the investor holds Units) and is not a corporation the principal business of which is mineral exploration and development in Canada and deals at arm's length within the meaning of the Tax Act with any such corporation at the date of acceptance of the investor's subscription (unless, in either case, the investor has provided written notice to the General Partner before the date of acceptance of its subscription to the contrary), (iii) that the investor is not a partnership, (iv) that no interest in the investor is a "tax shelter investment" as that term is defined in the Tax Act, (v) that payment of the subscription price for such Limited Partner's Units was not financed through a borrowing or other indebtedness for which recourse is or is deemed to be limited within the meaning of the Tax Act, (vi) that the investor will not undertake any action that will cause the Partnership to be a "SIFT partnership" as defined in the Tax Act, and (vii) that the investor is not a Resource Issuer or a person that does not deal at arm's length with a Resource Issuer within the meaning of the Tax Act.

An investor whose subscription is accepted will become a Limited Partner when the General Partner amends the record of limited partners. If a subscription is withdrawn or is not accepted, all documents will be returned to the investor within 15 days following the withdrawal or rejection.

Offers to purchase will be subject to allotment by the General Partner and the right is reserved to close the offering books at any time without notice. If a subscription for Units is rejected or accepted in part, unused monies received will be returned to the investor within 15 days without interest or deduction. If all subscriptions are rejected, all cheques will be returned to the investors.

The Partnership will not issue Unit certificates. Only in extraordinary circumstances will the General Partner agree to issue Unit certificates on behalf of the Partnership and only on such terms as it may in its discretion determine. The registrar and transfer agent of the Partnership shall maintain a register recording information for each Limited Partner.

MINIMUM INDIVIDUAL SUBSCRIPTIONS

The minimum initial investment is $25,000 for accredited investors (or such lesser amount as may be accepted by the General Partner).

Each additional investment must be in an amount that is not less than $5,000. Subsequent additional investments are subject to acceptance or rejection by the General Partner.

The Partnership will pay dealer fees out of the proceeds of the Offering to registered dealers, or where permitted, non-registrants equal to 5% of the subscription proceeds ($50 per Unit sold, representing a maximum dealer fee of $500,000 if the Maximum Offering is sold or $50,000 if the Minimum Offering is sold), obtained by such persons or from subscribers for Units introduced to the Partnership by such persons, including the Manager, an affiliate of the General Partner, for its services as agent and in its capacity as exempt market dealer.

TRANSFER OR RESALE

Units are not transferable by a Limited Partner except with the written consent of the General Partner and in compliance with applicable securities legislation.

As the Units offered by this Offering Memorandum are being distributed pursuant to exemptions from the prospectus requirements of applicable securities legislation, the resale of these securities by investors is subject to restrictions. There is no market for these Units and no market is expected to develop, therefore it may be difficult or even impossible for the investor to sell the Units.

Investors are advised to consult with their advisers concerning restrictions on resale and are further advised against reselling their Units until they have determined that any such resale is in compliance with the requirements of applicable legislation and the Limited Partnership Agreement.

NET ASSET VALUE

As at 4:00 p.m. (Toronto time) on each Valuation Date (or such other appropriate time designated by the General Partner), the fair market value of the assets and the amount of the liabilities of the Partnership (the net result of which is the "**Net Asset Value**" of the Partnership) shall be determined by the General Partner or a third party engaged by the General Partner for that purpose (in either case, the "**NAV Administrator**"), who may consult with any investment adviser and/or custodian of the Partnership, to calculate Net Asset Value of the Partnership in accordance with the Limited Partnership Agreement.

The Net Asset Value of the Partnership on any Valuation Date shall mean the value of the Partnership's assets less the General Partner's capital contribution and less an amount equal to the Partnership's liabilities (including reserves made in accordance with the Limited Partnership Agreement) on such date (without regard to subscriptions or redemptions on such date).

Valuation Principles

In addition to, and without derogating from, the other provisions of the Limited Partnership Agreement, the following rules shall be applied by the General Partner and/or NAV Administrator to the determination of the Net Asset Value of the Partnership:

(a) The value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, dividends receivable (if such dividends are declared and the date of record is before the date as of which the Net Asset Value of the Partnership is being determined) and interest accrued and not yet received, shall be deemed to be the full amount thereof, unless the NAV Administrator, in consultation with the Manager, determines that any such deposit, bill, demand note, account receivable, prepaid expense, dividend receivable or interest accrued and not yet received is not worth the full amount thereof, in which event the value thereof shall be deemed to be such value as the NAV Administrator, in consultation with the Manager, determines to be the reasonable value thereof.

(b) The value of any security which is listed or dealt in upon a public securities exchange will be valued at the last available trade price on the Valuation Date or, if the Valuation Date is not a business day, on the last business day preceding the Valuation Date. If no sales are reported on such day, such security will be valued at the average of the current bid and asked prices. Securities that are listed or traded on more than one public securities exchange or that are actively traded on over the counter markets while being listed or traded on such securities exchanges or over the counter markets will be valued on the basis of the market quotation which, in the opinion of the NAV Administrator, in consultation with the Manager, most closely reflects their fair value.

(c) Any securities which are not listed or dealt in upon any public securities exchange will be valued at the simple average of the latest available offer price and the latest available bid price (unless in the opinion of the NAV Administrator, in consultation with the Manager, such value does not reflect the value thereof and in which case, the latest offer price or bid price as best reflects the value thereof should be used), as at the Valuation Date.

(d) The value of any restricted security shall be the lesser of (i) the value thereof based on any available reported quotations in common use and (ii) that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, warranty or agreement or by law, equal to the percentage that the acquisition cost thereof was of the market value of such securities at the time of acquisition thereof less a discount

for illiquidity during the hold period, which is amortized over the hold period. If the restricted security is not subject to a hold period, no discount will be applied.

(e) All Partnership property valued in a foreign currency and all liabilities and obligations of the Partnership payable by the Partnership in foreign currency shall be converted into Canadian or U.S. dollars, as appropriate, by applying the rate of exchange obtained from the best available sources by the NAV Administrator to calculate Net Asset Value.

(f) The value of any security or property to which, in the opinion of the NAV Administrator, in consultation with the Manager, the above principles cannot be applied (whether because no price or yield equivalent quotations are available or for any other reason), shall be the fair value thereof determined in such manner as the NAV Administrator, in consultation with the Manager, may from time to time determine based on standard industry practice.

(g) All expenses or liabilities (including distributions payable, if any) shall be calculated at least quarterly on an accrual basis.

(h) All other liabilities shall include only those expenses paid or payable by the Partnership, including accrued contingent liabilities; however (A) organizational and start-up expenses may be amortized by the Partnership over such period as it determines in its discretion. Amortization of such expenses may result in a difference between Net Asset Value for pricing purposes and Net Asset Value for financial reporting purposes, and if the Partnership is wound up or terminated within such period, all unamortized expenses shall be brought current; and (B) expenses and fees allocable only to a particular class, subclass, series and subseries of Units shall not be deducted from the Net Asset Value of the Partnership prior to determining the Net Asset Value of each class, subclass, series and subseries, but shall thereafter be deducted from the Net Asset Value so determined for each such class, subclass, series and subseries.

(i) Notwithstanding anything in this section, the NAV Administrator may adjust the value of any investment or other asset if, having regard to such considerations as it deems relevant, if considers such adjustment is required to reflect the fair value thereof.

(j) The Partnership reserves the right to suspend the determination of valuations of the Partnership's assets or assets of any Class for any period described below during which (any such event, a "**Market Emergency**"):

(i) the principal markets or exchanges upon which a material portion of the assets of the Partnership attributable to one or more class(es), subclass(es), series or subseries of Units are closed, aside from ordinary weekend and holiday closings, or during which period dealings are substantially restricted or suspended;

(ii) during the existence of any state of affairs that, in the view of the General Partner, constitutes an emergency as a result of which disposal of investments by the Partnership for one or more class(es), subclass(es), series or subseries of Units is not reasonably practicable, or it is not possible for the Net Asset Value per Unit for such class, subclass, series or subseries to be determined or disposal of the investments attributable to such class, subclass, series or subseries might seriously prejudice Limited Partners;

(iii) during any breakdown in the means of communications normally employed in the determination of the investment values or current market or exchange prices attributable to one or more class(es), subclass(es), series or subseries of Units or when for any other reason the price or value of any significant investment to such class, subclass, series or subseries cannot reasonably be promptly and accurately ascertained;

(iv) during any period in which the Partnership is unable to repatriate the funds necessary to effect the redemption of Units of one or more class(es), subclass(es), series or subseries of Units or during which transfers of funds involved in the redemption of one or more class(es), subclass(es), series or subseries Units or the acquisition of investments by the Partnership in respect of such class, subclass, series or subseries may not be effected, in the view of the General Partner, at normal rates of exchange;

(v) as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the General Partner, disposal of the assets attributable to one or more class(es), subclass(es), series or subseries of Units is not reasonable or normally practicable without being seriously detrimental to Limited Partners' interests as a whole;

(vi) during any period when remittance of monies that will or may be involved in the realization of, or in the payment of, the investments attributable to one or more class(es), subclass(es), series or subseries of Units is not reasonably practicable; or

(vii) any other circumstances in which, in the opinion of the General Partner, the interests of the holders of Units of one or more class(es), subclass(es), series or subseries of Units would be materially prejudiced.

(k) The General Partner will notify Limited Partners of any such suspension. At the conclusion of any such period, the General Partner (or its delegate) shall value the Partnership's assets as soon as it is reasonably practicable.

(l) The Manager may amend the foregoing and/or determine such other rules as it deems necessary from time to time, which rules may deviate from Canadian generally accepted accounting principles and international financial reporting standards, so long as such rules are consistent with industry practice.

The General Partner and the Manager may determine that certain assets, liabilities, income and/or losses are attributable to only one or more, but not all, classes, subclasses, series or subseries of Units from time to time. The Net Asset Value of the Partnership and the Net Asset Value per Unit for each class, subclass, series and subseries of Units established by the NAV Administrator in accordance with the provisions of the Limited Partnership Agreement shall be conclusive and binding on all Partners unless the General Partner agrees otherwise.

MANAGEMENT AGREEMENT

In order to set out the duties of the Manager, the Partnership has entered into a Management Agreement (the "**Management Agreement**") with the Manager dated on or prior to the date of Closing. Pursuant to the Management Agreement, the Manager shall direct the affairs of the Partnership and provide day-to-day management services to the Partnership, including identifying, analyzing and selecting investment opportunities in the mineral resource sector and distribution of the Units. The Manager will assist the General Partner in monitoring the performance of Resource Issuers (including their expenditure of Flow-Through Share subscription proceeds within the time frames outlined in the Flow-Through Agreements). The Manager will also provide management and administrative services to the General Partner, including structuring and negotiating prospective investments and such other services as may be required from time to time. The Manager's role related to prospective investments includes:

(a) assisting the Partnership with the negotiation of Flow-Through Agreements with Resource Issuers in which the Partnership is interested in investing;

(b) ensuring that any Resource Issuer in which the Partnership invests provides documents to the Partnership renouncing CEE by no later than March 1, 2018;

(c) making any submissions to the Partnership that it feels are appropriate and in the Partnership's best interest;

(d) analyzing investments in Flow-Through Shares;

(e) reviewing Resource Issuers for possible investment;

(f) determining how to exercise voting rights of Flow-Through Shares; and

(g) ensuring compliance with the investment strategies and Investment Restrictions.

The Manager may delegate certain of these duties from time to time with the consent of the General Partner.

Pursuant to the Management Agreement, the Partnership will pay to the Manager an annual fee equal to 2% of the Net Asset Value payable quarterly in arrears for identifying, analyzing and selecting investment opportunities in the mineral resource sector, assisting in monitoring the performance of Resource Issuers, providing management and administrative services and facilities, services related to negotiation of the terms and conditions of any prospective investment in Flow-Through Shares, and regulatory compliance, accounting and record keeping services (the "**Management Fee**"). The Management Fee will be calculated at the end of the last Business Day of each quarter. Fees payable by the Partnership are subject to HST and will be deducted as an expense of the Partnership in the calculation of the Net Asset Value of the Partnership.

The Manager may pay referral fees from time to time to agents who participated in the marketing of the Units, out of fees earned by the Manager from the Partnership.

The Management Agreement may be terminated by either the General Partner or the Manager on 30 days' notice to the other, or immediately in the event of the dissolution or insolvency or bankruptcy of the other party or the termination of the Limited Partnership Agreement.

The Management Agreement provides that the Manager will not be liable in any way for any loss, default, failure, or defect in any of the securities comprising the investment portfolio of the Partnership, unless such loss, default, failure or defect is attributable to the failure of the Manager to satisfy the foregoing standard of care. The Manager will assist the General Partner in endeavouring to invest the Available Funds in Flow-Through Shares in accordance with the Partnership's investment strategy and Investment Restrictions, before December 31, 2017. In the purchase and sale of securities for the Partnership, the Manager will seek to obtain overall services and prompt execution of orders on favourable terms.

SUMMARY OF LIMITED PARTNERSHIP AGREEMENT

The rights and obligations of the Limited Partners and the General Partner are governed by the Limited Partnership Agreement (as amended from time to time) and the Act. The following is a summary of the Limited Partnership Agreement entered into by the General Partner and the Initial Limited Partner. This summary is not intended to be complete and each investor should carefully review the Limited Partnership Agreement itself for full details of the provisions summarized below.

The Units

Investments in the Partnership are represented by Units, which are limited partnership units of the Partnership. The Units are not redeemable by a Limited Partner. The initial Limited Partner has contributed $10.00 to the Partnership's capital. The initial Units issued to the initial Limited Partner will be redeemed, and such capital contribution repaid, on the Closing date.

Currently, one class of Units has been created: Class A. Units are available to all investors who meet the minimum investment criteria.

Each Limited Partner shall be entitled to one vote for each Unit owned by such Limited Partner in respect of all matters to be voted upon by the Limited Partners.

Each issued and outstanding Unit of each series or subseries shall be equal to each other Unit of the same series or subseries with respect to all matters, including the right to receive allocations and distributions from the Partnership and otherwise.

The Limited Partnership Agreement includes representations, warranties and agreements by the investor that he or she is not a non-resident of Canada for the purposes of the Tax Act, that he or she will remain a resident of Canada as long as he or she holds Units, that it is not a partnership, that it is not a Resource Issuer and deals at arm's length within the meaning of the Tax Act with any such corporation, that no interest in the investor is a "tax shelter investment" as the term is defined in the Tax Act, and that payment of the subscription price of his or her Units was not financed with indebtedness for which recourse is, or is deemed to be, limited for the purposes of the Tax Act.

Furthermore, unless the investor has provided written notice to the General Partner before the date of acceptance of its subscription to the contrary, the investor is providing a representation and warranty and is agreeing that: (i) it is not a "financial institution" (as that term is defined in subsection 142.2(1) of the Tax Act) and it will continue not to be a "financial institution" while it holds Units, and (ii) it is not a corporation the principal business of which is mineral exploration and development in Canada and that it deals at arm's length within the meaning of the Tax Act with any such corporation.

The General Partner may require those Limited Partners who are non-residents of Canada for the purposes of the Tax Act or a partnership to sell their Units to residents of Canada. In addition, if the General Partner becomes aware that owners of 45% or more of the fair market value of all interests in the Partnership then outstanding are, or may be, financial institutions for purposes of the Tax Act or that such a situation is imminent, the General Partner may send notice to certain of these Limited Partners requiring them to sell their Units or a portion of them within a period of not less than 15 days. If a Limited Partner fails to comply with any such request, the General Partner will have the right to sell such Limited Partner's Units or to purchase the Units on behalf of the Partnership at fair value as determined by an independent third party selected by the General Partner, whose determination will be final and binding and not subject to review or appeal.

Allocations and Distributions

Except for the return of any portion of Available Funds which are not spent or committed to acquire Flow-Through Shares by December 31, 2017 (see "*Investment Strategies of the Partnership*"), the Partnership does not expect to make, but is not precluded from making, cash distributions to Partners before the dissolution of the Partnership. In managing the Partnership's investment portfolio, the General Partner may sell Flow-Through Shares held by the Partnership and may reinvest the net proceeds from any sales in additional shares of Resource Issuers. See "*Investment Restrictions of the Partnership*".

Subject to the Performance Distribution and to the reduction in allocation of the proportionate share of a loss of the Partnership or CEE to Limited Partners who have financed the acquisitions of Units with indebtedness for which recourse is or is deemed to be limited, for each fiscal year of the Partnership, 99.99% of the Partnership's net income or loss and 100% of any Qualified CEE renounced to the Partnership with an effective date in such fiscal year will be allocated in accordance with the Limited Partnership Agreement among the Limited Partners on the last day of such fiscal year, and 0.01% of the net income or loss of the Partnership will be allocated to the General Partner.

If the Performance Distribution is payable, the General Partner will be allocated an amount of income of the Partnership that is equal to the lesser of such income and the Performance Distribution (and will be liable to tax thereon), and the remaining net income will be allocated to the Limited Partners and the General Partner as set out above.

On dissolution of the Partnership, the General Partner is entitled to the Performance Distribution (if any) which will be deducted from the assets of the Partnership and Limited Partners holding Units are entitled to 99.99% of the

remaining assets of the Partnership *pro rata* in accordance with the number of Units held on dissolution and the General Partner is entitled to 0.01% of the such remaining assets. See "*Termination of the Partnership*".

Allocation of CEE

Subject to the reduction in the allocation of the proportionate share of CEE to Limited Partners who have financed the acquisition of Units with indebtedness for which recourse is or is deemed to be limited for the purposes of the Tax Act (see "*Summary of Limited Partnership Agreement – Limited Recourse Financings*"), Qualified CEE renounced to the Partnership with an effective date in a fiscal year will be allocated to Limited Partners who are shown as such on the record of the limited partners maintained by the General Partner on the last day of such fiscal year *pro rata* in accordance with the number of Units held on that date. The General Partner will make such filings in respect of such allocations as are required by the Tax Act.

Authority and Duties of the General Partner

Except as otherwise provided in the Act and the Limited Partnership Agreement and except for powers and authority granted to the Manager and others pursuant to the Limited Partnership Agreement, the General Partner shall have the power and authority to do such acts and things and to execute and deliver such documents as it considers necessary or desirable in connection with the offering and sale of the Units and for the formation and operation of the Partnership for the purposes stated in the Limited Partnership Agreement. Subject to any provisions of the Limited Partnership Agreement and any agreement entered into by the General Partner on behalf of the Partnership to the contrary, the General Partner shall carry on the activities of the Partnership with full power and authority to administer, manage, control and conduct such activities and to do any act, take any proceeding, make any decision and execute and deliver any instrument, deed, agreement, or document necessary for or incidental to carry out the objects, purposes and activities of the Partnership for and on behalf of and in the name of the Partnership.

The General Partner shall exercise the powers and discharge its duties honestly, in good faith, and with a view to the best interests of the Partnership and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. See the Limited Partnership Agreement for additional information.

The General Partner has the power to make, on behalf of the Partnership and each Limited Partner as to that Limited Partner's interest in the Partnership, any and all elections, determinations or designations, and will file any information return that may or must be filed, under the Tax Act or any other taxation or other similar legislation or laws of Canada or of any province or jurisdiction.

The Limited Partnership Agreement authorizes the General Partner to implement a Liquidity Event and transfer the Partnership's assets to the Liquidity Vehicle. The General Partner will effect the dissolution of the Partnership within 60 days of any such transfer, and will file all elections under applicable income tax legislation in respect of any such transfer or the dissolution of the Partnership.

Management Fee and Expenses

The Partnership shall be responsible for all expenses, and the General Partner shall be entitled to reimbursement from the Partnership for all costs actually incurred by it (or by any person to whom the General Partner has assigned or delegated any of its duties), in connection with the formation and organization of the General Partner and the Partnership.

The Manager will manage the Partnership's ongoing business, investment and administrative affairs, including the development and implementation of all aspects of the Partnership's marketing and distribution strategies. In consideration for these services and under the Management Agreement, the Partnership shall pay to the Manager a management fee per annum equal to 2% of the Net Asset Value of the Partnership's assets (the "**Management Fee**"), calculated and paid quarterly in arrears for managing the business of the Partnership. Management Fees payable by the Partnership are subject to HST and will be deducted as an expense of the Partnership in the calculation of the Net Asset Value of the Partnership.

Other than the Performance Distribution described below, if any, the Partnership will not pay any compensation directly to the General partner. See "*Management Agreement*".

The Partnership will also pay all expenditures which may be incurred in connection with the dissolution of the Partnership and any Liquidity Event.

Performance Distribution

The General Partner, in its capacity as general partner of the Partnership, will receive a special allocation of the Partnership's profits referred to as a Performance Distribution, on the earlier of: (a) the business day before the implementation of the Liquidity Event; and (b) the date of dissolution of the Partnership. The Performance Distribution is an amount in respect of each Unit then outstanding equal to 20% of the amount by which

(a) the sum of

(iii) the Net Asset Value per Unit as of that date; and

(iv) all distributions per Unit on or before that date,

exceeds

(b) the original subscription price of $1,000 per Unit.

Limited Recourse Financings

Under the Tax Act, if a Limited Partner finances the acquisition of Units with indebtedness for which recourse is limited, or is deemed to be limited, the CEE or other expenses incurred by the Partnership may be reduced by the amount of such indebtedness. The Limited Partnership Agreement provides that where CEE of the Partnership is so reduced, the amount of CEE that would otherwise be allocated to the Limited Partner who incurs the limited recourse indebtedness will be reduced by the amount of the reduction. Where the reduction of other expenses reduces the Partnership's loss, the Limited Partnership Agreement provides that the reduction will first reduce the amount of the loss that would otherwise be allocated to the Limited Partner who incurs the limited recourse indebtedness.

For the purposes of the Tax Act, recourse for a borrowing or other indebtedness is generally deemed to be limited unless:

(a) bona fide arrangements, evidenced in writing, were made, at the time the indebtedness arose, for repayment by the debtor of the indebtedness and all interest on the indebtedness within a reasonable period not exceeding ten years; and

(b) interest is payable at least annually, at a rate equal to or greater than the lesser of:

(i) the prescribed rate of interest in effect at the time the indebtedness arose, and

(ii) the prescribed rate of interest applicable from time to time during the term of the indebtedness,

and the debtor pays any interest on the indebtedness no later than sixty days after the end of each taxation year of the debtor that ends in the period.

Investors who propose to borrow or otherwise finance the subscription price of Units should consult their own advisors to ensure that any borrowing or financing is not treated as a limited recourse financing under the Tax Act.

Liability

The Partnership was formed in order for Limited Partners to benefit from liability limited to the extent of their capital contributions to the Partnership, together with their *pro rata* share of the undistributed income of the Partnership. Limited Partners may lose the protection of limited liability by taking part in the control of the Partnership's business and may be liable to third parties as a result of false or misleading statements in the public filings made under the Act. Limited Partners may also lose the protection of limited liability if the Partnership carries on business in a province or territory of Canada that does not recognize the limited liability provided under the Act.

The General Partner has agreed to indemnify the Limited Partners against any costs, damages, liability or loss incurred by a Limited Partner that result from that Limited Partner not having limited liability, unless such loss of liability was caused by a negligent act or omission of the Limited Partner. However, the General Partner has nominal assets. Consequently, it is unlikely that the General Partner will have sufficient assets to satisfy any claims under this indemnity.

Except in the case of the possible loss of limited liability, no Limited Partner will be obligated to pay any additional assessment on or related to the Units held or purchased by him; however, the Limited Partners and the General Partner may be bound to return to the Partnership the part of any amount distributed to them that may be necessary to restore the Partnership's capital to its existing amount before the distribution if, as a result of the distribution, the Partnership's capital is reduced and the Partnership is unable to pay its debts as they become due.

Reports to Limited Partners

Within 90 days after the end of each fiscal year of the Partnership or such shorter period as may be practical in the circumstances, the General Partner shall prepare and make available to each Limited Partner an annual report for such fiscal year consisting of:

(a) upon request, audited financial statements of the Partnership as at the end of, and for, the immediately preceding fiscal year consisting of such statements as may be required by law or by generally accepted accounting principles, together with the report of the auditors thereon; and

(b) tax information to enable each Limited Partner or former Limited Partner to properly complete and file his or her tax returns in Canada in relation to his or her investment in Units.

Within 60 days of the end of the relevant period, the General Partner shall forward to each Limited Partner unaudited financial statements for the first six months of each fiscal year as the General Partner deems relevant and as may be required by applicable securities legislation.

The General Partner may, in its discretion, decide to automatically distribute any of the above noted reports to all Limited Partners rather than only provide such reports upon request.

Fiscal Year

The fiscal year of the Partnership shall end on December 31 in each calendar year or such other date as the General Partner, acting reasonably, may determine from time to time. The General Partner shall notify the Limited Partners of any change in the fiscal year of the Partnership.

Transfers of Units

Only whole Units are transferable. A Limited Partner may transfer all or part of his or her Units by delivering to the General Partner a form of transfer, substantially in the form attached to the Limited Partnership Agreement, or any other form that is acceptable to the General Partner, signed by the Limited Partner, as transferor, and the transferee. The transferee, by signing the transfer, agrees to be bound by the Limited Partnership Agreement as a Limited Partner and will be liable for all obligations of a Limited Partner. By signing the transfer, a transferee will also:

(a) represent and warrant that he, she or it is not a non-resident of Canada for the purposes of the Tax Act, and will agree to remain resident of Canada as long as he, she or it holds Units;

(b) represent and warrant that he, she or it is not a partnership, and that his, her or its acquisition of the Units from the transferor was not financed with a borrowing or other indebtedness for which recourse is, or is deemed to be, limited for the purposes of the Tax Act;

(c) represent and warrant that he, she or it is not Resource Issuer and deals at arm's length, within the meaning of the Tax Act, with all Resource Issuers in which the Partnership has invested;

(d) represent and warrant that no interest in the Limited Partner is a "tax shelter investment" as that term is defined in the Tax Act;

(e) unless he, she or it provides written notice to the contrary to the General Partner with the delivery of the signed transfer form, represent and warrant that the transferee is not (i) a "financial institution" within the meaning of subsection 142.2(1) of the Tax Act, (and will agree that the transferee will not become a "financial institution" while he, she or it holds Units), or (ii) a corporation the principal business of which is the mineral exploration and development in Canada (and deals at arm's length within the meaning of the Tax Act with any such corporation);

(e) confirms that he, she or it will not undertake any action that will cause the Partnership to be, or create a substantial risk that the Partnership will be, a "SIFT partnership" as defined in the Tax Act; and

(f) irrevocably ratify and confirm the power of attorney given to the General Partner in the Limited Partnership Agreement.

The General Partner may accept or reject a transfer, in its sole discretion and will deny the transfer of Units to a non-resident of Canada for the purposes of the Tax Act, to a partnership, or to a transferee who has financed the acquisition of the Units with a borrowing or other indebtedness for which recourse is, or is deemed to be, limited for the purposes of the Tax Act. The General Partner reserves the right to sell any Units held by a non-resident of Canada or "financial institution" or partnership appearing from time to time on the record of Limited Partners or to purchase those Units on behalf of the Partnership at fair value.

Under the Limited Partnership Agreement, a transfer of a Unit will not be effective if it was to have occurred on a "public market" within the meaning of the Tax Act, unless the General Partner provided advance written consent of both (i) the general terms of the transfer and (ii) that the transfer occur on a "public market" within the meaning of the Tax Act.

Under the Limited Partnership Agreement, when the transferee has been registered as a Limited Partner in accordance with the Limited Partnership Agreement, the transferee of Units must become a party to the Limited Partnership Agreement, and must be subject to the obligations and will be entitled to the rights of a Limited Partner under the Limited Partnership Agreement. A transferor of Units will remain liable to reimburse the Partnership for any amounts distributed to him or her by the Partnership that may be necessary to restore the Partnership's capital to the amount existing immediately before the distribution, if the distribution resulted in a reduction of the Partnership's capital and the incapacity of the Partnership to pay its debts as they became due.

There is no market through which the Units may be sold and none is expected to develop. Limited Partners may find it difficult or impossible to sell their Units.

Amendment

The General Partner may, without prior notice to or consent from any Limited Partner, amend the Limited Partnership Agreement: (a) to create additional classes of Units and set the terms thereof; (b) to protect the interests of the Limited Partners, if necessary; (c) to cure any ambiguity or clerical error or to correct or supplement any provision contained therein which may be defective or inconsistent with any other provision if such amendment

does not and shall not in any manner adversely affect the interests of any Limited Partner as a Limited Partner; (d) to reflect any changes to any applicable legislation; or (e) in any other manner provided that such amendment does not and shall not adversely affect the interests of any existing Limited Partner as a Limited Partner in any manner.

Within 15 days following the date of any amendment to the Limited Partnership Agreement made pursuant to Section 13.1 of the Limited Partnership Agreement, the General Partner shall provide Limited Partners with a copy of the amendment together with a written explanation of the reasons for such amendment.

The Limited Partnership Agreement may also be amended at any time by the General Partner with the consent of the Limited Partners given by special resolution.

Removal of the General Partner

The General Partner may not be removed other than by an extraordinary resolution of the Limited Partners in circumstances where the General Partner is in breach or default of its obligations under the Limited Partnership Agreement and, if capable of being cured, the breach or default has not been cured within 20 business days' notice of the breach to the General Partner, or if the General Partner becomes bankrupt or insolvent. A quorum for a meeting called for the purposes of removing the General Partner consists of two or more Limited Partners present in person or by proxy and representing not less than 50% of the Units outstanding. A new General Partner may be appointed by ordinary resolution.

Power of Attorney

The Limited Partnership Agreement includes an irrevocable power of attorney, which authorizes the General Partner on behalf of the Limited Partners, among other things, to sign the Limited Partnership Agreement, any amendments to the Limited Partnership Agreement, and all instruments necessary to effect the dissolution of the Partnership or the Liquidity Event, as well as any elections, determinations or designations under the Tax Act or taxation legislation of any province or other jurisdiction related to the Partnership's affairs or a Limited Partner's interest in the Partnership including, without limitation, elections under subsection 85(2) of the Tax Act and the corresponding provisions of applicable provincial legislation related to the dissolution of the Partnership. By purchasing Units, each investor acknowledges and agrees that he or she has given the power of attorney and will ratify any and all actions taken by the General Partner under the power of attorney. The power of attorney will survive the dissolution or termination of the Partnership.

Term

The Partnership will pursue its activities until on or about March 31, 2021, unless it completes the Liquidity Event or Limited Partners by extraordinary resolution approve an alternative transaction before that date, or approve an extension of the termination of the Partnership beyond that date. To provide for liquidity, the General Partner intends to implement the Liquidity Event before September 30, 2019, and in any case no later than September 30, 2020. The Liquidity Event will not require the approval of Limited Partners and may be implemented on not less than 21 days prior written notice to Limited Partners.

TERMINATION OF THE PARTNERSHIP

Liquidity Event

On or before September 30, 2019, the General Partner intends to implement a Liquidity Event. The General Partner currently intends the Liquidity Event will be a Rollover Transaction. The Partnership will transfer its assets to the Liquidity Vehicle in exchange for Liquidity Vehicle Securities. Within 60 days after the transfer of the assets of the Partnership to the Liquidity Vehicle, the partnership will be dissolved and its net assets, consisting mainly of the Liquidity Vehicle Securities, will be distributed to Limited Partners. Appropriate elections under applicable income tax legislation will be made to effect the Rollover Transaction on a tax-deferred basis to the extent possible. Any assets of the Partnership that are transferred to the Liquidity Vehicle pursuant to a Rollover Transaction will be subject to and comply with the investment objectives of the particular Liquidity Vehicle as well as applicable

legislation. Assuming such transfer is completed, the Partnership will receive Liquidity Vehicle Securities. While the General Partner's intention is to implement a Liquidity Event on or before September 30, 2019, the actual timing will depend on then-prevailing market conditions and the ability of the General Partner to identify an appropriate Liquidity Vehicle. However, unless the Partnership is extended as further described below, the Liquidity Event must be implemented on or before September 30, 2020.

Unless dissolved earlier upon the occurrence of certain events stated in the Limited Partnership Agreement or continued after March 31, 2021 with the approval of Limited Partners given by Extraordinary Resolution, the Partnership will continue until the Termination Date and thereupon will terminate and the net assets of the Partnership will be distributed to the Limited Partners and the General Partner unless a Liquidity Event is implemented as described above. Prior to the Termination Date, or such other termination date as may be agreed upon, (a) the General Partner will, in its discretion, take steps to convert all or any part of the assets of the Partnership to cash; and (b) all of the net assets will be distributed *pro rata* to the Limited Partners. The General Partner may, in its sole discretion and upon not less than 30 days' prior written notice to the Limited Partners, extend the date for the termination of the Partnership to a date not later than three months after the Termination Date if the Manager has been unable to convert all of the portfolio assets to cash and the General Partner determines that it would be in the best interests of the Limited Partners to do so. Should the liquidation of certain securities not be possible or should the Manager consider such liquidation not to be appropriate prior to the Termination Date, such securities will be distributed to partners who hold Units on a *pro rata* basis, subject to all necessary regulatory approvals and thereafter such property will, if necessary, be partitioned. See "*Risk Factors*".

Upon the dissolution of the Partnership, the General Partner shall, after payment or provision for the payment of the debts and liabilities of the Partnership (including any amounts owing to the General Partner) and liquidation expenses, distribute to each Partner an undivided interest in each asset of the Partnership which has not been sold for cash in proportion to the number of Units owned by the Limited Partner.

The Liquidity Event, if implemented, will be implemented on not less than 21 days' prior notice to Limited Partners. The General Partner may call a meeting of the Limited Partners to approve a Liquidity Event upon different terms but intends to do so only if such other form of Liquidity Event is not capable of being completed on a tax-deferred basis or where the consideration to be received by Limited Partners pursuant to the liquidity event is not cash or assets readily convertible into cash. There can be no assurance that the Rollover Transaction or any alternative Liquidity Event will be proposed, will receive any necessary approvals (including regulatory approvals), be implemented or be implemented on a tax-deferred basis. A requirement to obtain approvals, including regulatory approvals, may arise in the situation where the Partnership does not implement a Liquidity Event as contemplated in this Offering Memorandum, but proposes to implement an alternative form of liquidity arrangement. In the event a Liquidity Event is not completed on or before September 30, 2020, then, in the discretion of the General Partner, the Partnership may: (a) be dissolved on or about March 31, 2021, and its net distributed *pro rata* to the Partners who hold Units; or (b) subject to the approval by Extraordinary Resolution of the Limited Partners, continue in operation with an actively managed portfolio. The General Partner will not propose or implement any Liquidity Event which adversely affects the status of the Flow-Through Shares as flow-through shares for income tax purposes (e.g., by rendering them "prescribed shares" or "prescribed rights" under the regulations to the Tax Act), whether prospectively or retrospectively. Any such dissolution and distribution will be subject to obtaining all necessary approvals and must occur on or prior to March 31, 2021, unless the Partnership's operations are continued past this date in accordance with the Limited Partnership Agreement.

In the event that a Liquidity Event is not implemented and (a) the Partnership dissolves on or about March 31, 2021, or (b) if the Partnership continues in operation past this date in accordance with the Limited Partnership Agreement, at the time of dissolution the net assets of the Partnership will consist primarily of cash and securities of Resource Issuers.

Prior to that date, the General Partner will attempt to liquidate as much of the Partnership's asset as possible for cash, with a view to maximizing sale proceeds. In order to provide for the possibility of the property of the Partnership which has not been converted to cash to be distributed on a tax-deferred basis, on dissolution each Limited Partner will receive an undivided interest in the property of the Partnership equal to the Limited Partner's proportionate interest in the Partnership. Immediately thereafter, the undivided interest in the property will be partitioned and the Limited Partners will receive securities of Resource Issuers and other property in proportion to

their former interest in the Partnership. The General Partner will then request that the transfer agent for each Resource Issuer provide the General Partner with individual share certificates registered in the name of each Limited Partner for each Resource Issuer. The share certificates registered in the names of the Limited Partners will then be transmitted to the Limited Partners.

The General Partner has been granted all necessary power, on behalf of the Partnership and each Limited Partner, to transfer the assets of the Partnership to a Liquidity Vehicle pursuant to a Liquidity Event, implement the dissolution of the Partnership thereafter and to file all elections deemed necessary or desirable by the General Partner to be filed under the Tax Act and any other applicable tax legislation in respect of any transaction with a Liquidity Vehicle or the dissolution of the Partnership.

USE OF PROCEEDS

The gross proceeds from the sale of Units and the intended application of such proceeds are as follows:

	Maximum Offering	**Minimum Offering**
Gross proceeds	$10,000,000	$1,000,000
Offering expenses payable by the Partnership[(1)]	$600,000	$135,000
Working Capital Reserve[(2)]	$100,000	$10,000
Available Funds	$9,300,000	$855,000

Notes:

(1) The Offering expenses are deductible in computing income of the Partnership pursuant to the Tax Act at a rate of 20% per annum, prorated in short taxation years. In the case of the Minimum Offering, expenses of the Offering payable by the Partnership are assumed to be $135,000. In the event the Maximum Offering for the Units is achieved, expenses are estimated to be $600,000. See "*Summary of Limited Partnership Agreement – Expenses*" and "*Federal Income Tax Considerations*".

(2) This represents the initial Working Capital Reserve. After December 31, 2017, the General Partner is authorized to fund the ongoing fees and expenses of the Partnership in excess of the initial Working Capital Reserve from the sales of Flow-Through Shares.

The Partnership will endeavour to use the Available Funds principally to subscribe for Flow-Through Shares. See "*Investment Strategies of the Partnership*" and "*Summary of Limited Partnership Agreement – Expenses*". Fees may be paid to registered dealers (which may include the Manager) by Resource Issuers which the Partnership enters into Flow-Through Agreements as described under "*Investment Strategies of the Partnership*".

The proceeds from the issue of the Units will, at Closing, be paid to the Partnership, deposited in its bank account and managed on behalf of the Partnership by the General Partner. Pending the investment of Available Funds in Resource Issuers, the General Partner will invest all such proceeds in High-Quality Liquid Investments. Interest earned by the Partnership from time to time after Closing of the Partnership's funds will accrue to the benefit of the Partnership. Interest accruing to the benefit of the Partnership before December 31, 2017 will form part of the Available Funds to be invested with regard to the Investment Restrictions, and interest accruing after December 31, 2017 may be used to pay Partnership expenses or for other investments in Flow-Through Shares.

The Partnership will use reasonable best efforts to invest all the Available Funds in Flow-Through Shares on or before December 31, 2017. The Available Funds that have not been invested or committed to be invested in Flow-Through Shares by December 31, 2017 will be distributed to the Limited Partners of record on December 31, 2017 on a *pro rata* basis, no later than January 31, 2018, without interest or deductions, except to the extent that such funds are expected to be used to finance the operations of the Partnership including the accrued Management Fee to December 31, 2017.

The Partnership will advance funds to Resource Issuers under Flow-Through Agreements in substantially the form described below.

Flow-Through Agreements

The General Partner, on behalf of the Partnership, will enter into Flow-Through Agreements with Resource Issuers as required to spend the Available Funds. Each Flow-Through Agreement will contain, among other things:

(a) the pricing and plan of distribution of the Flow-Through Shares to be purchased by the Partnership;

(b) the information to be transmitted by the Resource Issuer to the Partnership; and

(c) the Resource Issuer's undertakings, representations, warranties and covenants.

Under the terms of the Flow-Through Agreements, Resource Issuers must incur exploration expenditures that qualify as Qualified CEE. Typically, Flow-Through Agreements will require the Resource Issuers to incur Qualified CEE and renounce Qualified CEE to the Partnership.

The Partnership will endeavour to subscribe for Flow-Through Shares on or before December 31, 2017, having a total subscription price equal to the Available Funds in contemplation of the Resource Issuers incurring Qualified CEE in an amount equal to the Partnership's subscription price for the Flow-Through Shares and renouncing such Qualified CEE to the Partnership, with an effective date no later than December 31, 2017. See "*Investment Strategies of the Partnership*" and "*Investment Restrictions of the Partnership*". The General Partner will not enter into Flow-Through Agreements under which Available Funds are committed which contemplate that CEE will be incurred after December 31, 2018 or which contemplate that Qualified CEE will be renounced with an effective date later than December 31, 2017. See "*Risk Factors*". The Flow-Through Agreements will include rights of termination in favour of the Partnership and the Resource Issuers that may be exercised in specified circumstances.

FEDERAL INCOME TAX CONSIDERATIONS

Regardless of any tax advantage that may be obtained from an investment in Units offered under this Offering Memorandum, a decision to subscribe for Units should be based primarily on an appraisal of the merits of the investment and on the prospective investor's ability to bear possible loss. Tax considerations ordinarily make the Units offered under this Offering Memorandum most suitable for individual investors whose income is subject to the highest marginal rate of tax and are not subject to minimum tax. Investors should obtain independent tax advice from a tax advisor who is knowledgeable in this particular area of tax law.

Introduction

The following summary fairly presents, as of the date of this Offering Memorandum, the principal Canadian federal income tax considerations for an investor who acquires, holds and disposes of Units purchased pursuant to this Offering and becomes a Limited Partner pursuant to this Offering Memorandum.

This summary is of a general nature only. It is based on the current provisions of the Tax Act and the Regulations made thereunder, all amendments thereto proposed by or on behalf of the Minister of Finance (the **Tax Proposals**) prior to the date hereof, and Counsel's understanding of the current published administrative policies and assessing practices of the CRA. This summary assumes that any proposed amendments will be enacted as intended, and that legislative, judicial or administrative actions will not modify or change the statements expressed herein. It does not otherwise take into account or anticipate any changes in laws whether by judicial, governmental or legislative decision or action or any changes in administrative policies and assessing practices of the CRA, nor does it take into account other federal or any provincial, territorial, or foreign income tax legislation or considerations. All references to the Tax Act in this summary are restricted to the scope defined in this paragraph. There can be no assurances that any Tax Proposals will be enacted as proposed or at all. This summary also assumes that no amendments will be made to the Tax Act to implement the Liberal CEE Initiative, although no assurance in this regard can be provided. On July 18, 2017, the Minister of Finance (Canada) released a consultation paper that included an announcement of the Government's intention to amend the Tax Act to increase the amount of tax

applicable to passive investment income earned through a private corporation. No specific amendments to the Tax Act were proposed in connection with this announcement. Holders that are private Canadian corporations should consult their own tax advisors.

This summary is not intended to be, nor should it be construed as, legal or tax advice to prospective investors in Units. It is impractical to comment on all aspects of the federal income tax laws which may be relevant to any prospective investor in Units. The income tax considerations applicable to a prospective investor in Units will depend on a number of factors. These include whether the investor's Units are characterized as capital property, the province or territory in which the investor resides, carries on business or has a permanent establishment, the amount that would be the investor's taxable income but for the investor's interest in the Partnership, and the legal characterization of the investor as an individual, corporation, trust or partnership.

Accordingly, each prospective investor in Units should obtain independent advice from a knowledgeable tax advisor as to the income tax considerations applicable to investing in Units based on the investor's particular circumstances and a review of the tax-related risk factors. See also "Risk Factors – Tax-Related Risks". The discussion below is qualified accordingly.

Limitations, Qualifications and Assumptions

This summary is applicable only to investors who pay the subscription price for their Units in full when due, become Limited Partners, and who, for the purposes of the Tax Act, at all relevant times are resident in Canada and hold their Units (and in due course any property acquired in place of their Units on dissolution of the Partnership) as capital property. Provided a Limited Partner does not hold Units in the course of carrying on a business of trading or dealing in securities and has not acquired Units as an adventure in the nature of trade, the Units will generally be considered to be capital property to the Limited Partner.

This summary is not applicable to Limited Partners:

(a) who are non-residents of Canada;

(b) that are partnerships or trusts;

(c) that are "financial institutions" as defined in subsection 142.2(1) of the Tax Act;

(d) that are "principal-business corporations" for the purposes of subsection 66(15) of the Tax Act;

(e) that make a functional currency reporting election for the purpose of the Tax Act;

(f) whose business includes trading or dealing in rights, licences or privileges to explore for, drill for, or take minerals, petroleum, natural gas or other related hydrocarbons;

(g) an interest in which is a "tax shelter investment" as defined in subsection 143.2(1) of the Tax Act;

(h) that are corporations that hold a "significant interest" in the Partnership within the meaning of subsection 34.2(1) of the Tax Act; or

(i) that have entered or will enter into a "derivative forward agreement" as defined in subsection 248(1) of the Tax Act with respect to the Units or the Liquidity Vehicle Securities.

Except as may be otherwise specifically indicated, this summary assumes without independent verification that, in fact, and for the purposes of the Tax Act:

(a) recourse for any borrowing or other financing made by a Limited Partner to fund payment of the subscription price of the Units is not limited and will not be deemed to be limited within the meaning of the Tax Act;

(b) each 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 Resource Issuer with which the Partnership enters into a Flow-Through Agreement;

(c) each Limited Partner will at all relevant times be a resident of Canada for purposes of the Tax Act and will at all relevant times hold the Units (and any property received on dissolution of the Partnership) as capital property for purposes of the Tax Act;

(d) the Partnership is not, and will not be at any material time, a "specified person" (as defined in subsection 6202.1(5) of the Regulations) in relation to any Resource Issuer with which the Partnership enters into a Flow-Through Agreement;

(e) the Flow-Through Shares acquired by the Partnership will be capital property to the Partnership;

(f) not more than 50% of the fair market value of all interests in the Partnership will at any time be owned by persons that are "financial institutions" as defined in subsection 142.2(1) of the Tax Act;

(g) "investments" (as defined in subsection 122.1(1) of the Tax Act, which includes the Units) in the Partnership are not, and will not be, listed or traded on a stock exchange or other public market within the meaning of the Tax Act;

(h) the representations, warranties and agreements of the Limited Partners in the Limited Partnership Agreement as referenced in "Subscriptions" will be correct, and the Partnership and each Limited Partner will comply with all terms of the Limited Partnership Agreement, for all purposes and at all relevant times; and

(i) the Partnership will only invest in securities of Resource Issuers in the mineral resource sector.

Status of the Partnership

The Partnership itself is not liable for income tax and is not required to file income tax returns except for annual information returns.

Eligibility for Investment

The Units are not qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit savings plans, registered education savings plans, registered disability savings plans and tax-free savings accounts (each a "**Deferred Plan**"). To avoid adverse consequences under the Tax Act, the Units should not be purchased by or held in a Deferred Plan.

Taxation of the Partnership

The Partnership must compute its income (or loss) under the Tax Act for each of its fiscal periods as if it were a separate person resident in Canada. A fiscal period of the Partnership will end on December 31 of each year and on its dissolution.

In the following comments regarding computation of income, the terms "CEE", "Qualified CEE", "Flow-Through Shares" and "Resource Issuers" appear frequently. These terms are defined in the glossary set forth earlier in this Offering Memorandum. The Partnership's principal undertaking is to invest in Flow-Through Shares issued by Resource Issuers pursuant to Flow-Through Agreements made by the Partnership with the Resource Issuers. Pursuant to such a Flow-Through Agreement, the Resource Issuer will renounce Qualified CEE in favour of the Partnership, as holder of its Flow-Through Shares.

The General Partner advises that each Flow-Through Agreement will contain covenants and representations of the Resource Issuer necessary to ensure that Qualified CEE incurred by the Resource Issuer in an amount equal to the full purchase price payable for the Flow-Through Shares acquired by the Partnership can be renounced to the

Partnership with an effective date not later than December 31, 2017. This summary assumes that such covenants and representations will be so included and will be complied with, although no assurance in this regard can be given.

The Partnership's income (or loss) is computed without taking into account any deductions including deductions for CEE renounced to it in respect of Flow-Through Shares owned by the Partnership. Any CEE renounced to the Partnership will be allocated, in accordance with the Limited Partnership Agreement and the Tax Act, to those persons who are Limited Partners at the end of the fiscal year of the Partnership which includes the effective date on which the CEE is renounced, as described in more detail below under "− *Taxation of Limited Partners − Canadian Exploration Expense*". The Partnership income will include taxable capital gains realized by the Partnership on the disposition of Flow-Through Shares. For this purpose, the Partnership's adjusted cost base of its Flow-Through Shares is deemed to be nil under the Tax Act with the result that the Partnership's capital gain realized on any such disposition generally will equal its proceeds of disposition of the Flow-Through Shares, net of any reasonable costs of disposition. The taxable portion of a capital gain realized on a disposition of Flow-Through Shares or other securities, if any, is one-half of the capital gain. The income of the Partnership will include any interest earned on funds held by the Partnership prior to its investment in Flow-Through Shares.

The net income or net loss of the Partnership will be allocated to holders of Units at the end of a fiscal year *pro rata* in accordance with the number of Units held. For greater certainty, net income and net loss includes realized capital gains and realized capital losses. The General Partner has the discretion to adjust the allocations described if desirable to reflect the economic results of the Partnership's activities.

The costs associated with the organization of the Partnership are not fully deductible either by the Partnership or by the Limited Partners. Instead, the costs incurred by the Partnership will have an annual depreciation rate of 5% on the amount of such expenses.

Reasonable expenses incurred by the Partnership in respect of this Offering Memorandum, including Offering expenses will be deductible as to 20% in the year in which the expense is incurred, and as to 20% in each of the four subsequent years, subject to pro-ration for short fiscal periods that are less than 365 days. 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 share of any such expenses that were not deductible by the Partnership.

Generally, fees and expenses that are incurred by the Partnership and relate to its ongoing business, such as the Management Fee and Performance Distribution (if any), will be deductible in the year incurred, to the extent such expenses are reasonable.

Taxation of Limited Partners

Each Limited Partner, in computing the Limited Partner's taxable income for a taxation year, will be required to include the Limited Partner's share of the income of the Partnership (or, subject to important restrictions described or referred to below under "− *Limitations on Deductibility of Expenses or Losses of the Partnership*", may be entitled to deduct the Limited Partner's share of the loss of the Partnership) allocated to the Limited Partner in accordance with the Limited Partnership Agreement for the fiscal period of the Partnership ending in the Limited Partner's taxation year. The Limited Partner's share of the Partnership income (or loss) must be included (or deducted) whether or not any distribution has been made to the Limited Partner by the Partnership. The fiscal year of the Partnership ends on December 31 and will end upon the dissolution of the Partnership.

Any CEE renounced to the Partnership will be allocated, in accordance with the Limited Partnership Agreement and the Tax Act, to those persons who are Limited Partners at the end of the fiscal year of the Partnership that includes the effective date on which the CEE is renounced, as described in more detail below under "*Canadian Exploration Expense*".

Counsel has been advised by the General Partner that the Partnership will enter into Flow-Through Agreements under which the subscription price for Flow-Through Shares is paid to the Resource Issuer, and the Flow-Through Shares are issued, before the Resource Issuer has incurred CEE in an amount equal to the subscription price.

Counsel has been further advised by the General Partner that such a Flow-Through Agreement will provide that, if the Resource Issuer fails to incur and renounce CEE equal to the subscription price for the Flow-Through Shares, Limited Partners will be entitled to be indemnified for any additional tax payable as a result of such failure of the Resource Issuer.

If a Limited Partner receives such an indemnity payment, it is the CRA's position that such indemnity payment would be included in calculating the Limited Partner's income but the Limited Partner may make an election under subsection 12(2.2) of the Tax Act to exclude it. Limited Partners should consult their own tax advisors in this regard if the situation arises.

Each Limited Partner generally will be required to file an income tax return reporting the Limited Partner's share of the Partnership income or loss. For this purpose, the Partnership will provide each Limited Partner with the necessary tax information relating to the Units of the Limited Partner but the Partnership will not prepare or file income tax returns on behalf of any Limited Partner. Each Limited Partner is required to file an information return in prescribed form on or before the last day of March in the following year in respect of the activities of the Partnership, or where the Partnership is dissolved, within 90 days after dissolution. The General Partner is obliged to file such information return under the Limited Partnership Agreement and, when made, each Limited Partner is deemed to have made this filing.

Canadian Exploration Expense

Provided the relevant requirements of the Tax Act are satisfied, the Partnership is deemed to incur CEE renounced to the Partnership by a Resource Issuer pursuant to a Flow-Through Agreement on the effective date of the renunciation. At the end of each fiscal period, the Partnership will allocate in accordance with the Limited Partnership Agreement, its renounced CEE for the fiscal period to its then Limited Partners with the result that the Limited Partners will be deemed to incur the renounced CEE at that time. CEE renounced or allocated to the Partnership with an effective date in a fiscal year will be allocated to Limited Partners who are shown as such on the record of the limited partners maintained by the General Partner on the last day of such fiscal year in accordance with the Limited Partnership Agreement. A Limited Partner adds the renounced CEE so allocated to the Limited Partner's CCEE account.

Subject to the "at-risk" rules and the rules restricting the deductibility of expenses in respect of a "tax shelter investment" described below, in computing income from all sources for a taxation year a Limited Partner generally may deduct up to 100% of the balance in the Limited Partner's CCEE account at the end of the year. Any balance in the CCEE account not so deducted can be carried forward indefinitely and claimed as a deduction in a later year. Notwithstanding these general guidelines, a Limited Partner's share of CEE incurred or deemed to be incurred by the Partnership in a fiscal period is considered for these purposes to be limited to the Limited Partner's "at-risk amount" in respect of the Partnership at the end of the fiscal period. If the Limited Partner's share of CEE is so limited, any excess is added back to the Limited Partner's share, as otherwise determined, of the CEE incurred by the Partnership in the immediately following fiscal period (and potentially will be subject to the at-risk rules in that fiscal period).

The CCEE account of a Limited Partner is reduced by deductions in respect of the CCEE account made by the Limited Partner in prior taxation years. CCEE is also reduced by a Limited Partner's share of any amount the Partnership receives or is entitled to receive as assistance or benefits that relate to CEE incurred by the Partnership and any EITC claimed in the preceding taxation year (as described under "− *Federal Investment Tax Credits*"). Where the balance of a Limited Partner's CCEE account is "negative" at the end of a taxation year because reductions in calculating CCEE exceed additions thereto, the negative amount must be included in the Limited Partner's income for that taxation year and the Limited Partner's CCEE account is adjusted to nil. This adjustment may occur where a Limited Partner claims a deduction for the full balance of the Limited Partner's CCEE account in a taxation year and, in the subsequent taxation year, is required to further reduce the CCEE account by the amount of the EITC received by the Limited Partner (as described below under "− *Federal Investment Tax Credits*").

The sale or other disposition of Units by a Limited Partner will not result in the reduction of the Limited Partner's CCEE account and a sale by the Partnership of any Flow-Through Shares will not result in a reduction in any Limited Partner's CCEE account.

If relevant conditions in the Tax Act are met, certain CEE incurred or to be incurred by a Resource Issuer in a particular calendar year may be renounced effective December 31 of the preceding calendar year provided that the renunciation is made in the first three months of the particular calendar year. For example, where a Resource Issuer incurs certain CEE at any time up to December 31, 2018, provided certain conditions are met, including that (i) the Resource Issuer and the Partnership deal with each other at arm's length (as the term is used for the purposes of the Tax Act) throughout the year ended December 31, 2018 and (ii) the Resource Issuer renounces such CEE in January, February or March of 2018 with an effective date of December 31, 2017, the Resource Issuer is deemed to have incurred such CEE on December 31, 2017. Essentially, this "look-back" rule permits a Resource Issuer to incur certain CEE in 2018 while being deemed under the Tax Act to have incurred such CEE in 2017. If CEE renounced before April 2018, effective December 31, 2017, is not in fact incurred in 2018, the Partnership will have its CEE reduced accordingly, effective as of December 31, 2017. The result is that the CEE that was in fact allocated by the Partnership to Limited Partners as at December 31, 2017 will be reduced accordingly and the Limited Partners will be required to amend their 2017 income tax returns to take into account the reduction in the CEE allocated for the year. However, Limited Partners will not be charged interest or penalties on any unpaid income tax arising as a result of such reduction for the period provided that any unpaid tax liability is settled on or prior to April 30, 2019.

If the Partnership disposes of any of the Flow-Through Shares, it may use all or part of the disposition proceeds to acquire additional Flow-Through Shares. Each Flow-Through Agreement of the Partnership with respect to such additional Flow-Through Shares will require the Resource Issuer to incur CEE in the amount of the full purchase price for the Flow-Through Shares and renounce such CEE to the Partnership with an effective date on or before December 31, 2017. Any such CEE will be allocated to Limited Partners as at the Partnership's fiscal period ending on December 31, 2017.

Federal Investment Tax Credits

A Limited Partner who is an individual (other than a trust) may be entitled to the EITC, which is a non-refundable investment tax credit equal to 15% of certain CEE renounced to the Partnership and allocated to the Limited Partner. Generally, the CEE which will give rise to the EITC relates to certain mining exploration expenses incurred or deemed incurred in Canada by a Resource Issuer before 2019 pursuant to a Flow-Through Agreement entered into on or before March 31, 2018, in conducting mining exploration activities for the purpose of determining the existence, location, extent or quality of certain mineral resources (commonly referred to as 'grass roots' mining exploration). The types of CEE that will qualify for the EITC are expenses (net of certain assistance payments including provincial government assistance) incurred or deemed to be incurred before 2019 in conducting mining exploration activity from or above the surface of the earth for the purpose of determining the existence, location, extent or quality of a mineral resource in Canada (including a base or precious metal deposit, but not including a coal or oil sands deposit), but excluding expenses incurred in collecting and testing samples of more than a specified weight, in trenching for the purpose of carrying out such sampling or in the digging of most test pits. The CCEE of a Limited Partner for a taxation year is reduced by the amount of the EITC claimed in the preceding taxation year. As discussed above under "− *Canadian Exploration Expense*", a negative CCEE account balance at the end of a taxation year must be included in income. Therefore, a Limited Partner who deducts an EITC in 2017 will be required to include in income in 2018 the amount so deducted unless there is a sufficient offsetting balance in its CCEE account in 2018.

Limitations on Deductibility of Expenses or Losses of the Partnership

Subject to the "at-risk" rules discussed below, 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 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 contains "at-risk" rules that may, in certain circumstances, limit the amount of deductions, including CEE and losses (including losses arising from transactions in derivatives engaged in for hedging purposes), that a Limited Partner may claim in respect of the Partnership to the amount the Limited Partner has at risk in respect thereof. Under these rules, a Limited Partner cannot deduct losses of the Partnership or CEE allocated to the

Limited Partner by the Partnership in a fiscal year to the extent that these amounts exceed the Limited Partner's "at-risk amount" in respect of the Partnership at the end of that fiscal year.

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 have been registered with the CRA under the "tax shelter" registration rules and will be "tax shelter investments" under the Tax Act.

As the Units are tax shelter investments, the cost of a Unit to a Limited Partner may be reduced by the total of limited-recourse amounts and "at-risk adjustments" that can reasonably be considered to relate to such Units. Any such reduction may reduce the amount of deductions otherwise available to the Limited Partner.

For purposes of the Tax Act, a "limited-recourse amount" is the unpaid principal amount of any debt for which recourse is limited, and the unpaid principal amount of a debt is deemed to be a limited-recourse amount unless:

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

(b) interest is payable on the debt at a rate not less than the lesser of the rate prescribed in the Tax Act at the time the indebtedness arose or the rate prescribed from time to time during the term of the debt; and

(c) interest is paid in respect of the debt at least annually within 60 days of the end of the debtor's taxation year.

The Limited Partnership Agreement provides that if the actions of a particular Limited Partner result in a reduction for tax purposes in the net loss of the Partnership or a reduction in the amount of any CEE of the Partnership, the amount of such reduction shall reduce the share of the net loss or the CEE, as applicable, that would otherwise be allocated to the Limited Partner.

Prospective investors in Units who propose to finance the acquisition of their Units should consult their own tax advisors.

Specified Investment Flow-Through Entities

The Tax Act contains certain rules (the **SIFT Rules**) that apply a tax on certain publicly-listed or traded partnerships at rates of tax comparable to the combined federal and provincial corporate tax. Based on the provisions of the Limited Partnership Agreement and the assumption that investments (as defined in subsection 122.1(1) of the Tax Act, which includes the Units) will not be listed or traded on an exchange or other public market and provided that there is no trading system or other organized facility on which such investments are listed or traded (excluding a facility that is operated solely to carry out the issuance or redemption, acquisition or cancellation of Units), the SIFT Rules should not apply to the Partnership. If the SIFT Rules were to apply to the Partnership, the tax consequences to the Partnership and Limited Partners would be materially, and in some cases, adversely, different.

Income Tax Withholdings and Instalments

Limited Partners who are employees and have income tax withheld at source from their employment income may request that the CRA exercise its discretionary authority and authorize a reduction of such withholding. This way, Limited Partners may be able to obtain the tax benefits of the investment in 2017.

Limited Partners who are required to pay income tax on an instalment basis may take into account their share, subject to the "at-risk" rules, of CEE and any loss of the Partnership in determining their instalment remittances.

Adjusted Cost Base of Units

The cost to a Limited Partner of the Limited Partner's Units will be the subscription price paid for the Units plus any reasonable costs of acquisition. Subject to adjustments required under the Tax Act, the adjusted cost base to a Limited Partner of the Limited Partner's Units at a particular time will generally be the cost to such Limited Partner of those Units less (i) the amount of any financing related to the acquisition of such Units for which recourse is or is deemed to be limited for purposes of the Tax Act, (ii) the Limited Partner's share of CEE and any losses of the Partnership allocated to the Limited Partner for fiscal periods ending before that time (in each case after taking into account the "at-risk" rules) and (iii) the amounts distributed to such Limited Partner before such time, plus (iv) any income of the Partnership allocated to such Limited Partner in respect of such Units, including the full amount of any capital gain realized by the Partnership on a disposition of Flow-Through Shares or other securities, if any, for fiscal periods ending before that time.

If a Limited Partner's adjusted cost base of such Limited Partner's Units is "negative" at the end of a fiscal period of the Partnership, the amount by which it is negative will be deemed to be a capital gain realized by the Limited Partner at that time and the Limited Partner's adjusted cost base of such Units will be increased by the amount of the deemed gain.

Disposition of Partnership Units

A disposition by a Limited Partner of Units held by the Limited Partner as capital property will result in a capital gain (or capital loss) to the extent that the Limited Partner's proceeds of disposition, net of reasonable disposition costs, exceed (or are less than) the adjusted cost base of the Units immediately prior to disposition. One-half of the amount of a capital gain is a "taxable capital gain" and is required to be included in computing a Limited Partner's income in the year and one-half of a capital loss is an "allowable capital loss" and is deductible only against taxable capital gains for the year. The unused portion of a capital loss may be carried back three years or forward indefinitely, and deducted against taxable capital gains, in accordance with the rules of the Tax Act.

A Limited Partner that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be subject to an additional tax (refundable in certain circumstances) of 10⅔% of certain "aggregate investment income", which is defined to include an amount in respect of taxable capital gains.

A Limited Partner who is considering a disposition of Units during a fiscal period of the Partnership should obtain tax advice before doing so since only a person who is a Limited Partner at the end of the Partnership's fiscal period is entitled to their share of the Partnership's income or loss for the fiscal period as determined in accordance with the Limited Partnership Agreement and CEE incurred during the fiscal period.

Minimum Tax

Under the Tax Act, taxpayers who are individuals (including certain trusts) must compute their potential liability for "minimum tax". In general, the tax payable by such a taxpayer for a taxation year is the greater of (a) the tax otherwise determined and (b) the amount of minimum tax. The minimum tax, computed at a rate of 15% for 2017 and subsequent taxation years, is applied against the amount by which the taxpayer's "adjusted taxable income" for the year exceeds the taxpayer's basic exemption which, in the case of an individual (other than certain trusts) is $40,000. In computing adjusted taxable income, a taxpayer must generally include all taxable dividends (without application of the gross-up) and 80% of net capital gains, but certain deductions and credits otherwise available are disallowed, including, if the taxpayer is a Limited Partner, amounts in respect of CEE and any losses of the Partnership.

Whether and to what extent the tax liability of a Limited Partner will be increased by the minimum tax will depend on the amount of Limited Partner's income, the sources from which it is derived and the nature and amount of any deductions claimed.

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

Prospective investors are urged to consult their tax advisors to determine the impact of the minimum tax.

Tax Shelter Identification Numbers

The federal tax shelter identification number in respect of the Partnership is TS 086 397. The identification numbers issued for this tax shelter shall be included in any income tax return filed by a Limited Partner. Issuance of the identification numbers is for administrative purposes only and does not in any way confirm the entitlement of a Limited Partner to claim any tax benefits associated with the tax shelter.

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

Dissolution of the 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 a Liquidity Event is not implemented the Partnership will be dissolved, unless the Limited Partners approve the continuation of the operations of the Partnership with an actively managed portfolio. Following a dissolution of the Partnership, certain costs incurred by the Partnership in marketing the Units (including expenses of issue and Dealer Compensation), 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.

In some circumstances, the Partnership may distribute its assets to Limited Partners on its dissolution on an income tax-deferred basis to them. For example, see "- *Transfer of Partnership Assets to a Liquidity Vehicle*" below, where the dissolution occurs within 60 days after the Partnership transfers its assets to a Liquidity Vehicle and the other requirements of the Tax Act are met.

In circumstances where Limited Partners receive 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. This may be followed by a partition of such assets such that Limited Partners each receive a divided interest therein, which partition may or may not result in a disposition by Limited Partners for purposes of the Tax Act. 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.

Transfer of Partnership Assets to a Liquidity Vehicle

If the Partnership transfers its assets to a Liquidity Vehicle that is a corporation pursuant to a Liquidity Event that is a Rollover 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 Liquidity Vehicle 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 Liquidity Vehicle, the shares of the Liquidity Vehicle 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 generally will not be subject to tax in respect of such transaction if no money is distributed to the Limited Partner on dissolution.

Tax Implications of the Partnership's Distribution Policy

Except for the return of funds which are not expended or committed to acquire Flow-Through Shares or other shares of Resource Issuers by December 31, 2017 (see "*Investment Strategies*"), the Partnership does not expect to make, but is not precluded from making, cash distributions to Limited Partners prior to the dissolution of the Partnership.

Generally, a distribution from the Partnership will retain its character in the hands of the Limited Partner. CEE will be dealt with as described under "*Federal Income Tax Considerations – Taxation of Limited Partners – Canadian Exploration Expense*".

Any dividends received by the Partnership will be allocated to and included in the income of a Limited Partner. Dividends received by individuals will be subject to the normal gross-up and dividend tax credit provisions of the Tax Act, including an enhanced dividend tax credit in respect of "eligible dividends" received from "taxable Canadian corporations" (as those terms are defined in the Tax Act) where the dividends have been designated as eligible dividends by the dividend paying corporation in accordance with the Tax Act (if at all). Dividends received by a corporate shareholder will be included in computing its income but generally, the corporation will be entitled to deduct an equivalent amount, subject to all limitations under the Tax Act and the Tax Proposals. Where a shareholder is a private corporation or subject corporation, as those terms are defined in the Tax Act, such shareholder may be liable for a refundable tax of 38⅓% under Part IV of the Tax Act on taxable dividends received, or deemed received, by it from taxable Canadian corporations to the extent that such dividends are deductible in computing its taxable income. The adjusted cost base of a Limited Partner's Units with respect to any distributions will be adjusted as described under "*Federal Income Tax Considerations – Taxation of Limited Partners – Adjusted Cost Base of Units*".

RISK FACTORS

In addition to the factors set forth elsewhere in this Offering Memorandum, investors should consider the following risk factors before purchasing Units.

Speculative Nature of Investment

This Offering is speculative. This is a blind pool offering. There is no assurance of any return on an investment in Units. As of the date of this Offering Memorandum, the Partnership has not entered into any Flow-Through Agreements or selected any Resource Issuers in which to invest. The purchase of Units involves a number of significant risk factors and is suitable only for investors who are in high marginal income tax brackets, who are aware of the inherent risks in mineral exploration and development, who are able and willing to risk a total loss of their investment, and who have no immediate need for liquidity.

The Partnership strongly recommends that prospective investors review this entire Offering Memorandum and consult with their own independent legal, tax, investment and financial advisors to assess the appropriateness of an investment in Units given their particular financial circumstances and investment objectives, before purchasing any Units.

Reliance on the Portfolio Manager

The Partnership and the General Partner are newly established with no previous operating history. Limited Partners must rely entirely on the expertise of the Manager in entering into any Flow-Through Agreements, in determining (in accordance with the Partnership's investment strategies and Investment Restrictions) the composition of the securities for the Partnership, and in determining whether to dispose of securities (including Flow-Through Shares) held by the Partnership. In addition, there is no certainty that the Manager's employees who will be responsible for the management of the Partnership, will continue to be employees of the Manager throughout the term of the Partnership.

In assessing the suitability of an investment in any Resource Issuer, the Manager will consider the experience and track record of the Resource Issuer's management and publicly available information concerning the mineral resource property interests held by the Resource Issuer. The Manager will not always review engineering or other technical reports prepared in anticipation of an exploration program being financed by Flow-Through Shares issued to the Partnership. In some cases, the nature of an exploration program to be financed will not warrant an engineering or technical report and the Resource Issuer's management will decide on the proposed exploration program. Flow-Through Shares may be issued to the Partnership at prices higher than the market prices of comparable ordinary common shares not qualifying as Flow-Through Shares, and Limited Partners must rely entirely on the discretion, knowledge and expertise of the Manager in negotiating the pricing of those securities.

Marketability of Units

Although the Units are transferable subject to certain restrictions contained in the Limited Partnership Agreement, there is no market through which the Units may be sold and none is expected to develop. This may affect the pricing of the Units in the secondary market, the transparency and availability of trading prices, the liquidity of the Units and the extent of issuer regulation. Investors may not be able to resell Units purchased under this Offering Memorandum and may not be able to transfer the tax benefits related to the Flow-Through Shares to be purchased by the Partnership. The Partnership will endeavour to provide Limited Partners with enhanced liquidity for their Units and the Liquidity Event is intended to be implemented by the General Partner, but there can be no assurance that the Liquidity Event will be implemented. See "*Federal Income Tax Considerations – Dissolution of the Partnership*.

Marketability of Underlying Securities

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 in the Partnership may be affected by such factors as investor demand, resale restrictions, general market trends, and regulatory restrictions. Fluctuations in the market value of the Partnership's securities may occur for a number of reasons beyond the control of the General Partner or the Partnership, and there is no assurance that an adequate market will exist for securities acquired by the Partnership. If the securities of issuers listed in the U.S. but not in Canada are distributed to the Limited Partners in connection with the dissolution of the Partnership, Limited Partners may not sell them unless an exemption is available under applicable securities laws. Many of the listed securities held by the Partnership and not subject to resale restrictions may nevertheless be relatively illiquid and may decline in price if a significant number of such securities are offered for sale.

Flow-Through Shares

There can be no assurance that the Manager will, on behalf of the Partnership, be able to identify a sufficient number of suitable Resource Issuers willing to issue Flow-Through Shares at prices deemed to be acceptable by the General Partner to permit the Partnership to commit all Available Funds to purchase Flow-Through Shares by December 31, 2017. As at the date hereof, the Partnership has not entered into any Flow-Through Agreements. Any Available Funds not committed by the Partnership on or before December 31, 2017 will be distributed to the Limited Partners of record on December 31, 2017 by January 31, 2018, without interest or deductions, except to the extent such funds are expected to be used to finance operations of the Partnership including the accrued Management Fee to December 31, 2017. If uncommitted funds are returned in this manner, Limited Partners will not be entitled to claim all of the anticipated deductions from income for income tax purposes.

Flow-Through Share Premiums

Flow-Through Shares may be issued to the Partnership at prices that are higher than the market prices of the shares, and competition for the purchase of Flow-Through Shares may increase the premium at which the shares are available for purchase by the Partnership.

Resale Restrictions

The existence of resale restrictions on the Flow-Through Shares purchased by the Partnership may prevent or hamper the ability of the Partnership to take advantage of opportunities to take profits or minimize losses, and this may adversely affect the value of Units.

Tax-Related Risks

Units are most suitable for an individual investor whose income is subject to the highest marginal income tax rate. Regardless of any tax advantage that may be obtained from an investment in Units offered under this Offering Memorandum, a decision to subscribe for Units should be based primarily on an appraisal of the merits of the investment and on the prospective investor's ability to bear possible loss. Investors acquiring Units with a view to obtaining tax advantages should obtain independent tax advice from a tax advisor who is knowledgeable in this particular area of tax law.

There can be no assurance that any proposed amendments to the Tax Act will be enacted as proposed. Federal or provincial income tax legislation may be amended, or its interpretation changed, so as to alter fundamentally the tax consequences of holding or disposing of Units or Liquidity Vehicle Securities including on exchanging Units for Liquidity Vehicle Securities on dissolution of the Partnership. No advance tax ruling has been obtained or sought from CRA. There is a risk that the Liberal CEE Initiative may reduce or eliminate tax savings under the Tax Act associated with an investment in Flow-Through Shares. As part of its 2015 federal election platform, the now-elected Liberal government announced its intention to reduce fossil fuel subsidies and that, as a first step in achieving that goal, the availability of CEE deductions would be limited to cases of unsuccessful exploration. The material in the pre-election fiscal plan indicates that the phase out will commence in the 2017/18 fiscal year. Prior to the election, the Liberals also indicated support for continuing the mineral exploration investment tax credit for Flow-Through Share investors, which may suggest an intention for the Flow-Through Share regime to remain in place, at least in connection with mineral exploration. After the election, the Prime Minster directed the Minister of Finance in a mandate letter that one of his "top priorities" should be to "develop proposals to allow CEE tax deductions only in cases of unsuccessful exploration and re-direct any savings to investments in new clean technologies". It is unclear whether the proposed changes will also impact CEE incurred in the course of mineral exploration. The extent and timing of the impact on the Flow-Through Share regime in the Tax Act is also unclear. To date, specific tax proposals relating to CEE for oil and gas discovery wells has been introduced. No proposals relating to mining have been introduced. There is no certainty that the proposed changes will be enacted into law, either as proposed or at all.

There is a risk that Resource Issuers will not incur or renounce Qualified CEE in an aggregate amount equal to the Available Funds which may adversely affect the return on a Limited Partner's investment in the Units. Under certain Flow-Through Agreements to purchase Flow-Through Shares, the subscription price for Flow-Through Shares may be released before Qualified CEE has been incurred and renounced. There is a risk under such Flow-Through Agreements that the Resource Issuer will not incur and renounce Qualified CEE in an amount equal to the subscription price for such shares; however, the Resource Issuer will agree to indemnify each Limited Partner holding Units for the additional tax payable by the Limited Partner in such circumstances. There is a further risk that the expenditures incurred by Resource Issuers and purportedly renounced or allocated to the Partnership may not qualify as CEE or qualify for the EITC, which may adversely affect the return on a Limited Partner's investment in Units.

A Resource Issuer cannot renounce Qualified CEE incurred by it after December 31, 2017 with an effective date of December 31, 2017 to a subscriber of its Flow-Through Shares with which it does not deal at arm's length at any time during 2018. **A prospective investor who does not deal at arm's length with a corporation whose principal business is mineral exploration and development that may issue "flow-through shares", as defined in subsection 66(15) of the Tax Act, should consult their independent tax advisor before acquiring Units. Investors are required to identify all such corporations with which he or she does not deal at arm's length to the General Partner in writing prior to the acceptance of the subscription. Generally speaking, for the purposes of these rules, 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.**

If Qualified CEE renounced within the first three months of 2018, with an effective date for tax purposes of December 31, 2017, is not in fact incurred in 2018, the Partnership's, and consequently, the Limited Partners', CEE may be reassessed by CRA effective as of December 31, 2017 in order to reduce the Limited Partners' deductions with respect thereto. However, none of the Limited Partners will be charged interest on any unpaid tax as a result of such deduction for any period before May 2019.

If the Partnership sells Flow-Through Shares, it will realize a capital gain substantially equal to the sale proceeds because the Flow-Through Shares have a nil cost for tax purposes. It is possible therefore that Limited Partners will receive an allocation of income (including taxable capital gains) from the Partnership without receiving a corresponding cash distribution to satisfy any resulting tax liability. There is no assurance CRA will regard the Flow-Through Shares as capital property of the Partnership. If this assertion were to be sustained, the entire gain realized by the Partnership would be allocated to Limited Partners.

There may be disagreements with CRA with respect to certain tax consequences of an investment in Units of the Partnership. Accordingly, there can be no assurance that CRA will not challenge certain interpretations made with respect to the income tax consequence of an investment in Units. The minimum tax could limit tax benefits available to Limited Partners.

If a Limited Partner finances the subscription price of his or her Units with a borrowing or other indebtedness that is, or is deemed under the Tax Act to be, a limited recourse financing, the tax benefits of the investment to such Limited Partner, and possibly to other Limited Partners, will be adversely affected. The summary set out under "*Federal Income Tax Considerations*" does not address this possibility in any detail, nor the deductibility of interest by Limited Partners, and any Limited Partner who has borrowed money to acquire Units should consult his or her own tax advisor in this regard.

The Partnership may not be able to invest 100% of the Available Funds in Resource Issuers in respect of which the EITC will be applicable.

If the Partnership were to constitute a "SIFT partnership" within the meaning of the Tax Act, the income tax consequences described under "*Federal Income Tax Considerations*" would, in some respects, be materially and, in some cases, adversely, different.

Income tax deductions for a particular year will not be available to any investor who no longer holds Units at the end of such fiscal year of the Partnership.

The net income or loss of the Partnership for income tax purposes must be determined as if the Partnership were a separate person resident in Canada. Consequently, the share of the net income or loss of the Partnership allocated to a Limited Partner may differ from the share of the net income or loss allocated to the Limited Partner if the Limited Partner had invested in a separate partnership that had made the same investments as the Partnership.

There is a possibility that CRA may deny the deductibility of fees paid to the Manager or General Partner in certain circumstances, resulting in a loss of a deduction in computing the Partnership's income which would otherwise be allocable to Limited Partners. If 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.

Should any Limited Partner be a non-resident of Canada at the time of the termination of the Partnership, the termination may not be effected on a tax-deferred basis.

See "*Federal Income Tax Considerations*".

Nominal Assets

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 Partners' liabilities are not limited as provided herein, unless such loss of liability was caused by a negligent act or omission of the Limited Partners.

However, the amount of this protection is limited by the extent of the net assets of the General Partner and such assets will 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 will have nominal value. Limited Partners will not be able to rely upon the General Partner to provide any additional capital or loans to the Partnership in the event of any contingency.

Limited Partners remain liable to return to the Partnership that part of any amount distributed to them that may be necessary to restore the Partnership's capital to the amount existing before the distribution if, as a result of the distribution, the Partnership's capital is reduced and the Partnership is unable to pay its debts as they become due.

Concentration Risk

The Partnership intends to invest the Available Funds in Flow-Through Shares of junior and intermediate Resource Issuers engaged in mineral exploration and development in Canada. Concentrating its investment in this manner may result in the value of the Units fluctuating to a greater degree than if the Partnership invested in a broader spectrum of issuers or industries. While an investment strategy with less emphasis on mineral exploration and development might reduce the potential for, or extent of fluctuations in value of the Units, such an investment strategy would not provide the potential tax benefits to investors, which is among the Partnership's principal investment objectives.

The size of the Offering will directly affect the degree of diversification of the portfolio of Flow-Through Shares held by the Partnership and may affect the scope of investment opportunities available to the Partnership.

Risks Associated With Resource Issuers

In general, the business of the Partnership will be to make investments in Resource Issuers. The business activities of Resource Issuers are typically speculative and may be adversely affected by sector specific risk factors, outside the control of the Resource Issuers, which may ultimately have an impact on the Partnership's investments in the Resource Issuers' securities. Due to such factors, the Net Asset Value may be more volatile than portfolios with a more diversified investment focus.

A portion of the Available Funds may be invested in securities of junior Resource Issuers, notwithstanding the Available Funds will be invested in issuers listed on a North American stock exchange. Securities of junior issuers may involve greater risks than investments in larger, more established companies. Generally speaking, the markets for securities of junior issuers are less liquid than the markets for securities of larger issuers, and therefore the liquidity of a portion of the Partnership may be limited. This may limit the ability of the Partnership to realize profits and/or minimize losses, which may in turn adversely affect the Net Asset Value of the Partnership and the return on investment in Units.

Exploration and Mining Risks

The business of exploring for minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At the time the Partnership invests in a Resource Issuer, it may not be known if the Resource Issuer's properties have a body of ore of commercial grade. Unusual or unexpected formations, formation pressures, fires, explosions, power outages, labour disruptions, flooding, cave-ins, landslides, and the inability of the Resource Issuer to obtain suitable machinery, equipment or labour are all risks that may occur during exploration for and development of mineral deposits. Substantial expenditures are needed to establish reserves through drilling, to develop metallurgical processes to extract the metal from the ore, to develop the mining, production, gathering or processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineral deposit, no assurance can be given that the Resource Issuers will discover minerals in sufficient quantities to justify commercial operations or that these issuers will be able to obtain the funds needed for development on a timely basis or at all. The economics of developing mining properties is affected by many factors, including the cost of operations, variations in the grade of ore mined, fluctuations in the prices of ore which can be obtained on the metal markets, and such other factors as aboriginal land claims and government regulations, including regulations relating to royalties, allowable production, importing

and exporting, and environmental protection. There is no certainty that the expenditures to be made by the Resource Issuer in the exploration and development of the interests will result in discoveries of commercial quantities of a resource.

Market Risks

The marketability of natural resources which may be acquired or discovered by a Resource Issuer will be affected by numerous factors which are beyond the control of such Resource Issuer. These factors include market fluctuations in the price of minerals and commodities in general, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of materials, and environmental protection. The exact effect of these factors cannot be accurately predicted, but any one or a combination of these factors could result in a Resource Issuer not receiving an adequate return for shareholders.

No assurance can be given that commodity prices will be sustained at levels which will enable a Resource Issuer to operate profitably.

Uninsurable Risks

Mining operations generally involve a high degree of risk. Hazards such as unusual or unexpected formations, rock bursts, cave-ins, fires, explosions, blow-outs, formations of abnormal pressure, flooding or other conditions may occur from time to time. A Resource Issuer may become subject to liability for pollution, cave-ins or other hazards against which it cannot insure or against which it may elect not to insure due to the high premiums associated with such insurance. The payment of such liabilities may have a material, adverse effect on a Resource Issuer's financial position.

No Assurance of Title or Boundaries, or of Access

While a Resource Issuer may have registered its mining claims with the appropriate authorities and filed all pertinent information to industry standards, this cannot be construed as a guarantee of title. In addition, a Resource Issuer's properties may consist of recorded mineral claims or licences that have not been legally surveyed, and therefore, the precise boundaries and locations of the claims or leases may be in doubt and may be challenged. A Resource Issuer's properties may also be subject to prior unregistered agreements or transfers or native land claims, and a Resource Issuer's title may be affected by these and other undetected defects.

Government Regulation

A Resource Issuer's mineral exploration or mining operations are subject to government legislation, policies and controls including those that relate to prospecting, land use, trade, environmental protection, taxation, rate of exchange, return of capital, and labour relations. A Resource Issuer's mining property interests may be located in foreign jurisdictions, and its exploration operations in such jurisdictions may be affected in varying degrees by political and economic instability, and by changes in regulations or shifts in political or economic conditions that are beyond the Resource Issuer's control. Any of these factors may adversely affect the Resource Issuer's business and/or its mining property holdings. Although a Resource Issuer's exploration activities may be carried out in accordance with all applicable rules and regulations at any point in time, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development of the Resource Issuer's operations. Amendments to current laws and regulations governing the operations of a Resource Issuer or more stringent enforcement of such laws and regulations could have a substantial adverse impact on the financial results of the Resource Issuer.

Environmental Regulation

A Resource Issuer's operations may be subject to environmental regulations enacted by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced or used in association with certain mining industry operations, such as seepage from

tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition on the Resource Issuer of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that has led to stricter standards and enforcement and greater fines and penalties for non-compliance. The cost of compliance with government regulations may reduce the profitability of a Resource Issuer's operations.

No assurance can be given that environmental laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect a Resource Issuer's financial condition, results of operations or prospects.

Conflicts of Interest

Conflicts of interest may exist between the General Partner and the Partnership. Some of these conflicts arise as a result of the General Partner's power and authority to manage and operate the Partnership's business and affairs. The General Partner has fiduciary obligations to the Limited Partners. These conflicts of interest could have a detrimental effect on the Net Asset Value of the Partnership. See "*Conflicts of Interest*"

Liquidity Event

There are no assurances that any Liquidity Event will be proposed, receive any necessary approvals (including regulatory approvals) or be implemented. In such circumstances, the General Partner is entitled to the Performance Distribution (if any) which will be deducted from the assets of the Partnership and Limited Partners holding Units are entitled to 99.99% of the remaining assets of the Partnership *pro rata* in accordance with the number of Units held on dissolution and the General Partner is entitled to 0.01% of the such remaining assets, and such distribution will occur on or before March 31, 2021, unless its operations are extended as described herein.

For example, if no Liquidity Event is completed and the Manager is unable to dispose of all investments prior to the Termination Date, Limited Partners may receive securities or other interests of Resource Issuers, for which there may be a relatively illiquid market or which may be subject to resale and other restrictions under applicable securities law.

There can be no assurance that any Liquidity Event will be implemented on a tax-deferred basis.

Liquidity Vehicle and Liquidity Vehicle Securities

In the event that a Rollover Transaction is proposed, accepted and completed, Limited Partners will receive securities of a Liquidity Vehicle that has been selected by the General Partner, in its discretion, to participate in the Liquidity Event. The General Partner will have the discretion to determine the appropriateness of the liquidity to the Liquidity Vehicle Securities to be received. Prospective investors who are not comfortable relying on the General Partner to select the Liquidity Vehicle and determine the appropriateness of the attributes of the Liquidity Vehicle Securities should not invest in Units. In addition, Liquidity Vehicle Securities will be subject to various risk factors applicable to securities of investment vehicles which invest in securities of public companies. For investment vehicles that invest in issuers engaged in the oil and gas industry and mineral exploration, development and production, these include risks similar to the risks described under "*Risks – Risks Associated with Resource Issuers*".

If the transfer of the Partnership's assets to the Liquidity Vehicle under the Rollover Transaction is completed, many of the securities held by the Liquidity Vehicle, while listed and freely tradeable, may be relatively illiquid and may decline in price if a significant number of such securities are offered for sale.

Commodity Prices

Commodity prices can and do change by substantial amounts over short periods of time, and are affected by numerous factors, including changes in the level of supply and demand, international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production arising from improved mining and production methods and new

discoveries. These factors may affect the value of investments in Resource Issuers or the premium paid to obtain Flow-Through Shares.

Global Economic Downturn

In the event of a continued general economic downturn or a recession, there can be no assurance that the business, financial condition and results of operations of the Resource Issuers in which the Partnership invests would not be materially adversely affected.

Available Capital

If the gross proceeds are significantly less than the Maximum Offering, the expenses of the Offering and the ongoing administrative expenses and interest expense payable by the Partnership may result in a substantial reduction or even elimination of the returns which would otherwise be available to the Partnership. The ability of the Manager to negotiate favourable Flow-Through Agreements on behalf of the Partnership is, in part, influenced by the total amount of capital available for investment in Flow-Through Shares. Accordingly, if the gross proceeds are significantly less than the maximum offering, the ability of the Manager to negotiate and enter into favourable Flow-Through Agreements on behalf of the Partnership may be impaired and therefore the investment strategy of the Partnership may not be fully met.

Lack of Suitable Investments

The Manager, on behalf of the Partnership, may not be able to identify a sufficient number of investments in Flow-Through Shares to fully invest the Available Funds by December 31, 2017, and, therefore, capital may be returned to Limited Partners and Limited Partners may be unable to claim anticipated deductions from income for income tax purposes. In such event, the tax advantages available to Limited Partners will be reduced accordingly.

To obtain the tax advantages for Limited Partners as described herein, the Partnership is required to enter into Flow-Through Agreements with Resource Issuers in respect of the Available Funds by December 31, 2017. No assurance can be given that there will be a sufficient number of Resource Issuers willing to enter into such agreements on or before December 31, 2017. If the Partnership is unable to enter into Flow-Through Agreements by December 31, 2017 for the full amount of the Available Funds, the Manager will cause to be returned to each Limited Partner by such Limited Partner's share of the amount of the shortfall, except to the extent that such funds are expected to be used to finance the operations of the Partnership, including the accrued Management Fee to December 31, 2017. In such event, the tax advantages available to Limited Partners will be reduced accordingly.

Possible Loss of Limited Liability of Limited Partners

Limited Partners may lose their limited liability in certain circumstances, including by taking part in the control of the Partnership's business. The principles of law in the various jurisdictions of Canada recognizing the limited liability of the limited partners of limited partnerships subsisting under the laws of one province, but carrying on business in another province or territory, have not been authoritatively established. If limited liability is lost, there is a risk that Limited Partners may be liable beyond their contribution and share of the Partnership's undistributed net income in the event of judgment on a claim in an amount exceeding the sum of the General Partner's net assets and the Partnership's net assets.

Limited Partners remain liable to return to the Partnership that part of any amount distributed to them that may be necessary to restore the Partnership's capital to the amount existing before the distribution if, as a result of the distribution, the Partnership's capital is reduced and the Partnership is unable to pay its debts as they become due.

Loans

There is no assurance that an investor will receive sufficient distributions from the Partnership to pay interest on, or to repay the principal amount of, any loan taken to finance the acquisition of Units. Each investor is responsible for ensuring that all principal and interest owed by the investor in respect of any such loan by such investor is paid in

full when due. The failure to pay amounts when due under any particular loan may result in legal action being taken against the applicable investor by the lender to enforce payment thereof, the loss of any collateral pledged to the lender by such investor, including the Units, and adverse income tax consequences. If any such borrowing by a Limited Partner is, or is deemed to be, a limited-recourse amount for purposes of the Tax Act, the amount of CEE or losses allocated to Limited Partners may be reduced. See "*Federal Income Tax Considerations – Taxation of Limited Partners – Limitations on Deductibility of Expenses or Losses of the Partnership*", "*Organization and Management Details of the Partnership – Details of the Limited Partnership Agreement – Limited Recourse Financings*" and the Limited Partnership Agreement.

Future Sales

In addition to the Units offered under this Offering Memorandum, the General Partner may in its sole discretion raise capital from time to time for the Partnership by selling Units at such prices and on such terms and conditions as the General Partner may in its sole discretion determine; provided that such terms and conditions do not materially adversely affect the interests of those who are Limited Partners at the time of sale of such Units.

Lack of Separate Counsel

Counsel for the Partnership in connection with this Offering are also counsel to the General Partner and the Manager. Prospective subscribers, as a group, have not been represented by separate counsel and counsel for the Partnership, the General Partner and the Manager do not purport to have acted for the subscribers or to have conducted any investigation or review on their behalf.

CONFLICTS OF INTEREST

Securities regulation in certain jurisdictions in Canada requires that potential conflicts of interest be fully disclosed in this Offering Memorandum. Such potential conflicts are generally perceived to arise whenever a registrant such as the Manager participates in the distribution of securities of a related or connected issuer.

The Manager and its respective principals and affiliates do not devote their time exclusively to the management or portfolio management of the Partnership. In addition, such persons may perform similar or different services for others and may sponsor or establish other investment funds during the same period during which they act on behalf of the Partnership. Conflicts of interest may also arise due to the fact that the Manager, a corporation registered as an exempt market dealer with the Ontario Securities Commission and other applicable Canadian jurisdictions, may receive fees from Resource Issuers in which the Partnership invests. Accordingly, the Manager may receive fees, commissions, right to purchase shares of Resource Issuers or other compensation in consideration for its services as agent or finder in connection with private placements of Flow-Through Shares to the Partnership. As a result, such persons therefore may have conflicts of interest in allocating management time, services and functions to the Partnership and the other persons for which they provide similar services. Accordingly, certain opportunities to purchase or sell securities or engage in other permissible transactions may be allocated among a number of the Manager's clients. The Manager, however, will allocate available transactions among the Partnership and other clients in a manner believed by the Manager to be fair and equitable.

Affiliated Entities and Related and Connected Issuers

The Manager may engage in activities as an investment fund manager, portfolio manager and exempt market dealer in respect of securities of related or connected issuers but will do so only in compliance with applicable securities legislation.

The securities legislation of certain jurisdictions in Canada require securities dealers and advisers, when they trade in or advise with respect to their own securities or securities of certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. These rules require dealers and advisers, prior to trading with or advising their customers or clients, to inform them of the relevant relationships and connections with the issuer of the

securities. Investors should refer to the applicable provisions of securities legislation for the details of such provisions and their rights or consult with a legal adviser.

The Manager is registered as an investment fund manager, portfolio manager and exempt market dealer in Ontario. The Manager may, in the future, if applicable, also register in the appropriate categories of registration, as necessary, when the Units are offered in other jurisdictions and such registration is required. As a result, potential conflicts of interest could arise in connection with the Manager acting in such capacities.

The Manager is the investment fund manager and portfolio manager of the Partnership. The Manager receives a Management Fee from the Partnership in connection with its services as an investment fund manager and portfolio manager. The General Partner is a wholly owned subsidiary of the Manager.

The Manager will also act in the capacity of exempt market dealer with respect to distributions of Units to prospective investors and will be paid a dealer fee for its services as agent. See "Dealer Compensation". As a result of the foregoing relationships, the Partnership may be considered a related and/or connected issuer of the Manager under applicable securities legislation. The definitions of the terms "related issuer" and "connected issuer" can be found in National Instrument 33-105 – *Underwriting Conflicts*.

Fairness Policy

As an investment fund manager and portfolio manager, the Manager and its employees shall conduct themselves with integrity and honesty and act in an ethical manner in all of their dealings with clients, including the Partnership.

The Manager shall not knowingly participate or assist in the violation of any statute or regulation governing securities and investment matters.

The responsible persons shall exercise reasonable supervision over subordinate employees subject to their control to prevent any violation by such persons of applicable statutes or regulations.

The Manager shall exercise diligence and thoroughness on taking an investment action on a client's behalf and shall have a reasonable and adequate basis for such actions, supported by appropriate research and investigations.

Before initiating an investment transaction for the Partnership, the Manager will consider its appropriateness and suitability.

The Manager shall ensure that the Partnership's account is supervised separately and distinctly from all other clients' accounts.

It may be determined that the purchase or sale of a particular security is appropriate for more than one client account, i.e. that particular client orders should be aggregated or "bunched", such that in placing orders for the purchase or sale of securities, the Manager may pool the Partnership's order with that of another client or clients. Simultaneously placing a number of separate, competing orders may adversely affect the price of a security. Therefore, where appropriate, when bunching orders, and allocating block purchases and block sales, it is the Manager's policy to treat all clients fairly and to achieve an equitable distribution of bunched orders. All new issues of securities and block trades of securities will be purchased for, or allocated amongst, all applicable accounts of the Manager's clients in a manner it considers to be fair and equitable.

In the course of managing a number of discretionary accounts, there may arise occasions when the quantity of a security available at the same price is insufficient to satisfy the requirements of every client, or the quantity of a security to be sold is too large to be completed at the same price. Similarly, new issues of a security may be insufficient to satisfy the total requirements of all clients. Under such conditions, as a general policy, and to the extent that no client will receive preferential treatment, the Manager will ensure:

- where orders are entered simultaneously for execution at the same price, or where a block trade is entered and partially filled, fills are allocated proportionately and equally on the amount of equity of each client's account;

- where a block trade is filled at varying prices for a group of clients, fills are allocated on an average price basis;

- in the case of hot issues and IPOs, participation is split equally between clients based proportionately on the equity in each account;

- in the case of a new securities issue, where the allotment received is insufficient to meet the full requirements of all accounts on whose behalf orders have been placed, allocation is made on a pro rata basis. However, if such prorating should result in an inappropriately small position for a client, the allotment would be reallocated to another account. Depending on the number of new issues, over a period of time, every effort will be made to ensure that these prorating and reallocation policies result in fair and equal treatment of all clients; and

- trading commissions for block trades are allocated on a pro rata basis, in accordance with the foregoing trade allocation policies.

Whichever method is chosen, it must be followed in the future where similar conditions exist. Where it is impossible to achieve uniform treatment, every effort shall be made by the Manager and its employees to compensate at the next opportunity in order that every client, large or small, over time, receives equitable treatment in the filling of orders.

In allocating bunched orders, the Manager uses several criteria to determine the order in which participating client accounts will receive an allocation thereof. Criteria for allocating bunched orders include the current concentration of holdings of the industry in question in the account, and, with respect to fixed income accounts, the mix of corporate and/or government securities in an account and the duration of such securities.

Some of the Manager's clients have selected a dealer to act as custodian for the clients' assets and direct the Manager to execute transactions through that dealer. It is not the Manager's practice to negotiate commission rates with such dealers. For clients who grant the Manager brokerage discretion, the Manager will block orders and all client transactions will be done at the same standard institutional per share commission rate.

The Manager may purchase or sell securities from or to other managed accounts provided that the transaction is effected through an independent broker at the current market price of the security or at the mid-point of the current market bid/ask price, unless a deviation is permitted in writing by the Chief Investment Officer.

Transactions for clients shall have priority over personal transactions so that personal transactions do not act adversely to the Partnership's interest.

The Manager will at all times preserve confidentiality of information communicated by a client concerning matters within the scope of a confidential relationship.

Personal Trading

The Manager has adopted a policy to limit, monitor and, in certain instances, restrict personal trading by the employees of the Manager in order to ensure that there is no conflict between such personal trading and the interests of the Partnership and the Manager's other clients.

Referral Arrangements

The Manager may enter into referral arrangements whereby it pays a fee for the referral of a client to the Manager or to one of the funds it manages. No such payment will be made unless all applicable securities laws are complied with.

Independent Dispute Resolution and Mediation Services

Independent dispute resolution and mediation services will be available to Limited Partners, at the Manager's expense, to mediate any dispute that may arise between the Limited Partner and the Manager about the services provided by the Manager.

Brokerage Arrangements

All decisions as to the purchase and sale of portfolio securities and all decisions as to the execution of these portfolio transactions, including the selection of market and dealer and the negotiation of commissions, where applicable, will be made by the Manager. In effecting portfolio transactions, the Manager will seek to obtain best execution of orders as required by applicable securities regulations.

To the extent that the terms offered by more than one dealer are considered by the Manager to be comparable, the Manager may, in its discretion, choose to purchase and sell portfolio securities from and to or through dealers who provide research, statistical and other services to the Manager in respect of their management of the Partnership. The Manager will only enter into such arrangements in accordance with industry standards when it is of the view that such arrangements are for the benefit of its clients, however not all brokerage arrangements will benefit all clients at all times.

The Manager does not have any agreements or arrangements in place with any dealer for portfolio transactions regarding the Partnership. However, the Manager is provided with research, from time to time, from the dealers with whom it places trades for the Partnership, as well as for its other clients. The Manager does not take into account the research it receives in determining dealers through whom it will place portfolio transactions for the Partnership. Names of the dealer(s) that provided the Manager with such research services in connection with the portfolio transactions for the Partnership during the last financial year of the Partnership will be provided on request by contacting the Manager.

Statement of Related Registrants

Ontario securities legislation also requires securities dealers and advisers to inform their clients if the dealer or adviser has a principal shareholder, director or officer that is a principal shareholder, director or officer of another dealer or adviser and of the policies and procedures adopted by the dealer or adviser to minimize the potential for conflicts of interest that may result from this relationship.

At this time, the Manager has no related registrants.

PROCEEDS OF CRIME (MONEY LAUNDERING) LEGISLATION

In order to comply with Canadian legislation aimed at the prevention of money laundering, the General Partner and/or the Manager may require additional information concerning investors from time to time.

If, as a result of any information or other matter which comes to the Manager's attention, any director, officer or employee of the Manager, or its professional advisers, knows or suspects that an investor is engaged in money laundering, such person is required to report such information or other matter to the Financial Transactions and Reports Analysis Centre of Canada and such report shall not be treated as a breach of any restriction upon the disclosure of information imposed by law or otherwise.

FINANCIAL REPORTING

The Partnership is not a reporting issuer for the purpose of applicable securities legislation. See "*Summary of Limited Partnership Agreement – Reports to Limited Partners*".

A trade confirmation and regular financial disclosure will be provided to each Limited Partner by the Limited Partner's dealer.

STATUTORY RIGHTS OF ACTION AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides that a purchaser has or must be granted rights of rescission or damages, or both, where the Offering Memorandum and any amendment hereto contains a Misrepresentation. However, such rights and remedies, or notice with respect thereto, must be exercised by the purchaser within the time limits prescribed by the applicable securities legislation.

The following summaries are subject to the express provisions of the securities legislation in each of the provinces and territories, and the regulations, rules and policy statements under such legislation, and reference is made to such legislation, regulations, rules and policies for the complete text of such provisions. Investors should consult with their legal advisers to determine whether and the extent to which they may have a right of action or rescission in their province or territory of residence. The rights discussed below are in addition to and without derogation from any other rights or remedies available at law to a purchaser of Units. Investors should consult with their legal advisers to determine whether and the extent to which they may have a right of action or rescission in their province or territory of residence. The rights discussed below are in addition to and without derogation from any other rights or remedies available at law to a purchaser of Units.

As used herein, "**Misrepresentation**" has the meaning assigned under each of the provinces and territories' respective securities act, but generally means, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement in the Offering Memorandum or any amendment hereto not misleading in light of the circumstances in which it was made. A "**material fact**" means a fact that significantly affects or would reasonably be expected to have a significant effect on the market price or value of the Units.

Ontario

Section 130.1 of the Securities Act (Ontario) (the "Ontario Act") provides that every purchaser of securities pursuant to an offering memorandum (such as this offering memorandum) or any amendment thereto shall have a statutory right of action for damages or rescission against the issuer and any selling security holder in the event that the offering memorandum contains a misrepresentation (as defined in the Ontario Act). A purchaser who purchases securities offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied upon the misrepresentation, a right of action for damages or, alternatively, while still the owner of the securities, for rescission against the issuer and any selling security holder provided that:

(a) if the purchaser exercises its right of rescission, it shall cease to have a right of action for damages as against the issuer and the selling security holders, if any;

(b) the issuer and the selling security holders, if any, will not be liable if they prove that the purchaser purchased the securities with knowledge of the misrepresentation;

(c) the issuer and the selling security holders, if any, will not be liable for all or any portion of damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and

(d) in no case shall the amount recoverable exceed the price at which the securities were offered.

Section 138 of the Ontario Act provides that no action shall be commenced to enforce these rights more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of an action for damages, the earlier of:

(i) 180 days after the date that the purchaser first had knowledge of the facts giving rise to the cause of action; or

(ii) three years after the date of the transaction that gave rise to the cause of action.

This Offering Memorandum is being delivered in reliance on certain exemptions from the prospectus requirements, including those contained under section 2.3 (the "accredited investor exemption") of NI 45-106. The rights referred to in section 130.1 of the Ontario Act do not apply in respect of an offering memorandum (such as this offering memorandum) delivered to a prospective purchaser in connection with a distribution made in reliance on the accredited investor exemption if the prospective purchaser is:

(a) a Canadian financial institution or a Schedule III bank (each as defined in NI 45-106);

(b) the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada); or

(c) a subsidiary of any person referred to in paragraphs (a) and (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

The rights of action for rescission or damages are in addition to and do not derogate from any other right that the purchaser may have at law.

Saskatchewan

Section 138 of The Securities Act, 1988 (Saskatchewan), as amended (the "Saskatchewan Act") provides that in the event that an offering memorandum (such as this offering memorandum) or any amendment to it sent or delivered to a purchaser contains a misrepresentation (as defined in the Saskatchewan Act), a purchaser who purchases Units covered by the offering memorandum or any amendment to it has a right of action against the issuer or a selling security holder on whose behalf the distribution is made or has a right of action for damages against:

(a) the issuer or a selling security holder on whose behalf the distribution is made;

(b) every promoter and director of the issuer or the selling security holder, as the case may be, at the time the offering memorandum or any amendment to it was sent or delivered;

(c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them;

(d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed the offering memorandum or the amendment to the offering memorandum; and

(e) every person who or company that sells securities on behalf of the issuer or selling security holder under the offering memorandum or amendment to the offering memorandum.

Such rights of rescission and damages are subject to certain limitations including the following:

(a) if the purchaser elects to exercise its right of rescission against the issuer or selling security holder, it shall have no right of action for damages against that party;

(b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the securities resulting from the misrepresentation relied on;

(c) no person or company, other than the issuer or a selling security holder, will be liable for any part of the offering memorandum or any amendment to it not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to

provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a misrepresentation;

(d) in no case shall the amount recoverable exceed the price at which the securities were offered; and

(e) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation.

In addition, no person or company, other than the issuer or selling security holder, will be liable if the person or company proves that:

(a) the offering memorandum or any amendment to it was sent or delivered without the person's or company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered; or

(b) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, the part of the offering memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Not all defences upon which the issuer or others may rely are described herein. Please refer to the full text of the Saskatchewan Act for a complete listing.

Similar rights of action for damages and rescission are provided in section 138.1 of the Saskatchewan Act in respect of a misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

Section 138.2 of the Saskatchewan Act also provides that where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser has, without regard to whether the purchaser relied on the misrepresentation, a right of action for damages against the individual.

Section 141(1) of the Saskatchewan Act provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold in contravention of the Saskatchewan Act, the regulations to the Saskatchewan Act or a decision of the Saskatchewan Financial Services Commission.

Section 141(2) of the Saskatchewan Act also provides a right of action for rescission or damages to a purchaser of securities to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by Section 80.1 of the Saskatchewan Act.

Section 147 of the Saskatchewan Act provides that no action shall be commenced to enforce any of the foregoing rights more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of any other action, other than an action for rescission, the earlier of:

(i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or

(ii) six years after the date of the transaction that gave rise to the cause of action.

The Saskatchewan Act also provides a purchaser who has received an amended offering memorandum delivered in accordance with subsection 80.1(3) of the Saskatchewan Act has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

The rights of action for damages or rescission under the Saskatchewan Act are in addition to and do not derogate from any other right which a purchaser may have at law.

Manitoba

Section 141.1 of the Securities Act (Manitoba), as amended (the "Manitoba Act") provides that where an offering memorandum (such as this offering memorandum) or any amendment to it contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum is deemed to have relied on the representation if it was a misrepresentation at the time of purchase and has a right of rescission against the issuer or has a right of action for damages against (i) the issuer, (ii) every director of the issuer at the date of the offering memorandum, and (iii) every person or company who signed the offering memorandum:

Such rights of rescission and damages are subject to certain limitations including the following:

(a) if the purchaser chooses to exercise a right of rescission against the issuer, the purchaser shall have no right of action for damages against the parties (i), (ii) and (iii) listed above;

(b) in an action for damages, a defendant will not be liable for all or any part of the damages that he or she proves do not represent the depreciation in value of the security as a result of the misrepresentation;

(c) in no case shall the amount recoverable exceed the price at which the securities were offered under the offering memorandum; and

(d) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser had knowledge of the misrepresentation.

In addition, no person or company, other than the issuer, will be liable if the person or company proves that:

(a) the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent, and that, after becoming aware that it was sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the person's or company's knowledge and consent;

(b) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, the person or company proves that the person or company did not have any reasonable grounds to believe and did not believe that (i) there had been a misrepresentation, or (ii) the relevant part of the offering memorandum (A) did not fairly represent the expert's report, opinion or statement, or (B) was not a fair copy of, or an extract from, the expert's report, opinion or statement; or

(c) with respect to any part of the offering memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, an expert's report, opinion or statement, unless the person or company (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (ii) believed there had been a misrepresentation.

Not all defences upon which the issuer or others may rely are described herein. Please refer to the full text of the Manitoba Act for a complete listing.

Section 141.2 of the Manitoba Act provides that a purchaser of a security to whom an offering memorandum was required to be sent in compliance with Manitoba securities legislation, but was not sent within the prescribed time has a right of action for rescission or damages against the dealer, offeror or issuer who did not comply with the requirement.

Section 141.3 of the Manitoba Act also provides that a purchaser of a security to whom an offering memorandum is required to be sent may rescind the contract to purchase the security by sending a written notice of rescission to the issuer not later than midnight on the second day, excluding Saturdays and holidays, after the purchaser signs the agreement to purchase the securities.

Section 141.4 of the Manitoba Act provides that no action may be commenced to enforce any of the foregoing rights:

(a) in the case of an action for rescission, more than 180 days after the day of the transaction that gave rise to the cause of action; or

(b) in the case of any other action, other than an action for rescission, the earlier of:

(i) 180 days after the day that the plaintiff first had knowledge of the facts giving rise to the cause of action, or

(ii) two years after the day of the transaction that gave rise to the cause of action.

The rights of action for damages or rescission under the Manitoba Act are in addition to and do not derogate from any other right which a purchaser may have at law.

Nova Scotia

The right of action for damages or rescission described herein is conferred by section 138 of the Securities Act (Nova Scotia) (the "Nova Scotia Act"). Section 138 of the Nova Scotia Act provides, in relevant part, that in the event that an offering memorandum (such as this offering memorandum), together with any amendment thereto, or any advertising or sales literature (as such terms are defined in the Nova Scotia Act) contains a misrepresentation (as defined in the Nova Scotia Act), the purchaser will be deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of purchase and has, subject to certain limitations and defences, a statutory right of action for damages against the issuer and, subject to certain additional defences, every director of the issuer at the date of the offering memorandum and every person who signed the offering memorandum or, alternatively, while still the owner of the securities purchased by the purchaser, may elect instead to exercise a statutory right of rescission against the issuer, in which case the purchaser shall have no right of action for damages against the issuer, directors of the issuer or persons who have signed the offering memorandum, provided that, among other limitations:

(a) no action shall be commenced to enforce any of the foregoing rights more than 120 days after the date on which the initial payment was made for the securities;

(b) no person will be liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation;

(c) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and

(d) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser.

In addition, a person or company, other than the issuer, will not be liable if that person or company proves that:

(a) the offering memorandum or amendment to the offering memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent;

(b) after delivery of the offering memorandum or amendment to the offering memorandum and before the purchase of the securities by the purchaser, on becoming aware of any misrepresentation in the offering memorandum or amendment to the offering memorandum the person or company withdrew the person's or company's consent to the offering memorandum or amendment to the offering memorandum, and gave reasonable general notice of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum or amendment to the offering memorandum purporting (i) to be made on the authority of an expert, or (ii) to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that (A) there had been a misrepresentation, or (B) the relevant part of the offering memorandum or amendment to offering memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Furthermore, no person or company, other than the issuer, will be liable with respect to any part of the offering memorandum or amendment to the offering memorandum not purporting (a) to be made on the authority of an expert or (b) to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation or (ii) believed that there had been a misrepresentation.

If a misrepresentation is contained in a record incorporated by reference into, or deemed incorporated by reference into, the offering memorandum or amendment to the offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum or an amendment to the offering memorandum.

The rights of action for rescission or damages under the Nova Scotia Act are in addition to and do not derogate from any other right the purchaser may have at law.

New Brunswick

Section 150 of the Securities Act (New Brunswick) (the "New Brunswick Act") provides that where an offering memorandum (such as this offering memorandum) contains a misrepresentation, a purchaser who purchases securities shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and:

(a) the purchaser has a right of action for damages against the issuer and any selling security holder(s) on whose behalf the distribution is made, or

(b) where the purchaser purchased the securities from a person referred to in paragraph (a), the purchaser may elect to exercise a right of rescission against the person, in which case the purchaser shall have no right of action for damages against the person.

This statutory right of action is available to New Brunswick purchasers whether or not such purchaser relied on the misrepresentation. However, there are various defences available to the issuer and the selling security holder(s). In particular, no person will be liable for a misrepresentation if such person proves that the purchaser purchased the securities with knowledge of the misrepresentation when the purchaser purchased the securities. Moreover, in an action for damages, the amount recoverable will not exceed the price at which the securities were offered under the offering memorandum and any defendant will not be liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

If the purchaser intends to rely on the rights described in (a) or (b) above, such purchaser must do so within strict time limitations. The purchaser must commence an action for rescission within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence its action for damages within the earlier of:

(a) one year after the purchaser first had knowledge of the facts giving rise to the cause of action; or

(b) six years after the date of the transaction that gave rise to the cause of action.

The foregoing summary is subject to the express conditions of the New Brunswick Act and the regulations promulgated thereunder and specific reference should be made to same. The rights of action for rescission or damages under the New Brunswick Act are in addition to and do not derogate from any other right the purchaser may have at law.

Newfoundland & Labrador

Section 130.1 of the Securities Act (Newfoundland and Labrador) provides that if an offering memorandum (such as this offering memorandum) contains a misrepresentation, a purchaser who purchases Units offered by the offering memorandum is deemed to have relied on the representation if it was a misrepresentation at the time of purchase, and the purchaser has:

(a) a right of action for damages against:

(i) the issuer;

(ii) every director of the issuer at the date of the offering memorandum;

(iii) every person or company who signed the offering memorandum; and

(b) a right of rescission against the issuer.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser has no right of action for damages against a person or company referred to above.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, the offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum.

When a misrepresentation is contained in the offering memorandum, no person or company other than the issuer, is liable:

(a) if the person or company proves

(i) that the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent, and

(ii) that, after becoming aware that it was sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the person's or company's knowledge and consent;

(b) if the person or company proves that, after becoming aware of the misrepresentation, the person or company withdrew the person's or company's consent to the offering memorandum and gave reasonable notice to the issuer of the withdrawal and the reason for it;

(c) if, with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, the person

or company proves that the person or company did not have any reasonable grounds to believe and did not believe that (i) there had been a misrepresentation, or (ii) the relevant part of the offering memorandum (A) did not fairly represent the expert's report, opinion or statement, or (B) was not a fair copy of, or an extract from, the expert's report, opinion or statement; or

(d) with respect to any part of the offering memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, an expert's report, opinion or statement, unless the person or company (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (ii) believed there had been a misrepresentation.

The amount recoverable shall not exceed the price at which the Units were offered under the offering memorandum.

In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

No action shall be commenced to enforce these contractual rights more than:

(a) in the case of an action for rescission, 180 days after the purchaser signs the agreement to purchase the Units; or

(b) in the case of an action for damages, before the earlier of:

(i) 180 days after the purchaser first has knowledge of the facts giving rise to the cause of action; or

(ii) three years after the date the purchaser signs the agreement to purchase the Units.

Prince Edward Island

Section 112 of the Securities Act (Prince Edward Island) (the "**PEI Act**") provides to a purchaser who purchases, during the distribution period, a security offered by an offering memorandum (such as this offering memorandum) containing a misrepresentation, without regard to whether he or she relied on the misrepresentation, a right of action for damages against (a) the issuer, (b) the selling security holder on whose behalf the distribution is made, (c) every director of the issuer at the date of the offering memorandum, and (d) every person who signed the offering memorandum.

If an offering memorandum contains a misrepresentation, a purchaser, as described above, has a right of action for rescission against the issuer or the selling security holder on whose behalf the distribution is made. If the purchaser elects to exercise a right of action for rescission, the purchaser shall have no right of action for damages.

In addition, no person or company, other than the issuer and selling security holder, will be liable if the person proves that:

(a) the offering memorandum was sent to the purchaser without the person's knowledge or consent and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the issuer that it had been sent without the knowledge and consent of the person;

(b) the person, on becoming aware of the misrepresentation in the offering memorandum, had withdrawn the person's consent to the offering memorandum and had given reasonable notice to the issuer of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or purporting to be a copy of, or an extract from, a report, statement or opinion of an expert, the person had no reasonable grounds to believe and did not believe that (i) there had been a misrepresentation, or (ii) the relevant part of the offering memorandum (A) did not fairly represent the report, statement or opinion of the expert, or (B) was not a fair copy of, or an extract from, the report, statement or opinion of the expert.

Not all defences upon which the issuer or others may rely are described herein. Please refer to the full text of the PEI Act for a complete listing.

In an action for damages, the defendant is not liable for any damages that he or she proves do not represent the depreciation in value of the security resulting from the misrepresentation. In addition, the amount recoverable must not exceed the price at which the securities purchased by the purchaser were offered.

Section 121 of the PEI Act provides that no action may be commenced to enforce any of the foregoing rights more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of any action other than an action for rescission, the earlier of:

(i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or

(ii) three years after the date of the transaction giving rise to the cause of action.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the purchaser may have at law.

Northwest Territories

Securities legislation in the Northwest Territories provides that if an offering memorandum (such as this offering memorandum) contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied on the misrepresentation:

(a) a right of action for damages against

(i) the issuer;

(ii) the selling security holder on whose behalf the distribution is made;

(iii) every director of the issuer at the date of the offering memorandum; and

(iv) every person who signed the offering memorandum; and

(b) a right of rescission against:

(i) the issuer; or

(ii) the selling security holder on whose behalf the distribution is made.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser has no right of action for damages against a person or company referred to above.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, an offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum.

If a misrepresentation is contained in the offering memorandum, no person is liable if the person proves that the purchaser purchased the securities with knowledge of the misrepresentation.

A person, other than the issuer or selling security holder, is not liable in an action for damages if the person proves that:

(a) the offering memorandum was sent to the purchaser without the person's knowledge or consent, and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the issuer that it had been sent without the person's knowledge and consent;

(b) the person, on becoming aware of the misrepresentation, had withdrawn the person's consent to the offering memorandum and had given reasonable notice to the issuer of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert, the person had no reasonable grounds to believe and did not believe that

(i) there had been a misrepresentation, or

(ii) the relevant part of the offering memorandum

(A) did not fairly represent the report, opinion or statement of the expert, or

(B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

A person, other than the issuer or selling security holder, is not liable in an action for damages with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person:

(a) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation; or

(b) believed there had been a misrepresentation.

The amount recoverable shall not exceed the price at which the securities were offered under the offering memorandum. In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

The issuer, and every director of the issuer at the date of the offering memorandum who is not a selling security holder, is not liable if the issuer does not receive any proceeds from the distribution of the securities and the misrepresentation was not based on information provided by the issuer, unless the misrepresentation:

(a) was based on information previously publicly disclosed by the issuer;

(b) was a misrepresentation at the time of its previous public disclosure; and

(c) was not subsequently publicly corrected or superseded by the issuer before completion of the distribution of the securities being distributed.

No action may be commenced to enforce a right more than,

(a) in the case of an action for rescission, 180 days after the date of the transaction giving rise to the cause of action; or

(b) in the case of any action other than an action for rescission,

(i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or

(ii) three years after the date of the transaction giving rise to the cause of action,

whichever period expires first.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the purchaser may have at law.

Nunavut

Securities legislation in Nunavut provides that if an offering memorandum (such as this offering memorandum) contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied on the misrepresentation:

(a) a right of action for damages against:

(i) the issuer;

(ii) the selling security holder on whose behalf the distribution is made;

(iii) every director of the issuer at the date of the offering memorandum; and

(iv) every person who signed the offering memorandum; and

(b) a right of rescission against:

(i) the issuer; or

(ii) the selling security holder on whose behalf the distribution is made.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser has no right of action for damages against a person or company referred to above.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, an offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum.

If a misrepresentation is contained in the offering memorandum, no person is liable if the person proves that the purchaser purchased the securities with knowledge of the misrepresentation.

A person, other than the issuer or selling security holder, is not liable in an action for damages if the person proves that:

(a) the offering memorandum was sent to the purchaser without the person's knowledge or consent, and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the issuer that it had been sent without the person's knowledge and consent;

(b) the person, on becoming aware of the misrepresentation, had withdrawn the person's consent to the offering memorandum and had given reasonable notice to the issuer of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert, the person had no reasonable grounds to believe and did not believe that

    (i) there had been a misrepresentation, or

    (ii) the relevant part of the offering memorandum (A) did not fairly represent the report, opinion or statement of the expert, or (B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

A person, other than the issuer or selling security holder, is not liable in an action for damages with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person:

(a) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation, or

(b) believed there had been a misrepresentation.

The amount recoverable shall not exceed the price at which the securities were offered under the offering memorandum. In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

The issuer, and every director of the issuer at the date of the offering memorandum who is not a selling security holder, is not liable if the issuer does not receive any proceeds from the distribution of the securities and the misrepresentation was not based on information provided by the issuer, unless the misrepresentation

(a) was based on information previously publicly disclosed by the issuer;

(b) was a misrepresentation at the time of its previous public disclosure; and

(c) was not subsequently publicly corrected or superseded by the issuer before completion of the distribution of the securities being distributed.

No action may be commenced to enforce a right more than,

(a) in the case of an action for rescission, 180 days after the date of the transaction giving rise to the cause of action; or

(b) in the case of any action other than an action for rescission,

(i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or

(ii) three years after the date of the transaction giving rise to the cause of action,

whichever period expires first.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the purchaser may have at law.

Yukon

Securities legislation in the Yukon provides that if an offering memorandum (such as this offering memorandum) contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied on the misrepresentation:

(a) a right of action for damages against:

(i) the issuer;

(ii) the selling security holder on whose behalf the distribution is made;

(iii) every director of the issuer at the date of the offering memorandum; and

(iv) every person who signed the offering memorandum; and

(b) a right of rescission against:

(i) the issuer; or

(ii) the selling security holder on whose behalf the distribution is made.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser has no right of action for damages against a person or company referred to above.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, an offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum.

If a misrepresentation is contained in the offering memorandum, no person is liable if the person proves that the purchaser purchased the securities with knowledge of the misrepresentation.

A person, other than the issuer or selling security holder, is not liable in an action for damages if the person proves that:

(a) the offering memorandum was sent to the purchaser without the person's knowledge or consent, and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the issuer that it had been sent without the person's knowledge and consent;

(b) the person, on becoming aware of the misrepresentation, had withdrawn the person's consent to the offering memorandum and had given reasonable notice to the issuer of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert, the person had no reasonable grounds to believe and did not believe that

(i) there had been a misrepresentation, or

(ii) the relevant part of the offering memorandum (A) did not fairly represent the report, opinion or statement of the expert, or (B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

A person, other than the issuer or selling security holder, is not liable in an action for damages with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person:

(a) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation, or

(b) believed there had been a misrepresentation.

The amount recoverable shall not exceed the price at which the securities were offered under the offering memorandum. In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

The issuer, and every director of the issuer at the date of the offering memorandum who is not a selling security holder, is not liable if the issuer does not receive any proceeds from the distribution of the securities and the misrepresentation was not based on information provided by the issuer, unless the misrepresentation:

(a) was based on information previously publicly disclosed by the issuer;

(b) was a misrepresentation at the time of its previous public disclosure; and

(c) was not subsequently publicly corrected or superseded by the issuer before completion of the distribution of the securities being distributed.

No action may be commenced to enforce a right more than,

(a) in the case of an action for rescission, 180 days after the date of the transaction giving rise to the cause of action; or

(b) in the case of any action other than an action for rescission,

(i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or

(ii) three years after the date of the transaction giving rise to the cause of action,

whichever period expires first.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the purchaser may have at law.

British Columbia, Alberta and Quebec

Notwithstanding that the Securities Act (British Columbia), the Securities Act (Alberta) and the Securities Act (Quebec) do not provide, or require the issuer to provide to purchasers resident in the Province of Alberta purchasing under the exemption contained in section 2.3 (the "accredited investor exemption") of NI 45-106 and to purchasers resident in British Columbia or Quebec any rights of action in circumstances where this offering memorandum or an amendment hereto contains a misrepresentation, the issuer hereby grants to such purchasers contractual rights of action that are equivalent to the statutory rights of action set forth above with respect to purchasers resident in Ontario.

The rights summarized above are in addition to and without derogation from any other rights or remedy which investors may have at law.

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