This confidential offering memorandum (the "Offering Memorandum") constitutes an offering of securities in all Provinces and Territories of Canada 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 it 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. Persons who acquire securities pursuant to this Offering Memorandum will not have the benefit of the review of this material by any securities commission or similar authority. This Offering Memorandum is for the confidential use of only those persons to whom it is transmitted in connection with this offering. By their acceptance of this Offering Memorandum, recipients agree that they will not transmit, reproduce or make available to anyone, other than their professional advisers, this Offering Memorandum or any information contained herein. No person has been authorized to give any information or to make any representation not contained in this Offering Memorandum. Any such information or representation which is given or received must not be relied upon.

Confidential Offering Memorandum

MARQUEST
ASSET MANAGEMENT INC.

Marquest Mining 2016-I Super Flow-Through Limited Partnership

DATE January 6, 2016

THE ISSUER

Name:	Marquest Mining 2016-I Super Flow-Through Limited Partnership (the "Partnership")
Head Office:	161 Bay Street, Suite 4420, Toronto, Ontario M5J 2S1
Phone #:	(416) 777-7350 or toll free at 1-877-777-1541
Fax #:	(416) 777-7362
E-mail address:	funds@marquest.ca
Internet:	www.marquest.ca
Currently listed or quoted:	These securities do not trade on any exchange or market.
Reporting Issuer:	No
SEDAR filer:	No

THE OFFERING

Securities Offered:	An unlimited number of partnership units (the "Units")
Price per Security:	$100.00 per Unit (the "Offering").
Minimum Offering:	The minimum Offering is 2,500 Units ($250,000). **Funds available under the offering may not be sufficient to accomplish our proposed objectives.**
Minimum Subscription Amount:	The minimum initial subscription amount is 50 Units ($5,000).
Payment Terms:	Subscription Proceeds must be paid prior to acceptance.
Proposed Closing Dates:	The initial closing (the "Initial Closing") is expected to take place on or about April 30, 2016 and the final closing is expected to take place on or about June 30, 2016 or such other date(s) as the General Partner may reasonably determine, but in any event not later than December 31, 2016. See "Item 5".
Income Tax Consequences:	There are important tax consequences to these securities. See "Item 6".
Selling Agent:	An investor subscribing for Units through a registered dealer may be charged a sales commission. See "Item 7".
Resale Restrictions:	You will be restricted from selling your securities for an indefinite period. See "Item 10".
Purchaser's Rights:	If you are purchasing Units under the Offering Memorandum Exemption (as such exemption is described in applicable securities legislation) you have 2 Business Days to cancel your agreement to purchase securities. If there is a misrepresentation in this offering memorandum, you have a right to sue either for damages and/or cancel the agreement. See "Item 11". The foregoing rights are provided to purchasers as described herein.

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

The Offering: Marquest Mining 2016-I Super Flow-Through Limited Partnership (the "Partnership"), a limited partnership established under the laws of the Province of Ontario, proposes to issue limited partnership units (the "Units") on a private placement basis at a price of $100.00 per Unit.

Investment Objectives: The Partnership intends to invest in Flow-Through Shares (as hereinafter defined) of Resource Companies (as hereinafter defined) involved in mineral exploration, development and/or production in Canada, with a view to achieving capital appreciation and maximizing the tax benefit of an investment in the Units. The Partnership intends to invest all or substantially all of the Available Funds (as hereinafter defined) such that Limited Partners (as hereinafter defined) will be entitled to claim certain deductions from income and may be entitled to, in respect of investments in Super Flow-Through Shares (as hereinafter defined), investment tax credits for income tax purposes for the 2016 taxation year. Investments made by the Partnership will be consistent with the investment guidelines described herein (the "Investment Guidelines"). Up to 100% of the Available Funds will be invested in Super Flow-Through Shares of Resource Companies that are listed companies on a "designated stock exchange" within the meaning of the *Income Tax Act* (Canada). As at the date of this Offering Memorandum, the Partnership has not selected Flow-Through Shares of any Resource Companies in which to invest.

Investment Strategy: Investments will be made in the resource sector with the objective of creating a diversified mineral portfolio. The Partnership intends to focus on companies in the intermediate and junior mineral sector with advanced exploration programs. The Partnership's Investment Strategy is to invest in Flow-Through Shares issued by Resource Companies that are considered to: (i) represent good value in relation to the market price of the Resource Company's shares; (ii) have experienced and capable senior management; (iii) have a strong exploration program in place; and (iv) offer potential for future growth. Management of the investment portfolio may involve the sale of Flow-Through Shares held by the Partnership and the reinvestment of the net proceeds from any such dispositions in additional shares or Flow-Through Shares of Resource Companies.

The General Partner: MQ 2016-I Limited Partnership (the "General Partner"), the general partner of the Partnership, has coordinated the organization of the Partnership. The General Partner will develop and implement all aspects of the Partnership's communications, marketing and distribution strategies and will manage or supervise the management of the ongoing business and administrative affairs of the Partnership. The General Partner is a limited partnership specifically formed to manage the affairs of the Partnership and will not carry on any other business.

Portfolio Manager: Marquest Asset Management Inc. (referred to herein as the "Portfolio Manager" and the "Investment Fund Manager") provides investment management services and portfolio management services to the Partnership. The Portfolio Manager will also assist with identifying prospective investments in Resource Companies and monitor the investment portfolio of the Partnership to ensure compliance with the Investment Guidelines.

Mutual Fund Rollover Transaction and Termination of the Partnership: The General Partner intends to cause the Partnership, prior to its scheduled dissolution date of November 30, 2017, to transfer its assets to the Mutual Fund (as hereinafter defined) on a tax-deferred basis in exchange for redeemable shares of the Mutual Fund, to be distributed to the Limited Partners. The Limited Partners shall be free to redeem some or all of their Mutual Fund Shares (as hereinafter defined) on or after the tax-deferred exchange. The General Partner has been granted all necessary power and authority, on behalf of the Partnership and each Limited Partner, to enter into the Mutual Fund Rollover Transaction (as hereinafter defined) and to implement the dissolution of the Partnership, and after that, to file all elections deemed necessary or desirable by the General Partner to be filed under applicable tax legislation, without any further authorization by the Limited Partners.

	Price to Public	**Agents' Fees**	**Issue Expenses**	**Net Proceeds to Partnership**
Per Unit (1):	$100.00	$5.25	$4.75	$90.00
Minimum Offering	$250,000	$13,125	$11,875	$225,000

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 purchasers 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 investor whose income is subject to a high marginal tax rate and who is not subject to alternative minimum tax. 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. Investors are strongly advised to consult their own tax and other professional advisors to assess the income tax and other aspects of the investment before investing in Units. There is no assurance that the General Partner on behalf of the Partnership will be able to identify a sufficient number of suitable investment opportunities in which to invest Available Funds by December 31, 2016. In such case the potential tax benefits to a purchaser of Units will be reduced. There is a risk that Resource Companies in which the Partnership invests will not renounce and/or incur Eligible Expenditures (as hereinafter defined) in an amount equal to the Available Funds. The Partnership may not be able to invest 100% of Available Funds in Resource Companies in respect of which the EITC (as hereinafter defined) will be applicable. There is a risk that the Liberal CEE Initiative will reduce or eliminate tax savings under the Tax Act associated with an investment in Flow-Through Shares. There is a possibility that purchasers of Units will receive allocations of income (including taxable capital gains) from the Partnership without receiving a corresponding cash distribution to satisfy any resulting tax liability. If a purchaser 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 purchaser will be adversely affected. The "Proposed Loss Limitation Rule" (as hereinafter defined) may limit the ability of Limited Partners to claim certain tax deductions. Investors should carefully review the income tax considerations as well as the risk factors set forth herein and consult their own professional advisors to assess the income tax, legal and other aspects of the investment.

An Affiliate of the General Partner, namely the Exempt Market Dealer (as hereinafter defined and which is the same corporation as the Portfolio Manager) may receive cash commissions, securities and/or rights to purchase securities of Resource Companies, in consideration for its services as agent or finder in connection with certain private placements of Flow-Through Shares to the Partnership. The fee payable to the Exempt Market Dealer will be paid by the Resource Company from funds other than the funds invested in Flow-Through Shares by the Partnership. There is no percentage limit to the amount of the Partnership's Available Funds that may be invested in Resource Companies for which the Exempt Market Dealer may receive a fee. The registered staff who work for the Exempt Market Dealer will take no part in the decision whether as to whether the Portfolio Manager will invest in the shares of any Resource Company.

Although the Units are transferable in limited circumstances and subject to the conditions of the Partnership Agreement, there is no market through which the Units purchased under this Offering Memorandum may be sold and none is expected to develop. Purchasers may not be able to resell Units purchased under this Offering Memorandum.

The identification number for this tax shelter is TS 084137, and the Québec tax shelter identification number in respect of the Partnership is QAF-16-01609. The identification number issued for this tax shelter must be included in any income tax return filed by an investor. Issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of an investor to claim any tax benefits associated with the tax shelter.

An investor who subscribes for Units pursuant to this Offering, among other things: (i) acknowledges that he or she is bound by the terms of the Partnership Agreement (as hereinafter defined) and is liable for all obligations of a Limited Partner; (ii) irrevocably nominates, constitutes, and appoints the General Partner as his or her true and lawful attorney with the full power and authority as set out in the Partnership Agreement; and (iii) irrevocably authorizes the General Partner to file on his or her behalf all elections, determinations and designations under applicable income tax or other legislation in respect of the business of the Partnership, including the dissolution of the Partnership.

Offers to purchase Units will be received subject to acceptance or rejection in whole or in part and the right is reserved to close the subscription books at any time without notice. Subscription funds will be held by the General Partner pending obtaining subscriptions for each closing of the Offering.

SUMMARY OF KEY DATES

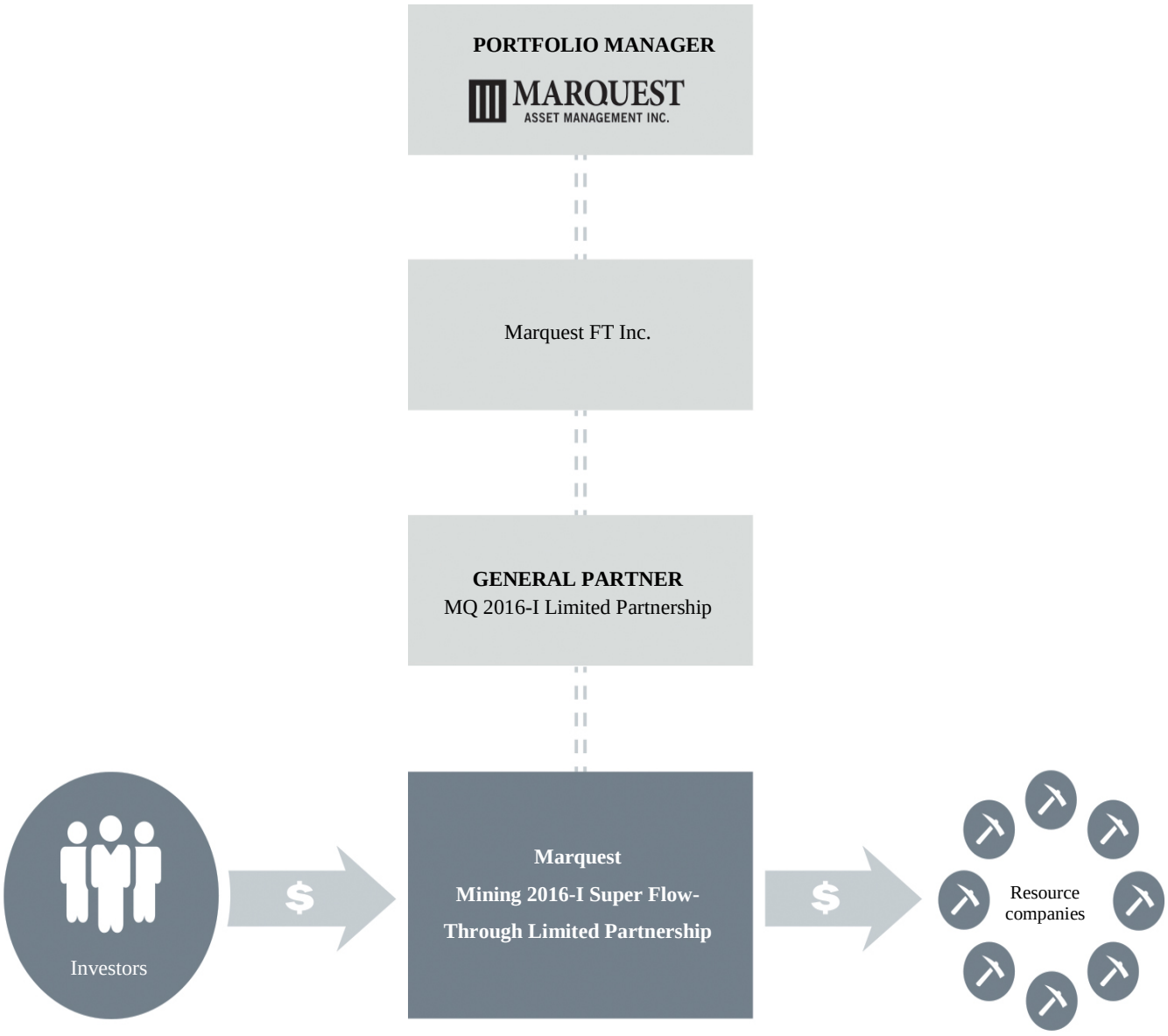
April 30, 2016	Initial Closing expected to take place on or about this date. Investors purchase Units and pay the Subscription Price ($5,000 minimum, multiples of $1,000 for subscriptions above $5,000).
June 30, 2016	Anticipated date of the final closing.
December 31, 2016	Final Closing must take place no later than this date. Investors purchase Units and pay the Subscription Price ($5,000 minimum, multiples of $1,000 for subscriptions above $5,000).
December 31, 2016	First fiscal year end
December 31, 2016	Tax deductions are allocated to Limited Partners.
Late March / Early April, 2017	Limited Partners expected to receive 2016 CEE (tax deduction) and tax credit receipts.
No later than 120 days after the Partnership's fiscal year end	Audited financial statements of the Partnership will be sent to Limited Partners and filed with the applicable securities commissions.
November 30, 2017	The date on which the Partnership is expected to implement the Mutual Fund Rollover Transaction or dissolve, subject to earlier or later dissolution (up to May 31, 2018) on the terms set forth in the Partnership Agreement.
December, 2017	Limited Partners expected to receive rollover Mutual Fund Shares as part of the Mutual Fund Rollover Transaction, unless dissolution is accelerated or deferred.

FORWARD-LOOKING STATEMENTS

Certain statements in this Offering Memorandum may constitute "forward-looking" statements which refer to disclosure regarding possible events, conditions, trends or results and include known and unknown risks and uncertainties. When used in this Offering Memorandum, the words "expects", "anticipates", "intends", "plans", "may", "believes", "seeks", "estimates", "appears" and similar expressions generally identify forward-looking statements. These statements reflect the General Partner's current beliefs, assumptions and expectations and are based on information currently available to the General Partner and Portfolio Manager. The forward-looking statements are subject to a number of risks and uncertainties, including, but not limited to, the factors discussed under "Risk Factors" and elsewhere in this Offering Memorandum. The forward-looking statements contained in this Offering Memorandum may not be realized. Accordingly, investors should not place undue reliance on forward-looking statements. Such forward-looking statements are made as of the date of this Offering Memorandum and the General Partner assumes no obligation to update or revise such forward-looking statements to reflect new events or circumstances, except as required by securities laws.

FLOW-CHART OF RELEVANT PARTIES

Note: An arrow represents the flow of funds, and the dashed lines represent a relationship.



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SELECTED FINANCIAL ASPECTS FOR INVESTORS

The following tables set forth certain financial aspects, based on the estimates and assumptions set forth below and in the notes to the tables below, for a Limited Partner who is an individual (other than a trust), who has invested $10,000, 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 table 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 can afford a complete loss of their investment. The tax benefits resulting from an investment in the Partnership are greatest for investors whose income is subject to a high marginal income tax rate and who are not subject to alternative minimum tax. Investors acquiring Units with a view to obtaining tax advantages should obtain independent tax advice from a qualified advisor who is knowledgeable in the area of income tax law.

In order 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 are not represented to 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 calculations take into account a possible subsequent reinvestment of proceeds which may be realized by the Partnership in connection with dispositions of Flow-Through Shares. 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 forth in the notes to the tables. **There is no assurance that all or any 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.**

Residents of Ontario, British Columbia, Manitoba, Québec and Saskatchewan may be entitled to non-refundable EITC as each of these provinces currently offer a provincial tax credit that is in addition to the federal mineral exploration tax credit. **No assurance is provided that the General Partner will invest the Available Funds so as to entitle Limited Partners to benefit from any or all of these provincial tax credits.** It is not the intention of the General Partner that investments by the Partnership be concentrated in any one jurisdiction. To the extent that the Partnership is invested in Super-Flow-Through Shares, residents of other provinces and territories in which the Units are offered may be entitled a non-refundable federal tax credit.

Any investor who intends to donate to a "qualified donee" (as defined in the Tax Act) any securities acquired on the dissolution of the Partnership, including any Mutual Fund Shares, in the event the Mutual Fund Rollover Transaction is implemented, should consult with his or her own advisors regarding the income tax consequences in respect of any such donation prior to making an investment.

(a) Ontario Residents

The following table sets forth the estimated net investment to investors resident in Ontario, who are taxed at the highest marginal personal income tax rate, currently at 53.53%, in relation to one hundred Units, which are held continuously from subscription to and including the Dissolution Date.

Table 1 shows an investor's money at risk/after-tax purchase cost is calculated as the Subscription Price less all tax savings and federal and provincial tax credits.

TABLE 1: Investor's Money at Risk

	Money at Risk Calculation (19.25% Tax Credit)	**Money at Risk Calculation** (15% Tax Credit)
Subscription Price	**$10,000**	**$10,000**
Less: Tax Savings	($5,353)	($5,353)
Less: Federal Tax Credit		($1,350)
Less: Combined Federal & Ontario Tax Credit	($1,733)	
Add: 2017 Income Inclusion from tax credit	$928	$723
Money at Risk / After-Tax Purchase Cost	**$3,842**	**$4,020**
% Net Funds at Risk To Investment	**38.42%**	**40.20%**

Table 2 shows the break-even proceeds of disposition of Units which is the amount required to be realized on disposition of a Limited Partner's initial $10,000 investment to recover the money at risk/after-tax cost of the investment.

TABLE 2: Calculation for Break-even Proceeds & Downside Protection

Downside Protection	**48%**	**45%**
Required Break-even Proceeds of Disposition	**$5,246**	**$5,489**
Taxable Portion (50%)	$2,623	$2,745
Tax on Capital Gain	53.53%	53.53%
Less: Capital Gains Tax	($1,404)	($1,469)
After-Tax proceeds = After-Tax Purchase Cost	**$3,842**	**$4,020**

Table 3 shows an investor's money at risk/after-tax purchase cost when the investment is also donated on the dissolution date of the Limited Partnership.

TABLE 3: After-Tax Cost of Donating Marquest Flow-Through Investment

	Donation Calculation (19.25% Tax Credit)	**Donation Calculation** (15% Tax Credit)
Subscription Price	**$10,000**	**$10,000**
Less: Tax savings	($5,353)	($5,353)
Less: Federal Tax Credit		($1,350)
Less: Combined Federal & Ontario Tax Credit	($1,733)	
Add: 2017 Income Inclusion from Tax Credit	$928	$723
Donation Amount	**$10,000**	**$10,000**
Less: Tax Savings in 2017 from Donation of $10,000	($5,041)	($5,041)
Add: Capital Gains Tax on $10,000 in 2017	$2,677	$2,677
After-Tax Cost of Donating $10,000 via Flow-Through	**$1,478**	**$1,656**
(in other words, donating will cost approximately 15 cents or 17 cents on the dollar after-tax)		
After-Tax Out of Pocket percentage of Each Dollar Donated Charitably via Flow-Through	**14.78%**	**16.56%**
Tax Savings Using Charitable Donation via Flow-Through	**85.22%**	**83.44%**

Note: $10,000 Donated Directly without using Flow-Through would result in Tax Savings of only 50.41%, meaning that the after-tax out of pocket Percentage of each dollar donated to a charity without flow-through would be 100.00% - 50.41% = 49.59%, or approximately 50 cents on the dollar.

Notes and Assumptions:

(1) Assumes that 90% of the investor's Subscription Proceeds will be used by the Partnership to acquire Flow-Through Shares that qualify as Super Flow-Through Shares and that such funds will be spent by the issuers on CEE within the required time to ensure a deduction for the investor in the 2016 taxation year.

(2) Ordinarily, Limited Partners may for income tax purposes claim the offering costs (10% of the Subscription Price ,i.e. $1,000) to be deducted over five years to the extent of 20% per year, beginning with the 2016 taxation year as a loss allocated from the Partnership. This assumes 10% of the investor's subscription funds are used to pay offering costs and not used to subscribe for Super Flow-Through Shares. The Partnership is scheduled to be dissolved on or about November 30, 2017. It is a question of fact whether the Limited Partners will be able to deduct any loss directly. However, the Proposed Loss Limitation Rule if enacted should have no impact on the investor's deduction for CEE.

(3) Assumes that the 90% of the investor's aggregate Subscription Proceeds that are used to acquire the Super Flow-Through Shares; will be used to incur certain grass roots mining exploration expenses eligible for the related investment tax credits, both in Ontario (eligible for both the federal 15% EITC and Ontario 5% EITC), as well as Canada outside of Ontario (eligible for only the federal 15% EITC). Where the full Ontario 5% EITC is claimed, the federal 15% EITC is partially clawed back to 14.25%.

(4) Money at-risk, also referred to as the After-Tax Purchase Cost of a Unit, is calculated as the total investment less all income tax savings from tax deductions and federal and provincial tax credits.

(5) The break-even proceeds of disposition represents the amount an investor must receive such that, after paying capital gains tax, the investor would recover such investor's money at-risk.

(6) The tax benefits described above may be limited by the alternative minimum tax. The highest marginal tax rates used are for individuals and are based on current and proposed federal and Ontario rates. Federal and provincial tax rates may be modified in the future causing the tax savings to change. The adjusted cost base is assumed to be nil for income tax purposes.

(7) The Partnership is assumed to have first disposed of the Flow-Through Shares to a mutual fund corporation in exchange for mutual fund shares in a tax-deferred transaction pursuant to which the investor obtains shares of the mutual fund corporation. The investor's "total gifts" for the year is assumed to be less than 75% of the investor's income under the Tax Act for the year. The investor is assumed to donate the mutual fund shares to a "qualified donee" as defined in the Tax Act. The fair market value of the mutual fund shares donated is assumed to be $10,000 at the time of donation. The calculation ignores a lower tax credit under the Tax Act for the first $200 of total charitable gifts by an investor in the year.

(8) This assumes a capital gain of $10,000 results from the investor making a gift of the mutual fund shares referred in footnote 7 to a "qualified donee" as defined in the Tax Act, other than a private foundation.

(9) Downside protection is calculated as investment cost of $10,000 minus break-even proceeds of disposition of Flow-Through Shares, divided by investment cost.

(b) British Columbia Residents

The following table sets forth the estimated net investment to investors resident in British Columbia, who are taxed at the highest marginal personal income tax rate, currently at 47.70%, in relation to one hundred Units, which are held continuously from subscription to and including the Dissolution Date.

Table 1 shows an investor's money at risk/after-tax purchase cost is calculated as the Subscription Price less all tax savings and federal and provincial tax credits.

TABLE 1: Investor's Money at Risk

	Money at Risk Calculation (32% Tax Credit)	**Money at Risk Calculation** (15% Tax Credit)
Subscription Price	**$10,000**	**$10,000**
Less: Tax savings	($4,770)	($4,770)
Less: Federal Tax Credit		($1,350)
Less: Combined Federal & B.C. Tax Credit	($2,880)	
Add: 2017 Income Inclusion from Tax Credit	$1,374	$644
Money at Risk / After-Tax Purchase Cost	**$3,724**	**$4,524**
% Net Funds at Risk To Investment	**37.24%**	**45.24%**

Table 2 shows the break-even proceeds of disposition of Units which is the amount required to be realized on disposition of a Limited Partner's initial $10,000 investment to recover the money at risk/after-tax cost of the investment.

TABLE 2: Calculation for Break-even Proceeds & Downside Protection

Downside Protection	**51%**	**41%**
Required Break-even Proceeds of Disposition	**$4,890**	**$5,941**
Taxable Portion (50%)	$2,445	$2,971
Tax on Capital Gain	47.70%	47.70%
Less: Capital Gains Tax	($1,166)	($1,417)
After-Tax proceeds = After-Tax Purchase Cost	**$3,724**	**$4,524**

Table 3 shows an investor's money at risk/after-tax purchase cost when the investment is also donated on the dissolution date of the Limited Partnership.

TABLE 3: After-Tax Cost of Donating Marquest Flow-Through Investment

	Donation Calculation (32% Tax Credit)	**Donation Calculation** (15% Tax Credit)
Subscription Price	**$10,000**	**$10,000**
Less: Tax Savings	($4,770)	($4,770)
Less: Federal Tax Credit		($1,350)
Less: Combined Federal & B.C. Tax Credit	($2,880)	
Add: 2017 Income Inclusion from Tax Credit	$1,374	$644
Donation Amount	**$10,000**	**$10,000**
Less: Tax Savings in 2017 from Donation of $10,000	($4,770)	($4,770)
Add: Capital Gains Tax on $10,000 in 2017	$2,385	$2,385
After-Tax Cost of Donating $10,000 via Flow-Through	**$1,339**	**$2,139**
(in other words, donating will cost approximately 13 cents or 21 cents on the dollar after-tax)		
After-Tax Out of Pocket percentage of Each Dollar Donated Charitably via Flow-Through	**13.39%**	**21.39%**
Tax Savings Using Charitable Donation via Flow-Through	**86.61%**	**78.61%**

Note: $10,000 Donated Directly without using Flow-Through would result in Tax Savings of only 47.70%, meaning that the after-tax out of pocket Percentage of each dollar donated to a charity without flow-through would be 100.00% - 47.70% = 52.30%, or approximately 52 cents on the dollar.

Notes and Assumptions:

(1) Assumes that 90% of the investor's Subscription Proceeds will be used by the Partnership to acquire Flow-Through Shares that qualify as Super Flow-Through Shares and that such funds will be spent by the issuers on CEE within the required time to ensure a deduction for the investor in the 2016 taxation year.

(2) Ordinarily, Limited Partners may for income tax purposes claim the offering costs (10% of the Subscription Price, i.e. $1,000) to be deducted over five years to the extent of 20% per year, beginning with the 2016 taxation year as a loss allocated from the Partnership. This assumes 10% of the investor's subscription funds are used to pay offering costs and not used to subscribe for Super Flow-Through Shares. The Partnership is scheduled to be dissolved on or about November 30, 2017. It is a question of fact whether the Limited Partners will be able to deduct any loss directly. However, the Proposed Loss Limitation Rule if enacted should have no impact on the investor's deduction for CEE.

(3) Assumes that the 90% of the investor's aggregate Subscription Proceeds that are used to acquire the Super Flow-Through Shares will be used to incur certain grass roots mining exploration expenses eligible for the related investment tax credits, both in B.C. (eligible for both the federal 15% EITC and B.C. 20% EITC), as well as Canada outside of B.C. (eligible for only the federal 15% EITC). Where the full B.C. 20% EITC is claimed, the federal 15% EITC is partially clawed back to 12%.

(4) Money at-risk, also referred to as the After-Tax Purchase Cost of a Unit, is calculated as the total investment less all income tax savings from tax deductions and federal and provincial tax credits.

(5) The break-even proceeds of disposition represents the amount an investor must receive such that, after paying capital gains tax, the investor would recover such investor's money at-risk.

(6) The tax benefits described above may be limited by the alternative minimum tax. The highest marginal tax rates used are for individuals and are based on current and proposed federal and B.C. rates. Federal and provincial tax rates may be modified in the future causing the tax savings to change. The adjusted cost base is assumed to be nil for income tax purposes.

(7) The Partnership is assumed to have first disposed of the Flow-Through Shares to a mutual fund corporation in exchange for mutual fund shares in a tax-deferred transaction pursuant to which the investor obtains shares of the mutual fund corporation. The investor's "total gifts" for the year is assumed to be less than 75% of the investor's income under the Tax Act for the year. The investor is assumed to donate the mutual fund shares to a "qualified donee" as defined in the Tax Act. The fair market value of the mutual fund shares donated is assumed to be $10,000 at the time of donation. The calculation ignores a lower tax credit under the Tax Act for the first $200 of total charitable gifts by an investor in the year.

(8) This assumes a capital gain of $10,000 results from the investor making a gift of the mutual fund shares referred in footnote 7 to a "qualified donee" as defined in the Tax Act, other than a private foundation.

(9) Downside protection is calculated as investment cost of $10,000 minus break-even proceeds of disposition of Flow-Through Shares, divided by investment cost.

(c) Alberta Residents

The following table sets forth the estimated net investment to investors resident in Alberta, who are taxed at the highest marginal personal income tax rate, currently at 48.00%, in relation to one hundred Units, which are held continuously from subscription to and including the Dissolution Date:

Table 1 shows an investor's money at risk/after-tax purchase cost is calculated as the Subscription Price less all tax savings and federal and provincial tax credits.

TABLE 1: Investor's Money at Risk

	Money at Risk Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings	($4,800)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$648
Money at Risk / After-Tax Purchase Cost	**$4,498**
% Net Funds at Risk To Investment	**44.98%**

Table 2 shows the break-even proceeds of disposition of Units which is the amount required to be realized on disposition of a Limited Partner's initial $10,000 investment to recover the money at risk/after-tax cost of the investment.

TABLE 2: Calculation for Break-even Proceeds & Downside Protection

Downside Protection	**41%**
Required Break-even Proceeds of Disposition	**$5,918**
Taxable Portion (50%)	$2,959
Tax on Capital Gain	48%
Less: Capital Gains Tax	($1,420)
After-Tax Proceeds = After-Tax Purchase Cost	**$4,498**

Table 3 shows an investor's money at risk/after-tax purchase cost when the investment is also donated on the dissolution date of the Limited Partnership.

TABLE 3: After-Tax Cost of Donating Marquest Flow-Through Investment

	Donation Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings from deduction of CEE	($4,800)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$648
Donation Amount	**$10,000**
Less: Tax Savings in 2017 from Donation of $10,000	($5,400)
Add: Capital Gains Tax on $10,000 in 2017	$2,400
After-Tax Cost of Donating $10,000 via Flow-Through	**$1,498**
(in other words, donating will cost approximately 15 cents on the dollar after-tax)	
After-Tax Out of Pocket percentage of Each Dollar Donated Charitably via Flow-Through	**14.98%**
Tax Savings Using Charitable Donation via Flow-Through	**85.02%**

Note: $10,000 Donated Directly without using Flow-Through would result in Tax Savings of only 54.00%, meaning that the after-tax out of pocket Percentage of each dollar donated to a charity without flow-through would be 100.00% - 54.00% = 46.00%, or approximately 46 cents on the dollar.

Notes and Assumptions:

(1) Assumes that 90% of the investor's Subscription Proceeds will be used by the Partnership to acquire Flow-Through Shares that qualify as Flow-Through Shares and that such funds will be spent by the issuers on CEE within the required time to ensure a deduction for the investor in the 2016 taxation year.

(2) Ordinarily, Limited Partners may for income tax purposes claim the offering costs (10% of the Subscription Price, i.e. $1,000) to be deducted over five years to the extent of 20% per year, beginning with the 2016 taxation year as a loss allocated from the Partnership. This assumes 10% of the investor's subscription funds are used to pay offering costs and not used to subscribe for Super Flow-Through Shares. The Partnership is scheduled to be dissolved on or about November 30, 2017. It is a question of fact whether the Limited Partners will be able to deduct any loss directly. However, the Proposed Loss Limitation Rule if enacted should have no impact on the investor's deduction for CEE.

(3) Assumes that 90% of the investor's aggregate Subscription Proceeds are used to acquire the Flow-Through Shares that qualify as Super Flow-Through Shares; and that such funds will be used to incur certain grass roots mining exploration expenses eligible for this investment tax credit in Canada.

(4) Money at-risk, also referred to as the After-Tax Purchase Cost of a Unit, is calculated as the total investment less all income tax savings from tax deductions and federal and provincial tax credits.

(5) The break-even proceeds of disposition represents the amount an investor must receive such that, after paying capital gains tax, the investor would recover such investor's money at-risk.

(6) The tax benefits described above may be limited by the alternative minimum tax. The highest marginal tax rates used are for individuals and are based on current and proposed federal and Alberta rates. Federal and provincial tax rates may be modified in the future causing the tax savings to change. The adjusted cost base is assumed to be nil for income tax purposes.

(7) The Partnership is assumed to have first disposed of the Flow-Through Shares to a mutual fund corporation in exchange for mutual fund shares in a tax-deferred transaction pursuant to which the investor obtains shares of the mutual fund corporation. The investor's "total gifts" for the year is assumed to be less than 75% of the investor's income under the Tax Act for the year. The investor is assumed to donate the mutual fund shares to a "qualified donee" as defined in the Tax Act. The fair market value of the mutual fund shares donated is assumed to be $10,000 at the time of donation. The calculation ignores a lower tax credit under the Tax Act for the first $200 of total charitable gifts by an investor in the year.

(8) This assumes a capital gain of $10,000 results from the investor making a gift of the mutual fund shares referred in footnote 7 to a "qualified donee" as defined in the Tax Act, other than a private foundation.

(9) Downside protection is calculated as investment cost of $10,000 minus break-even proceeds of disposition of Flow-Through Shares, divided by investment cost.

(d) Manitoba Residents

The following table sets forth the estimated net investment to investors resident in Manitoba, who are taxed at the highest marginal personal income tax rate, currently at 50.40%, in relation to one hundred Units, which are held continuously from subscription to and including the Dissolution Date.

Table 1 shows an investor's money at risk/after-tax purchase cost is calculated as the Subscription Price less all tax savings and federal and provincial tax credits.

TABLE 1: Investor's Money at Risk

	Money at Risk Calculation (40.5% Tax Credit)	**Money at Risk Calculation** (15% Tax Credit)
Subscription Price	**$10,000**	**$10,000**
Less: Tax savings	($5,040)	($5,040)
Less: Federal Tax Credit		($1,350)
Less: Combined Federal & Manitoba Tax Credit	($3,645)	
Add: 2017 Income Inclusion from Tax Credit	$1,837	$680
Money at Risk / After-Tax Purchase Cost	**$3,152**	**$4,290**
% Net Funds at Risk To Investment	**31.52%**	**42.90%**

Table 2 shows the break-even proceeds of disposition of Units which is the amount required to be realized on disposition of a Limited Partner's initial $10,000 investment to recover the money at risk/after-tax cost of the investment.

TABLE 2: Calculation for Break-even Proceeds & Downside Protection

Downside Protection	**58%**	**43%**
Required Break-even Proceeds of Disposition	**$4,214**	**$5,735**
Taxable Portion (50%)	$2,107	$2,868
Tax on Capital Gain	50.40%	50.40%
Less: Capital Gains Tax	($1,062)	($1,445)
After-Tax proceeds = After-Tax Purchase Cost	**$3,152**	**$4,290**

Table 3 shows an investor's money at risk/after-tax purchase cost when the investment is also donated on the dissolution date of the Limited Partnership.

TABLE 3: After-Tax Cost of Donating Marquest Flow-Through Investment

	Donation Calculation (40.5% Tax Credit)	**Donation Calculation** (15% Tax Credit)
Subscription Price	**$10,000**	**$10,000**
Less: Tax savings	($5,040)	($5,040)
Less: Federal Tax Credit		($1,350)
Less: Combined Federal & Manitoba Tax Credit	($3,645)	
Add: 2017 Income Inclusion from Tax Credit	$1,837	$680
Donation Amount	**$10,000**	**$10,000**
Less: Tax Savings in 2017 from Donation of $10,000	($5,040)	($5,040)
Add: Capital Gains Tax on $10,000 in 2017	$2,520	$2,520
After-Tax Cost of Donating $10,000 via Flow-Through	**$632**	**$1,770**
(in other words, donating will cost approximately 6 cents or 18 cents on the dollar after-tax)		
After-Tax Out of Pocket percentage of Each Dollar Donated Charitably via Flow-Through	**6.32%**	**17.70%**
Tax Savings Using Charitable Donation via Flow-Through	**93.68%**	**82.30%**

Note: $10,000 Donated Directly without using Flow-Through would result in Tax Savings of only 50.40%, meaning that the after-tax out of pocket Percentage of each dollar donated to a charity without flow-through would be 100.00% - 50.40% = 49.60%, or approximately 50 cents on the dollar.

Notes and Assumptions:

(1) Assumes that 90% of the investor's Subscription Proceeds will be used by the Partnership to acquire Flow-Through Shares that qualify as Super Flow-Through Shares and that such funds will be spent by the issuers on CEE within the required time to ensure a deduction for the investor in the 2016 taxation year.

(2) Ordinarily, Limited Partners may for income tax purposes claim the offering costs (10% of the Subscription Price, i.e. $1,000) to be deducted over five years to the extent of 20% per year, beginning with the 2016 taxation year as a loss allocated from the Partnership. This assumes 10% of the investor's subscription funds are used to pay offering costs and not used to subscribe for Super Flow-Through Shares. The Partnership is scheduled to be dissolved on or about November 30, 2017. It is a question of fact whether the Limited Partners will be able to deduct any loss directly. However, the Proposed Loss Limitation Rule if enacted should have no impact on the investor's deduction for CEE.

(3) Assumes that the 90% of the investor's aggregate Subscription Proceeds are used to acquire the Flow-Through Shares that qualify as Super Flow-Through Shares; and that such funds will be used to incur certain grass roots mining exploration expenses eligible for the related investment tax credits both in Manitoba (eligible for both the federal 15% EITC and the Manitoba 30% EITC), as well as in Canada outside of Manitoba (eligible for only the federal 15% EITC). Where the full Manitoba 30% EITC is claimed, the federal 15% EITC is partially clawed back to 10.5%.

(4) Money at-risk, also referred to as the After-Tax Purchase Cost of a Unit, is calculated as the total investment less all income tax savings from tax deductions and federal and provincial tax credits.

(5) The break-even proceeds of disposition represents the amount an investor must receive such that, after paying capital gains tax, the investor would recover such investor's money at-risk.

(6) The tax benefits described above may be limited by the alternative minimum tax. The highest marginal tax rates used are for individuals and are based on current and proposed federal and Manitoba rates. Federal and provincial tax rates may be modified in the future causing the tax savings to change. The adjusted cost base is assumed to be nil for income tax purposes.

(7) The Partnership is assumed to have first disposed of the Flow-Through Shares to a mutual fund corporation in exchange for mutual fund shares in a tax-deferred transaction pursuant to which the investor obtains shares of the mutual fund corporation. The investor's "total gifts" for the year is assumed to be less than 75% of the investor's income under the Tax Act for the year. The investor is assumed to donate the mutual fund shares to a "qualified donee" as defined in the Tax Act. The fair market value of the mutual fund shares donated is assumed to be $10,000 at the time of donation. The calculation ignores a lower tax credit under the Tax Act for the first $200 of total charitable gifts by an investor in the year.

(8) This assumes a capital gain of $10,000 results from the investor making a gift of the mutual fund shares referred in footnote 7 to a "qualified donee" as defined in the Tax Act, other than a private foundation.

(9) Downside protection is calculated as investment cost of $10,000 minus break-even proceeds of disposition of Flow-Through Shares, divided by investment cost.

(e) Saskatchewan Residents

The following table sets forth the estimated net investment to investors resident in Saskatchewan, who are taxed at the highest marginal personal income tax rate, currently at 48.00%, in relation to one hundred Units, which are held continuously from subscription to and including the Dissolution Date.

Table 1 shows an investor's money at risk/after-tax purchase cost is calculated as the Subscription Price less all tax savings and federal and provincial tax credits.

TABLE 1: Investor's Money at Risk

	Money at Risk Calculation (23.50% Tax Credit)	**Money at Risk Calculation** (15% Tax Credit)
Subscription Price	**$10,000**	**$10,000**
Less: Tax savings	($4,800)	($4,800)
Less: Federal Tax Credit		($1,350)
Less: combined Federal & Saskatchewan Tax Credit	($2,115)	
Add: 2017 Income Inclusion from Tax Credit	$1,015	$648
Money at Risk / After-Tax Purchase Cost	**$4,100**	**$4,498**
% Net Funds at Risk To Investment	**41.00%**	**44.98%**

Table 2 shows the break-even proceeds of disposition of Units which is the amount required to be realized on disposition of a Limited Partner's initial $10,000 investment to recover the money at risk/after-tax cost of the investment.

TABLE 2: Calculation for Break-even Proceeds & Downside Protection

Downside Protection	**46%**	**41%**
Required Break-even Proceeds of Disposition	**$5,395**	**$5,918**
Taxable Portion (50%)	$2,698	$2,959
Tax on Capital Gain	48%	48%
Less: Capital Gains Tax	($1,295)	($1,420)
After-Tax proceeds = After-Tax Purchase Cost	**$4,100**	**$4,498**

Table 3 shows an investor's money at risk/after-tax purchase cost when the investment is also donated on the dissolution date of the Limited Partnership.

TABLE 3: After-Tax Cost of Donating Marquest Flow-Through Investment

	Donation Calculation (23.50% Tax Credit)	**Donation Calculation** (15% Tax Credit)
Subscription Price	**$10,000**	**$10,000**
Less: Tax savings from deduction of CEE	($4,800)	($4,800)
Less: Federal Tax Credit [5]		($1,350)
Less: Combined Federal & Saskatchewan Tax Credit	($2,115)	
Add: 2017 Income Inclusion from Tax Credit	$1,015	$648
Donation Amount	**$10,000**	**$10,000**
Less: Tax Savings in 2017 from Donation of $10,000	($4,800)	($4,800)
Add: Capital Gains Tax on $10,000 in 2017	$2,400	$2,400
After-Tax Cost of Donating $10,000 via Flow-Through	**$1,700**	**$2,098**
(in other words, donating will cost approximately 17 cents or 21 cents on the dollar after tax)		
After-Tax Out of Pocket percentage of Each Dollar Donated Charitably via Flow-Through	**17.00%**	**20.98%**
Tax Savings Using Charitable Donation via Flow-Through	**83.00%**	**79.02%**

Note: $10,000 Donated Directly without using Flow-Through would result in Tax Savings of only 48.00%, meaning that the after-tax out of pocket Percentage of each dollar donated to a charity without flow-through would be 100.00% - 48.00% = 52.00%, or approximately 52 cents on the dollar.

Notes and Assumptions:

(1) Assumes that 90% of the investor's Subscription Proceeds will be used by the Partnership to acquire Flow-Through Shares that qualify as Super Flow-Through Shares and that such funds will be spent by the issuers on CEE within the required time to ensure a deduction for the investor in the 2016 taxation year.

(2) Ordinarily, Limited Partners may for income tax purposes claim the offering costs (10% of the Subscription Price, i.e. $1,000) to be deducted over five years to the extent of 20% per year, beginning with the 2016 taxation year as a loss allocated from the Partnership. This assumes 10% of the investor's subscription funds are used to pay offering costs and not used to subscribe for Super Flow-Through Shares. The Partnership is scheduled to be dissolved on or about November 30, 2017. It is a question of fact whether the Limited Partners will be able to deduct any loss directly. However, the Proposed Loss Limitation Rule if enacted should have no impact on the investor's deduction for CEE.

(3) Assumes that 90% of the investor's aggregate Subscription Proceeds are used to acquire the Flow-Through Shares that qualify as Super Flow-Through Shares; and that such funds will be used to incur certain grass roots mining exploration expenses eligible for the related investment tax credits both in Saskatchewan (eligible for both the federal 15% EITC and the Saskatchewan 10% EITC), as well as in Canada outside of Saskatchewan (eligible for only the federal 15% EITC). Where the full Saskatchewan 10% EITC is claimed, the federal 15% EITC is partially clawed back to 13.5%.

(4) Money at-risk, also referred to as the After-Tax Purchase Cost of a Unit, is calculated as the total investment less all income tax savings from tax deductions and federal and provincial tax credits.

(5) The break-even proceeds of disposition represents the amount an investor must receive such that, after paying capital gains tax, the investor would recover such investor's money at-risk.

(6) The tax benefits described above may be limited by the alternative minimum tax. The highest marginal tax rates used are for individuals and are based on current and proposed federal and Saskatchewan rates. Federal and provincial tax rates may be modified in the future causing the tax savings to change. The adjusted cost base is assumed to be nil for income tax purposes.

(7) The Partnership is assumed to have first disposed of the Flow-Through Shares to a mutual fund corporation in exchange for mutual fund shares in a tax-deferred transaction pursuant to which the investor obtains shares of the mutual fund corporation. The investor's "total gifts" for the year is assumed to be less than 75% of the investor's income under the Tax Act for the year. The investor is assumed to donate the mutual fund shares to a "qualified donee" as defined in the Tax Act. The fair market value of the mutual fund shares donated is assumed to be $10,000 at the time of donation. The calculation ignores a lower tax credit under the Tax Act for the first $200 of total charitable gifts by an investor in the year.

(8) This assumes a capital gain of $10,000 results from the investor making a gift of the mutual fund shares referred in footnote 7 to a "qualified donee" as defined in the Tax Act, other than a private foundation.

(9) Downside protection is calculated as investment cost of $10,000 minus break-even proceeds of disposition of Flow-Through Shares, divided by investment cost.

(f) Nova Scotia Residents

The following table sets forth the estimated net investment to investors resident in Nova Scotia, who are taxed at the highest marginal personal income tax rate, currently at 54.00%, in relation to one hundred Units, which are held continuously from subscription to and including the Dissolution Date:

Table 1 shows an investor's money at risk/after-tax purchase cost is calculated as the Subscription Price less all tax savings and federal and provincial tax credits.

TABLE 1: Investor's Money at Risk

	Money at Risk Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings	($5,400)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$729
Money at Risk / After-Tax Purchase Cost	**$3,979**
% Net Funds at Risk To Investment	**39.79%**

Table 2 shows the break-even proceeds of disposition of Units which is the amount required to be realized on disposition of a Limited Partner's initial $10,000 investment to recover the money at risk/after-tax cost of the investment.

TABLE 2: Calculation for Break-even Proceeds & Downside Protection

Downside Protection	**45%**
Required Break-even Proceeds of Disposition	**$5,451**
Taxable Portion (50%)	$2,726
Tax on Capital Gain	54%
Less: Capital Gains Tax	($1,472)
After-Tax Proceeds = After-Tax Purchase Cost	**$3,979**

Table 3 shows an investor's money at risk/after-tax purchase cost when the investment is also donated on the dissolution date of the Limited Partnership.

TABLE 3: After-Tax Cost of Donating Marquest Flow-Through Investment

	Donation Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings from deduction of CEE	($5,400)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$729
Donation Amount	**$10,000**
Less: Tax Savings in 2017 from Donation of $10,000	($5,400)
Add: Capital Gains Tax on $10,000 in 2017	$2,700
After-Tax Cost of Donating $10,000 via Flow-Through	**$1,279**
(in other words, donating will cost approximately 13 cents on the dollar after-tax)	
After-Tax Out of Pocket percentage of Each Dollar Donated Charitably via Flow-Through	**12.79%**
Tax Savings Using Charitable Donation via Flow-Through	**87.21%**

Note: $10,000 Donated Directly without using Flow-Through would result in Tax Savings of only 54.00%, meaning that the after-tax out of pocket Percentage of each dollar donated to a charity without flow-through would be 100.00% - 54.00% = 46.00%, or approximately 46 cents on the dollar.

Notes and Assumptions:

(1) Assumes that 90% of the investor's Subscription Proceeds will be used by the Partnership to acquire Flow-Through Shares that qualify as Super Flow-Through Shares and that such funds will be spent by the issuers on CEE within the required time to ensure a deduction for the investor in the 2016 taxation year.

(2) Ordinarily, Limited Partners may for income tax purposes claim the offering costs (10% of the Subscription Price, i.e. $1,000) to be deducted over five years to the extent of 20% per year, beginning with the 2016 taxation year as a loss allocated from the Partnership. This assumes 10% of the investor's subscription funds are used to pay offering costs and not used to subscribe for Super Flow-Through Shares. The Partnership is scheduled to be dissolved on or about November 30, 2017. It is a question of fact whether the Limited Partners will be able to deduct any loss directly. However, the Proposed Loss Limitation Rule if enacted should have no impact on the investor's deduction for CEE.

(3) Assumes that 90% of the investor's aggregate Subscription Proceeds are used to acquire the Flow-Through Shares that qualify as Super Flow-Through Shares; and that such funds will be used to incur certain grass roots mining exploration expenses eligible for this investment tax credit in Canada.

(4) Money at-risk, also referred to as the After-Tax Purchase Cost of a Unit, is calculated as the total investment less all income tax savings from tax deductions and federal and provincial tax credits.

(5) The break-even proceeds of disposition represents the amount an investor must receive such that, after paying capital gains tax, the investor would recover such investor's money at-risk.

(6) The tax benefits described above may be limited by the alternative minimum tax. The highest marginal tax rates used are for individuals and are based on current and proposed federal and Nova Scotia rates. Federal and provincial tax rates may be modified in the future causing the tax savings to change. The adjusted cost base is assumed to be nil for income tax purposes.

(7) The Partnership is assumed to have first disposed of the Flow-Through Shares to a mutual fund corporation in exchange for mutual fund shares in a tax-deferred transaction pursuant to which the investor obtains shares of the mutual fund corporation. The investor's "total gifts" for the year is assumed to be less than 75% of the investor's income under the Tax Act for the year. The investor is assumed to donate the mutual fund shares to a "qualified donee" as defined in the Tax Act. The fair market value of the mutual fund shares donated is assumed to be $10,000 at the time of donation. The calculation ignores a lower tax credit under the Tax Act for the first $200 of total charitable gifts by an investor in the year.

(8) This assumes a capital gain of $10,000 results from the investor making a gift of the mutual fund shares referred in footnote 7 to a "qualified donee" as defined in the Tax Act, other than a private foundation.

(9) Downside protection is calculated as investment cost of $10,000 minus break-even proceeds of disposition of Flow-Through Shares, divided by investment cost.

(g) New Brunswick Residents

The following table sets forth the estimated net investment to investors resident in New Brunswick, who are taxed at the highest marginal personal income tax rate, currently at 58.75%, in relation to one hundred Units, which are held continuously from subscription to and including the Dissolution Date:

Table 1 shows an investor's money at risk/after-tax purchase cost is calculated as the Subscription Price less all tax savings and federal and provincial tax credits.

TABLE 1: Investor's Money at Risk

	Money at Risk Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings	($5,875)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$793
Money at Risk / After-Tax Purchase Cost	**$3,568**
% Net Funds at Risk To Investment	**35.68%**

Table 2 shows the break-even proceeds of disposition of Units which is the amount required to be realized on disposition of a Limited Partner's initial $10,000 investment to recover the money at risk/after-tax cost of the investment.

TABLE 2: Calculation for Break-even Proceeds & Downside Protection

Downside Protection	**49%**
Required Break-even Proceeds of Disposition	**$5,052**
Taxable Portion (50%)	$2,526
Tax on Capital Gain	58.75%
Less: Capital Gains Tax	($1,484)
After-Tax Proceeds = After-Tax Purchase Cost	**$3,568**

Table 3 shows an investor's money at risk/after-tax purchase cost when the investment is also donated on the dissolution date of the Limited Partnership.

TABLE 3: After-Tax Cost of Donating Marquest Flow-Through Investment

	Donation Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings from deduction of CEE	($5,875)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$793
Donation Amount	**$10,000**
Less: Tax Savings in 2017 from Donation of $10,000	($5,095)
Add: Capital Gains Tax on $10,000 in 2017	$2,938
After-Tax Cost of Donating $10,000 via Flow-Through	**$1,411**
(in other words, donating will cost approximately 14 cents on the dollar after-tax)	
After-Tax Out of Pocket percentage of Each Dollar Donated Charitably via Flow-Through	**14.11%**
Tax Savings Using Charitable Donation via Flow-Through	**85.89%**

Note: $10,000 Donated Directly without using Flow-Through would result in Tax Savings of only 58.75%, meaning that the after-tax out of pocket Percentage of each dollar donated to a charity without flow-through would be 100.00% - 58.75% = 41.25%, or approximately 41 cents on the dollar.

Notes and Assumptions:

(1) Assumes that 90% of the investor's Subscription Proceeds will be used by the Partnership to acquire Flow-Through Shares that qualify as Super Flow-Through Shares and that such funds will be spent by the issuers on CEE within the required time to ensure a deduction for the investor in the 2016 taxation year.

(2) Ordinarily, Limited Partners may for income tax purposes claim the offering costs (10% of the Subscription Price, i.e. $1,000) to be deducted over five years to the extent of 20% per year, beginning with the 2016 taxation year as a loss allocated from the Partnership. This assumes 10% of the investor's subscription funds are used to pay offering costs and not used to subscribe for Super Flow-Through Shares. The Partnership is scheduled to be dissolved on or about November 30, 2017. It is a question of fact whether the Limited Partners will be able to deduct any loss directly. However, the Proposed Loss Limitation Rule if enacted should have no impact on the investor's deduction for CEE.

(3) Assumes that 90% of the investor's aggregate Subscription Proceeds are used to acquire the Flow-Through Shares that qualify as Super Flow-Through Shares; and that such funds will be used to incur certain grass roots mining exploration expenses eligible for this investment tax credit in Canada.

(4) Money at-risk, also referred to as the After-Tax Purchase Cost of a Unit, is calculated as the total investment less all income tax savings from tax deductions and federal and provincial tax credits.

(5) The break-even proceeds of disposition represents the amount an investor must receive such that, after paying capital gains tax, the investor would recover such investor's money at-risk.

(6) The tax benefits described above may be limited by the alternative minimum tax. The highest marginal tax rates used are for individuals and are based on current and proposed federal and New Brunswick rates. Federal and provincial tax rates may be modified in the future causing the tax savings to change. The adjusted cost base is assumed to be nil for income tax purposes.

(7) The Partnership is assumed to have first disposed of the Flow-Through Shares to a mutual fund corporation in exchange for mutual fund shares in a tax-deferred transaction pursuant to which the investor obtains shares of the mutual fund corporation. The investor's "total gifts" for the year is assumed to be less than 75% of the investor's income under the Tax Act for the year. The investor is assumed to donate the mutual fund shares to a "qualified donee" as defined in the Tax Act. The fair market value of the mutual fund shares donated is assumed to be $10,000 at the time of donation. The calculation ignores a lower tax credit under the Tax Act for the first $200 of total charitable gifts by an investor in the year.

(8) This assumes a capital gain of $10,000 results from the investor making a gift of the mutual fund shares referred in footnote 7 to a "qualified donee" as defined in the Tax Act, other than a private foundation.

(9) Downside protection is calculated as investment cost of $10,000 minus break-even proceeds of disposition of Flow-Through Shares, divided by investment cost.

(h) Newfoundland & Labrador Residents

The following table sets forth the estimated net investment to investors resident in Newfoundland and Labrador, who are taxed at the highest marginal personal income tax rate, currently at 48.30%, in relation to one hundred Units, which are held continuously from subscription to and including the Dissolution Date.

Table 1 shows an investor's money at risk/after-tax purchase cost is calculated as the Subscription Price less all tax savings and federal and provincial tax credits.

TABLE 1: Investor's Money at Risk

	Money at Risk Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings	($4,830)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$652
Money at Risk / After-Tax Purchase Cost	**$4,472**
% Net Funds at Risk To Investment	**44.72%**

Table 2 shows the break-even proceeds of disposition of Units which is the amount required to be realized on disposition of a Limited Partner's initial $10,000 investment to recover the money at risk/after-tax cost of the investment.

TABLE 2: Calculation for Break-even Proceeds & Downside Protection

Downside Protection	**41%**
Required Break-even Proceeds of Disposition	**$5,896**
Taxable Portion (50%)	$2,948
Tax on Capital Gain	48.30%
Less: Capital Gains Tax	($1,424)
After-Tax Proceeds = After-Tax Purchase Cost	**$4,472**

Table 3 shows an investor's money at risk/after-tax purchase cost when the investment is also donated on the dissolution date of the Limited Partnership.

TABLE 3: After-Tax Cost of Donating Marquest Flow-Through Investment

	Donation Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings from deduction of CEE	($4,830)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$652
Donation Amount	**$10,000**
Less: Tax Savings in 2017 from Donation of $10,000	($4,830)
Add: Capital Gains Tax on $10,000 in 2017	$2,415
After-Tax Cost of Donating $10,000 via Flow-Through	**$2,057**
(in other words, donating will cost approximately 21 cents on the dollar after tax)	
After-Tax Out of Pocket percentage of Each Dollar Donated Charitably via Flow-Through	**20.57%**
Tax Savings Using Charitable Donation via Flow-Through	**79.43%**

Note: $10,000 Donated Directly without using Flow-Through would result in Tax Savings of only 48.30%, meaning that the after-tax out of pocket Percentage of each dollar donated to a charity without flow-through would be 100.00% - 48.30% = 51.70%, or approximately 52 cents on the dollar.

Notes and Assumptions:

(1) Assumes that 90% of the investor's Subscription Proceeds will be used by the Partnership to acquire Flow-Through Shares that qualify as Super Flow-Through Shares and that such funds will be spent by the issuers on CEE within the required time to ensure a deduction for the investor in the 2016 taxation year.

(2) Ordinarily, Limited Partners may for income tax purposes claim the offering costs (10% of the Subscription Price, i.e. $1,000) to be deducted over five years to the extent of 20% per year, beginning with the 2016 taxation year as a loss allocated from the Partnership. This assumes 10% of the investor's subscription funds are used to pay offering costs and not used to subscribe for Super Flow-Through Shares. The Partnership is scheduled to be dissolved on or about November 30, 2017. It is a question of fact whether the Limited Partners will be able to deduct any loss directly. However, the Proposed Loss Limitation Rule if enacted should have no impact on the investor's deduction for CEE.

(3) Assumes that 90% of the investor's aggregate Subscription Proceeds are used to acquire the Flow-Through Shares that qualify as Super Flow-Through Shares; and that such funds will be used to incur certain grass roots mining exploration expenses eligible for this investment tax credit in Canada.

(4) Money at-risk, also referred to as the After-Tax Purchase Cost of a Unit, is calculated as the total investment less all income tax savings from tax deductions and federal and provincial tax credits.

(5) The break-even proceeds of disposition represents the amount an investor must receive such that, after paying capital gains tax, the investor would recover such investor's money at-risk.

(6) The tax benefits described above may be limited by the alternative minimum tax. The highest marginal tax rates used are for individuals and are based on current and proposed federal and Newfoundland rates. Federal and provincial tax rates may be modified in the future causing the tax savings to change. The adjusted cost base is assumed to be nil for income tax purposes.

(7) The Partnership is assumed to have first disposed of the Flow-Through Shares to a mutual fund corporation in exchange for mutual fund shares in a tax-deferred transaction pursuant to which the investor obtains shares of the mutual fund corporation. The investor's "total gifts" for the year is assumed to be less than 75% of the investor's income under the Tax Act for the year. The investor is assumed to donate the mutual fund shares to a "qualified donee" as defined in the Tax Act. The fair market value of the mutual fund shares donated is assumed to be $10,000 at the time of donation. The calculation ignores a lower tax credit under the Tax Act for the first $200 of total charitable gifts by an investor in the year.

(8) This assumes a capital gain of $10,000 results from the investor making a gift of the mutual fund shares referred in footnote 7 to a "qualified donee" as defined in the Tax Act, other than a private foundation.

(9) Downside protection is calculated as investment cost of $10,000 minus break-even proceeds of disposition of Flow-Through Shares, divided by investment cost.

(i) Prince Edward Island Residents

The following table sets forth the estimated net investment to investors resident in Newfoundland and Labrador, who are taxed at the highest marginal personal income tax rate, currently at 51.37%, in relation to one hundred Units, which are held continuously from subscription to and including the Dissolution Date.

Table 1 shows an investor's money at risk/after-tax purchase cost is calculated as the Subscription Price less all tax savings and federal and provincial tax credits.

TABLE 1: Investor's Money at Risk

	Money at Risk Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings	($5,137)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$693
Money at Risk / After-Tax Purchase Cost	**$4,206**
% Net Funds at Risk To Investment	**42.06**

Table 2 shows the break-even proceeds of disposition of Units which is the amount required to be realized on disposition of a Limited Partner's initial $10,000 investment to recover the money at risk/after-tax cost of the investment.

TABLE 2: Calculation for Break-even Proceeds & Downside Protection

Downside Protection	**43%**
Required Break-even Proceeds of Disposition	**$5,660**
Taxable Portion (50%)	$2,830
Tax on Capital Gain	51.37%
Less: Capital Gains Tax	($1,454)
After-Tax Proceeds = After-Tax Purchase Cost	**$4,206**

Table 3 shows an investor's money at risk/after-tax purchase cost when the investment is also donated on the dissolution date of the Limited Partnership.

TABLE 3: After-Tax Cost of Donating Marquest Flow-Through Investment

	Donation Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings from deduction of CEE	($5,137)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$693
Donation Amount	**$10,000**
Less: Tax Savings in 2017 from Donation of $10,000	($4,970)
Add: Capital Gains Tax on $10,000 in 2017	$2,569
After-Tax Cost of Donating $10,000 via Flow-Through	**$1,805**
(in other words, donating will cost approximately 18 cents on the dollar after-tax)	
After-Tax Out of Pocket percentage of Each Dollar Donated Charitably via Flow-Through	**18.05%**
Tax Savings Using Charitable Donation via Flow-Through	**81.95%**

Note: $10,000 Donated Directly without using Flow-Through would result in Tax Savings of only 49.70%, meaning that the after-tax out of pocket Percentage of each dollar donated to a charity without flow-through would be 100.00% - 49.70% = 50.30%, or approximately 50 cents on the dollar.

Notes and Assumptions:

(1) Assumes that 90% of the investor's Subscription Proceeds will be used by the Partnership to acquire Flow-Through Shares that qualify as Super Flow-Through Shares and that such funds will be spent by the issuers on CEE within the required time to ensure a deduction for the investor in the 2016 taxation year.

(2) Ordinarily, Limited Partners may for income tax purposes claim the offering costs (10% of the Subscription Price, i.e. $1,000) to be deducted over five years to the extent of 20% per year, beginning with the 2016 taxation year as a loss allocated from the Partnership. This assumes 10% of the investor's subscription funds are used to pay offering costs and not used to subscribe for Super Flow-Through Shares. The Partnership is scheduled to be dissolved on or about November 30, 2017. It is a question of fact whether the Limited Partners will be able to deduct any loss directly. However, the Proposed Loss Limitation Rule if enacted should have no impact on the investor's deduction for CEE.

(3) Assumes that 90% of the investor's aggregate Subscription Proceeds are used to acquire the Flow-Through Shares that qualify as Super Flow-Through Shares will be used to incur certain grass roots mining exploration expenses eligible for this investment tax credit in Canada.

(4) Money at-risk, also referred to as the After-Tax Purchase Cost of a Unit, is calculated as the total investment less all income tax savings from tax deductions and federal and provincial tax credits.

(5) The break-even proceeds of disposition represents the amount an investor must receive such that, after paying capital gains tax, the investor would recover such investor's money at-risk.

(6) The tax benefits described above may be limited by the alternative minimum tax. The highest marginal tax rates used are for individuals and are based on current and proposed federal and P.E.I. rates. Federal and provincial tax rates may be modified in the future causing the tax savings to change. The adjusted cost base is assumed to be nil for income tax purposes.

(7) The Partnership is assumed to have first disposed of the Flow-Through Shares to a mutual fund corporation in exchange for mutual fund shares in a tax-deferred transaction pursuant to which the investor obtains shares of the mutual fund corporation. The investor's "total gifts" for the year is assumed to be less than 75% of the investor's income under the Tax Act for the year. The investor is assumed to donate the mutual fund shares to a "qualified donee" as defined in the Tax Act. The fair market value of the mutual fund shares donated is assumed to be $10,000 at the time of donation. The calculation ignores a lower tax credit under the Tax Act for the first $200 of total charitable gifts by an investor in the year.

(8) This assumes a capital gain of $10,000 results from the investor making a gift of the mutual fund shares referred in footnote 7 to a "qualified donee" as defined in the Tax Act, other than a private foundation.

(9) Downside protection is calculated as investment cost of $10,000 minus break-even proceeds of disposition of Flow-Through Shares, divided by investment cost.

(j) Québec Residents

The following tables set forth selected financial aspects for investors resident in Québec, who are taxed at the highest marginal personal income tax rate, currently at 53.31%, in relation to one hundred Units, which are held continuously from subscription up to and including the Dissolution Date.

Table 1 shows an investor's money at risk/after-tax purchase cost is calculated as the Subscription Price less all tax savings and federal and provincial tax credits.

TABLE 1: Investor's Money at Risk

	Money at Risk Calculation (100% of CEE expended in Québec)	**Money at Risk Calculation** (NIL CEE expended in Québec)
Subscription Price	**$10,000**	**$10,000**
Less: Tax savings from Federal tax deduction	($2,756)	($2,756)
Less: Tax savings from Québec tax deduction	($3,039)	($2,575)
Less: Federal Tax Credit	($1,350)	($1,350)
Add: 2017 federal income inclusion from tax credit	$372	$372
Add: Québec inclusion from tax credit	NIL	NIL
Money at Risk / After-Tax Purchase Cost	**$3,227**	**$3,691**
% net funds at risk to investment	**32.27%**	**36.91%**

Table 2 shows the break-even proceeds of disposition of Units which is the amount required to be realized on disposition of a Limited Partner's initial $10,000 investment to recover the money at risk/after-tax cost of the investment.

TABLE 2: Calculation for Break-even Proceeds & Downside Protection

Downside Protection	**63%**	**50%**
Required Break-even Proceeds of Disposition	**$3,743**	**$5,032**
Taxable Portion (50 %)	$1,872	$2,516
Tax on Capital Gain	27.56%	53.31%
Less: Capital Gains Tax	($516)	($1,341)
After-Tax proceeds = After-Tax Purchase Cost	**$3,227**	**$3,691**

Table 3 shows an investor's money at risk/after-tax purchase cost when the investment is also donated on the dissolution date of the Limited Partnership.

TABLE 3: After-Tax Cost of Donating Marquest Flow-Through Investment

	Donation Calculation (100% of CEE expended in Québec)	**Donation Calculation** (NIL CEE expended in Québec)
Subscription Price	**$10,000**	**$10,000**
Less: Tax savings from Federal tax deduction	($2,756)	($2,756)
Less: Tax savings from Québec tax deduction	($3,039)	($2,575)
Less: Federal Tax Credit	($1,350)	($1,350)
Add: 2017 federal income inclusion from tax credit	$372	$372
Add: Québec inclusion from tax credit	**NIL**	**NIL**
Donation Amount	**$10,000**	**$10,000**
Less: Tax Savings in 2017 from Donation of $10,000	($5,700)	($5,700)
Add: Capital Gains Tax on $10,000 in 2017	$1,507	$2,666
After-Tax Cost of Donating $10,000 via Flow-Through	**($966)**	**$657**
(in other words, donating will generate a return of 10 cents or will cost 7 cents on the dollar after tax)		
After-Tax Out of Pocket percentage of Each Dollar Donated Charitably via Flow-Through	**(9.66%)**	**6.57%**
Tax Savings Using Charitable Donation via Flow-Through	**109.66%**	**93.43%**

Note: $10,000 Donated Directly without using Flow-Through would result in Tax Savings of only 57.00%, meaning that the after-tax out of pocket Percentage of each dollar donated to a charity without flow-through would be 100.00% - 57.00% = 43.00%, or approximately 43 cents on the dollar.

Notes and Assumptions:

(1) Assumes that 90% of the investor's Subscription Proceeds will be used by the Partnership to acquire Flow-Through Shares that qualify Super Flow-Through Shares and that such funds will be spent by the issuers on CEE within the required time to ensure a deduction for the investor in the 2016 taxation year, and that such funds are used by the issuers of flow-through shares to incur certain grass roots mining exploration expenses eligible for the federal 15% investment tax credit (METC) .

(2) Ordinarily, Limited Partners may for income tax purposes claim the offering costs (10% of the Subscription Price ,i.e. $1,000) to be deducted over five years to the extent of 20% per year, beginning with the 2016 taxation year as a loss allocated from the Partnership. This assumes 10% of the investor's subscription funds are used to pay offering costs and not used to subscribe for Super Flow-Through Shares. The Partnership is scheduled to be dissolved on or about November 30, 2017. It is a question of fact whether the Limited Partners will be able to deduct any loss directly. However, the Proposed Loss Limitation Rule if enacted should have no impact on the investor's deduction for CEE. See "Canadian Federal Income Tax Considerations".

(3) To the extent that CEE is incurred in Québec, an additional 20% of the Québec portion of the income tax will be deductible in 2016.

(4) Money at-risk, also referred to as the After-Tax Purchase Cost of a Unit, is calculated as the total investment less all income tax savings from tax deductions and federal and provincial tax credits.

(5) The break-even proceeds of disposition represents the amount an investor must receive such that, after paying capital gains tax, the investor would recover such investor's money at-risk.

(6) The tax benefits described above may be limited by the alternative minimum tax. The highest marginal tax rates used are for individuals and are based on current and proposed federal and provincial rates. Federal and provincial tax rates may be modified in the future causing the tax savings to change. The adjusted cost base is assumed to be nil for income tax purposes.

(7) The Partnership is assumed to have first disposed of the Flow-Through Shares to a mutual fund corporation in exchange for mutual fund shares in a tax-deferred transaction pursuant to which the investor obtains shares of the mutual fund corporation. The investor's "total gifts" for the year is assumed to be less than 75% of the investor's income under the Tax Act for the year. The investor is assumed to donate the mutual fund shares to a "qualified donee" as defined in the Tax Act. The fair market value of the mutual fund shares donated is assumed to be $10,000 at the time of donation. The calculation ignores a lower tax credit under the Tax Act for the first $200 of total charitable gifts by an investor in the year.

(8) This assumes a capital gain of $10,000 results from the investor making a gift of the mutual fund shares referred in footnote 7 to a "qualified donee" as defined in the Tax Act, other than a private foundation.

(9) Downside protection is calculated as investment cost of $10,000 minus break-even proceeds of disposition of Flow-Through Shares, divided by investment cost.

(10) This assumes that in calculating the break-even Proceeds of disposition and Downside Protection and the After-Tax Cost of Donating Marquest Flow-through Investments for Québec tax purposes, where 100% of CEE was expended in Québec, the individual Québec investor is resident in Canada throughout the applicable year and has a sufficient historical expenditures account to enable the individual Québec investor to claim an exemption under the Québec Tax Act for the full taxable capital gain realized on the disposition of the individual Québec investor's initial investment.

(11) It is assumed that the individual Québec investor is not liable for the alternative minimum tax.

(12) For Québec provincial tax purposes, it is assumed that a Québec Limited Partner who is an individual (including a personal trust) has investment income that exceeds such Québec Limited Partner's investment expenses for a given year. For these purposes, investment expenses include certain interest, losses of the Québec Limited Partner and 50% of CEE incurred outside Québec and deducted for Québec tax purposes by the Québec Limited Partner. CEE not deducted by such a Québec Limited Partner in a particular taxation year may be carried over and deducted against net investment income earned in any of the three previous taxation years or any subsequent taxation year.

(13) It is assumed that the Québec investor made other donations of at least $200, in order for the 57.00% tax rate on donation of mutual fund shares to apply.

(k) Northwest Territories Residents

The following table sets forth the estimated net investment to investors resident in Northwest Territories, who are taxed at the highest marginal personal income tax rate, currently at 47.05%, in relation to one hundred Units, which are held continuously from subscription to and including the Dissolution Date.

Table 1 shows an investor's money at risk/after-tax purchase cost is calculated as the Subscription Price less all tax savings and federal and provincial tax credits.

TABLE 1: Investor's Money at Risk

	Money at Risk Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings	($4,705)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$635
Money at Risk / After-Tax Purchase Cost	**$4,580**
% Net Funds at Risk To Investment	**45.80%**

Table 2 shows the break-even proceeds of disposition of Units which is the amount required to be realized on disposition of a Limited Partner's initial $10,000 investment to recover the money at risk/after-tax cost of the investment.

TABLE 2: Calculation for Break-even Proceeds & Downside Protection

Downside Protection	**40%**
Required Break-even Proceeds of Disposition	**$5,989**
Taxable Portion (50%)	$2,995
Tax on Capital Gain	47.05%
Less: Capital Gains Tax	($1,409)
After-Tax Proceeds = After-Tax Purchase Cost	**$4,580**

Table 3 shows an investor's money at risk/after-tax purchase cost when the investment is also donated on the dissolution date of the Limited Partnership.

TABLE 3: After-Tax Cost of Donating Marquest Flow-Through Investment

	Donation Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings from deduction of CEE	($4,705)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$635
Donation Amount	**$10,000**
Less: Tax Savings in 2017 from Donation of $10,000	($4,705)
Add: Capital Gains Tax on $10,000 in 2017	$2,353
After-Tax Cost of Donating $10,000 via Flow-Through	**$2,228**
(in other words, donating will cost approximately 22 cents on the dollar after-tax)	
After-Tax Out of Pocket percentage of Each Dollar Donated Charitably via Flow-Through	**22.28%**
Tax Savings Using Charitable Donation via Flow-Through	**77.72%**

Note: $10,000 Donated Directly without using Flow-Through would result in Tax Savings of only 47.05%, meaning that the after-tax out of pocket Percentage of each dollar donated to a charity without flow-through would be 100.00% - 47.05% = 52.95%, or approximately 53 cents on the dollar.

Notes and Assumptions:

(1) Assumes that 90% of the investor's Subscription Proceeds will be used by the Partnership to acquire Flow-Through Shares that qualify as Super Flow-Through Shares and that such funds will be spent by the issuers on CEE within the required time to ensure a deduction for the investor in the 2016 taxation year.

(2) Ordinarily, Limited Partners may for income tax purposes claim the offering costs (10% of the Subscription Price, i.e. $1,000) to be deducted over five years to the extent of 20% per year, beginning with the 2016 taxation year as a loss allocated from the Partnership. This assumes 10% of the investor's subscription funds are used to pay offering costs and not used to subscribe for Super Flow-Through Shares. The Partnership is scheduled to be dissolved on or about November 30, 2017. It is a question of fact whether the Limited Partners will be able to deduct any loss directly. However, the Proposed Loss Limitation Rule if enacted should have no impact on the investor's deduction for CEE.

(3) Assumes that 90% of the investor's aggregate Subscription Proceeds are used to acquire the Flow-Through Shares that qualify as Super Flow-Through Shares; and that such funds will be used to incur certain grass roots mining exploration expenses eligible for this investment tax credit in Canada.

(4) Money at risk, also referred to as the After-Tax Purchase Cost of a Unit, is calculated as the total investment less all income tax savings from tax deductions and federal and provincial tax credits.

(5) The break-even proceeds of disposition represents the amount an investor must receive such that, after paying capital gains tax, the investor would recover such investor's money at-risk.

(6) The tax benefits described above may be limited by the alternative minimum tax. The highest marginal tax rates used are for individuals and are based on current and proposed federal and N.W.T. rates. Federal and provincial tax rates may be modified in the future causing the tax savings to change. The adjusted cost base is assumed to be nil for income tax purposes.

(7) The Partnership is assumed to have first disposed of the Flow-Through Shares to a mutual fund corporation in exchange for mutual fund shares in a tax-deferred transaction pursuant to which the investor obtains shares of the mutual fund corporation. The investor's "total gifts" for the year is assumed to be less than 75% of the investor's income under the Tax Act for the year. The investor is assumed to donate the mutual fund shares to a "qualified donee" as defined in the Tax Act. The fair market value of the mutual fund shares donated is assumed to be $10,000 at the time of donation. The calculation ignores a lower tax credit under the Tax Act for the first $200 of total charitable gifts by an investor in the year.

(8) This assumes a capital gain of $10,000 results from the investor making a gift of the mutual fund shares referred in footnote 7 to a "qualified donee" as defined in the Tax Act, other than a private foundation.

(9) Downside protection is calculated as investment cost of $10,000 minus break-even proceeds of disposition of Flow-Through Shares, divided by investment cost.

(l) Yukon Residents

The following table sets forth the estimated net investment to investors resident in Northwest Territories, who are taxed at the highest marginal personal income tax rate, currently at 48.00% in relation to one hundred Units, which are held continuously from subscription to and including the Dissolution Date.

Table 1 shows an investor's money at risk/after-tax purchase cost is calculated as the Subscription Price less all tax savings and federal and provincial tax credits.

TABLE 1: Investor's Money at Risk

	Money at Risk Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings	($4,800)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$648
Money at Risk / After-Tax Purchase Cost	**$4,498**
% Net Funds at Risk To Investment	**44.98%**

Table 2 shows the break-even proceeds of disposition of Units which is the amount required to be realized on disposition of a Limited Partner's initial $10,000 investment to recover the money at risk/after-tax cost of the investment.

TABLE 2: Calculation for Break-even Proceeds & Downside Protection

Downside Protection	**41%**
Required Break-even Proceeds of Disposition	**$5,918**
Taxable Portion (50%)	$2,959
Tax on Capital Gain	48.00%
Less: Capital Gains Tax	($1,420)
After-Tax Proceeds = After-Tax Purchase Cost	**$4,498**

Table 3 shows an investor's money at risk/after-tax purchase cost when the investment is also donated on the dissolution date of the Limited Partnership.

TABLE 3: After-Tax Cost of Donating Marquest Flow-Through Investment

	Donation Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings from deduction of CEE	($4,800)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$648
Donation Amount	**$10,000**
Less: Tax Savings in 2017 from Donation of $10,000	($4,580)
Add: Capital Gains Tax on $10,000 in 2017	$2,400
After-Tax Cost of Donating $10,000 via Flow-Through	**$2,318**
(in other words, donating will cost approximately 23 cents on the dollar after tax)	
After-Tax Out of Pocket percentage of Each Dollar Donated Charitably via Flow-Through	**23.18%**
Tax Savings Using Charitable Donation via Flow-Through	**76.82%**

Note: $10,000 Donated Directly without using Flow-Through would result in Tax Savings of only 45.80%, meaning that the after-tax out of pocket Percentage of each dollar donated to a charity without flow-through would be 100.00% - 45.80% = 54.20%, or approximately 54 cents on the dollar.

Notes and Assumptions:

(1) Assumes that 90% of the investor's Subscription Proceeds will be used by the Partnership to acquire Flow-Through Shares that qualify as Super Flow-Through Shares and that such funds will be spent by the issuers on CEE within the required time to ensure a deduction for the investor in the 2016 taxation year.

(2) Ordinarily, Limited Partners may for income tax purposes claim the offering costs (10% of the Subscription Price, i.e. $1,000) to be deducted over five years to the extent of 20% per year, beginning with the 2016 taxation year as a loss allocated from the Partnership. This assumes 10% of the investor's subscription funds are used to pay offering costs and not used to subscribe for Super Flow-Through Shares. The Partnership is scheduled to be dissolved on or about November 30, 2017. It is a question of fact whether the Limited Partners will be able to deduct any loss directly. However, the Proposed Loss Limitation Rule if enacted should have no impact on the investor's deduction for CEE.

(3) Assumes that 90% of the investor's aggregate Subscription Proceeds are used to acquire the Flow-Through Shares that qualify as Super Flow-Through Shares; and that such funds will be used to incur certain grass roots mining exploration expenses eligible for this investment tax credit in Canada.

(4) Money at-risk, also referred to as the After-Tax Purchase Cost of a Unit, is calculated as the total investment less all income tax savings from tax deductions and federal and provincial tax credits.

(5) The break-even proceeds of disposition represents the amount an investor must receive such that, after paying capital gains tax, the investor would recover such investor's money at-risk.

(6) The tax benefits described above may be limited by the alternative minimum tax. The highest marginal tax rates used are for individuals and are based on current and proposed federal and Yukon rates. Federal and provincial tax rates may be modified in the future causing the tax savings to change. The adjusted cost base is assumed to be nil for income tax purposes.

(7) The Partnership is assumed to have first disposed of the Flow-Through Shares to a mutual fund corporation in exchange for mutual fund shares in a tax-deferred transaction pursuant to which the investor obtains shares of the mutual fund corporation. The investor's "total gifts" for the year is assumed to be less than 75% of the investor's income under the Tax Act for the year. The investor is assumed to donate the mutual fund shares to a "qualified donee" as defined in the Tax Act. The fair market value of the mutual fund shares donated is assumed to be $10,000 at the time of donation. The calculation ignores a lower tax credit under the Tax Act for the first $200 of total charitable gifts by an investor in the year.

(8) This assumes a capital gain of $10,000 results from the investor making a gift of the mutual fund shares referred in footnote 7 to a "qualified donee" as defined in the Tax Act, other than a private foundation.

(9) Downside protection is calculated as investment cost of $10,000 minus break-even proceeds of disposition of Flow-Through Shares, divided by investment cost.

(m) Nunavut Residents

The following table sets forth the estimated net investment to investors resident in Northwest Territories, who are taxed at the highest marginal personal income tax rate, currently at 44.50%, in relation to one hundred Units, which are held continuously from subscription to and including the Dissolution Date.

Table 1 shows an investor's money at risk/after-tax purchase cost is calculated as the Subscription Price less all tax savings and federal and provincial tax credits.

TABLE 1: Investor's Money at Risk

	Money at Risk Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings	($4,450)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$601
Money at Risk / After-Tax Purchase Cost	**$4,801**
% Net Funds at Risk To Investment	**48.01%**

Table 2 shows the break-even proceeds of disposition of Units which is the amount required to be realized on disposition of a Limited Partner's initial $10,000 investment to recover the money at risk/after-tax cost of the investment.

TABLE 2: Calculation for Break-even Proceeds & Downside Protection

Downside Protection	**38%**
Required Break-even Proceeds of Disposition	**$6,175**
Taxable Portion (50%)	$3,088
Tax on Capital Gain	44.50%
Less: Capital Gains Tax	($1,374)
After-Tax Proceeds = After-Tax Purchase Cost	**$4,801**

Table 3 shows an investor's money at risk/after-tax purchase cost when the investment is also donated on the dissolution date of the Limited Partnership.

TABLE 3: After-Tax Cost of Donating Marquest Flow-Through Investment

	Donation Calculation (15% Tax Credit)
Subscription Price	**$10,000**
Less: Tax savings from deduction of CEE	($4,450)
Less: Federal Tax Credit	($1,350)
Add: 2017 Income Inclusion from Tax Credit	$601
Donation Amount	**$10,000**
Less: Tax Savings in 2017 from Donation of $10,000	($4,450)
Add: Capital Gains Tax on $10,000 in 2017	$2,225
After-Tax Cost of Donating $10,000 via Flow-Through	**$2,576**
(in other words, donating will cost approximately 26 cents on the dollar after tax)	
After-Tax Out of Pocket percentage of Each Dollar Donated Charitably via Flow-Through	**25.76%**
Tax Savings Using Charitable Donation via Flow-Through	**74.24%**

Note: $10,000 Donated Directly without using Flow-Through would result in Tax Savings of only 44.50%, meaning that the after-tax out of pocket Percentage of each dollar donated to a charity without flow-through would be 100.00% - 44.50% = 55.50%, or approximately 56 cents on the dollar.

Notes and Assumptions:

(1) Assumes that 90% of the investor's Subscription Proceeds will be used by the Partnership to acquire Flow-Through Shares that qualify as Super Flow-Through Shares and that such funds will be spent by the issuers on CEE within the required time to ensure a deduction for the investor in the 2016 taxation year.

(2) Ordinarily, Limited Partners may for income tax purposes claim the offering costs (10% of the Subscription Price, i.e. $1,000) to be deducted over five years to the extent of 20% per year, beginning with the 2016 taxation year as a loss allocated from the Partnership. This assumes 10% of the investor's subscription funds are used to pay offering costs and not used to subscribe for Super Flow-Through Shares. The Partnership is scheduled to be dissolved on or about November 30, 2017. It is a question of fact whether the Limited Partners will be able to deduct any loss directly. However, the Proposed Loss Limitation Rule if enacted should have no impact on the investor's deduction for CEE.

(3) Assumes that 90% of the investor's aggregate Subscription Proceeds are used to acquire the Flow-Through Shares that qualify as Super Flow-Through Shares will be used to incur certain grass roots mining exploration expenses eligible for this investment tax credit in Canada.

(4) Money at risk, also referred to as the After-Tax Purchase Cost of a Unit, is calculated as the total investment less all income tax savings from tax deductions and federal and provincial tax credits.

(5) The break-even proceeds of disposition represents the amount an investor must receive such that, after paying capital gains tax, the investor would recover such investor's money at-risk.

(6) The tax benefits described above may be limited by the alternative minimum tax. The highest marginal tax rates used are for individuals and are based on current and proposed federal and Nunavut rates. Federal and provincial tax rates may be modified in the future causing the tax savings to change. The adjusted cost base is assumed to be nil for income tax purposes.

(7) The Partnership is assumed to have first disposed of the Flow-Through Shares to a mutual fund corporation in exchange for mutual fund shares in a tax-deferred transaction pursuant to which the investor obtains shares of the mutual fund corporation. The investor's "total gifts" for the year is assumed to be less than 75% of the investor's income under the Tax Act for the year. The investor is assumed to donate the mutual fund shares to a "qualified donee" as defined in the Tax Act. The fair market value of the mutual fund shares donated is assumed to be $10,000 at the time of donation. The calculation ignores a lower tax credit under the Tax Act for the first $200 of total charitable gifts by an investor in the year.

(8) This assumes a capital gain of $10,000 results from the investor making a gift of the mutual fund shares referred in footnote 7 to a "qualified donee" as defined in the Tax Act, other than a private foundation.

(9) Downside protection is calculated as investment cost of $10,000 minus break-even proceeds of disposition of Flow-Through Shares, divided by investment cost.

GLOSSARY OF TERMS

In this Offering Memorandum, in addition to those terms which are parenthetically defined, the following terms shall have the following meanings respectively:

Affiliates, as describing the relationship between two persons, means:

(a) one of them is an affiliate of the other, as those terms are defined in the *Securities Act* (Ontario);
(b) one is a director or senior officer, as so defined, of the other or of an affiliate, as so defined, of the other; or,
(c) one does not deal at arm's length with the other for the purposes of the Tax Act.

Agents means, collectively, persons who introduce the Partnership to potential subscribers of Units in the Offering in accordance with securities legislation.

Agents' Fees means the fees which may be paid by the Partnership to Agents involved in the Offering, equal to 5.25% of the gross proceeds of the Offering.

Auditors means Collins Barrow Toronto LLP, Chartered Professional Accountants of 11 King Street West, Suite 700, Toronto, Ontario M5H 4C7.

Available Funds means all funds available after deducting from the total proceeds of the issue of Units pursuant to this Offering Memorandum the Agents' Fees, Issue Expenses and a working capital reserve in respect of operating expenses.

CDE or **Canadian Development Expense** means "Canadian development expense" as defined in subsection 66.2(5) of the Tax Act.

CEE or **Canadian Exploration Expense** means "Canadian exploration expense" as defined in subsection 66.1(6) of the Tax Act.

Closing means any one of the initial or final closing or any other closing of a sale of Units to investors that are held at the discretion of the General Partner.

CRA means the Canada Revenue Agency.

Dollars or **$** means Canadian dollars.

Dissolution Date means November 30, 2017 or as late as May 31, 2018 or such other dissolution date as may be provided in the Partnership Agreement.

EITC means the non-refundable federal investment tax credit of 15% in respect of an eligible individual's "flow-through mining expenditures" under the Tax Act.

Eligible Expenditures means CEE that may be renounced to the Partnership pursuant to subsection 66(12.6) or (12.66) of the Tax Act.

Exempt Market Dealer means Marquest Capital Markets, a division of Marquest Asset Management Inc.

Flow-Through Agreement means an agreement between the Partnership and a Resource Company pursuant to which the Partnership subscribes for Flow-Through Shares and/or other securities of the Resource Company and which, in the case of Flow-Through Shares, will contain covenants of the Resource Company to renounce and incur Eligible Expenditures to the Partnership.

Flow-Through Shares means shares in the capital stock of a Resource Company which qualify as "flow-through shares" as defined in subsection 66(15) of the Tax Act and are not "prescribed shares" for the purposes of section 6202.1 of the Regulations and in respect of which a Resource Company agrees to incur and renounce Eligible Expenditures to the Partnership.

Funds means the series of different mutual funds within the Mutual Fund, namely, the Explorer Series Fund, Energy Series Fund, Canadian Flex™ Series Fund, Resource Flex™ Series Fund, and Flex Dividend and Income Growth™ Series Fund.

General Partner means MQ 2016-I Limited Partnership.

Initial Closing means the initial Closing of the Offering which is expected to take place on or about April 30, 2016 or such other date as the General Partner may reasonably determine.

Initial Limited Partner means Marquest Asset Management Inc.

Investment Fund Manager or Portfolio Manager or Marquest means Marquest Asset Management Inc.

Investment Guidelines means those guidelines for the investment of Available Funds as described in this Offering Memorandum and set out in the Partnership Agreement.

Issue Expenses means the amount equal to 4.75% of the Subscription Proceeds of the Offering to be paid by the Partnership to the General Partner on account of the expenses of the Offering (other than the Agents' Fees), including, without limitation, the costs of creating and organizing the Partnership, the costs of printing and preparing this Offering Memorandum, initial legal expenses of the Partnership, initial audit expenses of the Partnership, marketing expenses, FundSERV set-up costs and amounts paid to wholesalers involved in distribution of the Offering.

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 Partner means any registered owner of at least fifty Units.

Management Fee means a fee equal to 1% of the Net Asset Value of the Partnership, calculated and paid monthly in arrears to the Portfolio Manager/Investment Fund Manager for services performed under the Portfolio Management and Investment Fund Management Agreement.

Minimum Offering means the minimum offering size for this Offering of 2,500 Units, or $250,000.

Minimum Subscription means the minimum subscription per investor of 50 Units, or $5,000.

Mutual Fund means Marquest Mutual Funds Inc., a ''mutual fund corporation'' for purposes of the Tax Act and a reporting issuer under applicable securities legislation in Canada.

Mutual Fund Shares means shares of the Mutual Fund that will be received by the Partnership, and distributed to the Limited Partners, in the event the Mutual Fund Rollover Transaction is implemented.

Mutual Fund Rollover Transaction means an exchange transaction which is intended to be implemented by the General Partner on or before November 30, 2017 (or May 31, 2018 if the term of the Partnership is extended) in which the Partnership will transfer its assets to the Mutual Fund in exchange for Mutual Fund Shares, which shares will, on the dissolution of the Partnership, be distributed to the Limited Partners, *pro rata*, on a tax deferred basis provided that the dissolution occurs within 60 days of the asset transfer and provided that the appropriate elections are made and filed in a timely manner and certain other conditions are met.

Net Asset Value and **Net Asset Value per Unit** have the meaning ascribed to those terms under "Valuation of Investments".

Offering means the offering of a minimum of 2,500 Units pursuant to the terms of this Offering Memorandum.

Partner means any Limited Partner or the General Partner.

Partnership means Marquest Mining 2016-I Super Flow-Through Limited Partnership**.**

Partnership Agreement means the limited partnership agreement made as of January 6, 2016 governing the Partnership and is made among the General Partner, the Initial Limited Partner and those persons admitted as Limited Partners, as amended from time to time.

Performance Bonus means the amount payable to the Investment Fund Manager (on the earlier of (i) the business day prior to the implementation of the Mutual Fund Rollover Transaction, and (ii) November 30, 2017 or May 31, 2018 if the term of the Partnership is extended in respect of each Unit of the Partnership then outstanding equal to 20% of the amount by which the sum of (A) the Net Asset Value per Unit of the Partnership as of that date and (B) all distributions per Unit on or before that date, exceeds $100 (the Subscription Price per Unit).

Portfolio means the investment portfolio allocated to the Units.

Proposed Loss Limitation Rule means the tax proposals announced by the Department of Finance on October 31, 2003 that would limit a taxpayer's ability to deduct a loss from a business or property in a year unless it is reasonable to expect in that year that the taxpayer will realize a cumulative profit from that business or property (excluding capital gains) over the expected life of the business or period of ownership of the property.

Registrar, **Registrar and Transfer Agent or Transfer Agent**, means Marquest Asset Management Inc.

Resource Company means a corporation which represents to the Partnership that it is a "principal-business corporation" as defined in subsection 66(15) of the Tax Act that is engaged in the exploration for mineral resources in Canada, and intends to incur CEE on properties within Canada.

Subscriber or **Investor** means any person who subscribes for Units in the Partnership.

Subscription Agreement means the subscription agreement between each investor and the Partnership in the form provided by the Partnership in connection with this Offering.

Subscription Price means the amount of $100 paid to the Partnership for the issue of each Unit.

Subscription Proceeds means the aggregate proceeds received from Subscribers pursuant to this Offering.

Super Flow-Through Shares means shares that qualify as "flow-through shares" as defined in subsection 66(15) of the Tax Act and in respect of which a Resource Company agrees to incur and renounce certain CEE of a qualifying kind which permits certain investors to claim, in addition to a deduction against income for the renounced CEE, an EITC in respect of the renounced CEE that is not available in respect of other types of CEE.

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

Tax Counsel in respect of this Offering means the law firm of Boughton Law Corporation.

Unit means the interest of a Limited Partner in the Partnership which may be acquired for a $100 capital contribution to the Partnership.

Valuation Agent means RBC Investor Services Inc.

Warrants means common share purchase warrants that are acquired in connection with an investment in Flow-Through Shares pursuant to a unit offering comprised of Flow-Through Shares and common share purchase warrants.

ITEM 1 USE OF AVAILABLE FUNDS

1.1 Available Funds

The following table shows the net proceeds of the Offering and the funds that will be available to the Partnership after the Offering:

		Assuming Minimum Offering
A	Amount to be raised by this Offering	$250,000
B	Agents' Fees[(1)]	$13,125
C	Issue Expenses (e.g., legal, accounting, audit)[(2)]	$11,875
D	Available Funds: D = A – (B + C)	$225,000
E	Additional sources of funding required	NIL
F	Current working capital (or working capital deficiency) of Partnership as at January 6, 2016	NIL
G	Total Available Funds G = (D + E) - F	$225,000

(1) These fees are based on the Minimum Offering being raised. The Partnership will pay Agents' Fees equal to 5.25% of the Subscription Proceeds; therefore, this number will increase with the amount raised under the Offering.

(2) This amount is based on the Minimum Offering being raised and may increase if more than the Minimum Offering is raised.

1.2 Use of Available Funds

The Partnership intends to invest all or substantially all of the Available Funds in Flow-Through Shares of Resource Companies that are listed on Canadian stock exchanges that are "designated stock exchanges" within the meaning of the Tax Act. These companies will agree to incur Eligible Expenditures in amounts equal to all or substantially all of the Available Funds of the Offering, and will agree to renounce such Eligible Expenditures to the Partnership, to be allocated to the Limited Partners. This renunciation and allocation will entitle Canadian residents to deduct for federal and provincial income tax purposes up to 100% of the CEE allocated by the Partnership. In addition, the EITC may apply in respect of the amount of Eligible Expenditures renounced to the Partnership in respect of investments in Flow-Through Shares that qualify as Super Flow-Through Shares. As part of the Partnership's investment strategy, the Partnership may, from time to time, dispose of Flow-Through Shares and other investments and reinvest the proceeds of such dispositions as described further in this Offering Memorandum.

In the event that proceeds allocated to purchase Flow-Through Shares, including Super Flow-Through Shares, have not been advanced to the Resource Companies by December 31, 2016, such unexpended funds will be returned to the Limited Partners based on their *pro rata* share.

From the Available Funds, the Partnership has agreed to pay the Portfolio Manager a management fee of 1% of the Net Asset Value of the Partnership for services performed under the Portfolio Management and Investment Fund Management Agreement. See Item 2.7 "Material Agreements" for more information about the Portfolio Management and Investment Fund Management Agreement.

Until applied as set forth above, it is intended that the funds maintained in a special trust account will be invested only in securities of or those guaranteed by the Government of Canada or any Province of Canada, in certificates of deposit, or in interest-bearing accounts of banks.

1.3 Reallocation

The Partnership only intends to spend the Available Funds as stated and funds may not be reallocated.

ITEM 2 BUSINESS OF MARQUEST MINING 2016-I SUPER FLOW-THROUGH LIMITED PARTNERSHIP

2.1 Structure

(a) The Partnership

The Partnership was formed as a limited partnership pursuant to the provisions of the *Limited Partnerships Act* (Ontario) effective January 6, 2016. The Initial Limited Partner will withdraw from the Partnership following the completion of the Initial Closing of this Offering.

The principal place of business and registered office of the Partnership is 161 Bay Street, Suite 4420, Toronto, Ontario, M5J 2S1. The Partnership will keep at its principal place of business a copy of the Partnership Agreement, a copy of all declarations and declarations of change and a copy of all other documents required by law to be kept at that location.

Each Subscriber whose subscription is accepted by the General Partner will become a Limited Partner of the Partnership and a party to the Partnership Agreement. Upon completion of this Offering, the Units will represent all the interests of the Limited Partners in the Partnership. Each Limited Partner's interest in the Partnership will represent the same proportion of the total interest in the Partnership as the number of Units held by him is of the total number of Units sold pursuant to this Offering. Following the completion of the Offering, there will be filed pursuant to the *Limited Partnerships Act* (Ontario) all such documents as are required to be filed in respect of the persons who became Limited Partners by reason of their acquisition of Units.

(b) General Partner

MQ 2016-I Limited Partnership, the General Partner of the Partnership, was formed as a limited partnership pursuant to the provisions of the *Limited Partnerships Act* (Ontario) effective January 6, 2016. The general partner, in turn, for the General Partner is Marquest FT Inc., a corporation incorporated under the *Business Corporations Act* (Ontario) on January 16, 2013. The General Partner will manage the Partnership in accordance with the terms and conditions of the Partnership Agreement.

(c) Portfolio Manager/Investment Fund Manager

Marquest Asset Management Inc. has been retained by the General Partner to provide advice on and manage the investment portfolio of the Partnership and to provide services required to be performed by an "investment fund manager" under National Instrument 31-103 *Registration Requirements and Exemptions* ("NI 31-103"). The Portfolio Manager is registered with the Ontario Securities Commission in the categories of (a) investment fund manager, (b) portfolio manager, and (c) exempt market dealer. See Item 2.7 "Material Agreements" for more information about the Portfolio Management and Investment Fund Management Agreement under which the Portfolio Manager provides services to the Partnership.

The principal office of the Portfolio Manager/Investment Fund Manager is located at 161 Bay Street, Suite 4420, Toronto, Ontario, M5J 2S1.

The following are the principal officers of the Portfolio Manager, with biographies set out below:

Name and Municipality of Residence	Position with the Portfolio Manager
Gerald L. Brockelsby Oakville, Ontario	Director, Chief Investment Officer, and Advising Representative
Andrew A. McKay Toronto, Ontario	President and Ultimate Designated Person
Stephen J. Zamin Toronto, Ontario	Director, Chief Financial Officer

Name and Municipality of Residence	Position with the Portfolio Manager
Andre G. Poles Port Hope, Ontario	General Counsel and Chief Compliance Officer
Alice F. Tsang, CFA, CMA Mississauga, Ontario	Advising Representative
Paul Crath Toronto, Ontario	Director

Gerald L. Brockelsby, BA, CFA, is Chief Investment Officer and director of Marquest. Mr. Brockelsby has over 39 years' experience in managing investment funds for corporations, pension funds and individuals. Prior to establishing Marquest in 1985, Mr. Brockelsby was the Chief Investment Officer for the Inco Pension Plan for eight years. Mr. Brockelsby has managed multiple small cap equity and fixed income mandates, including Marquest's flagship Resource Fund which has been one of the top performing funds in its sector since inception in 2003. In addition, Mr. Brockelsby has also managed the Terra Funds flow-through LP's and rollover mutual funds since early 2009. Mr. Brockelsby is a frequent commentator on BNN's television business station.

Mr. Brockelsby will be directly involved in providing investment advice and managing the Portfolio of the Partnership.

Andrew A. McKay, is President and Ultimate Designated Person of Marquest. Previously, Mr. McKay was the Chief Executive Officer of Tailwind Financial Inc., a U.S.-based special purpose acquisition company. Prior to co-founding Tailwind, Mr. McKay was Chief Executive Officer of Legend Investment Partners Inc. Prior to that, Mr. McKay was the Chief Executive Officer of Fairway Capital Corp., a Canadian asset management firm. Prior to co-founding Fairway Capital, Mr. McKay was the Chief Operating Officer, a director and co-founder of Skylon Capital Corp., an investment management holding company. Prior to such time, he was a director of Altamira International Bank (Barbados) Inc., the offshore asset management subsidiary of Altamira Management Ltd. and an officer of Ivory & Sime plc, a leading UK investment management firm. Mr. McKay is a Fellow of both the Institute of Chartered Management Accountants and the Institute of Chartered Secretaries and Administrators.

Stephen J. Zamin, is the Chief Financial Officer and director of Marquest. Previously, Mr. Zamin was the Chief Financial Officer & Head of General Administration for Alpha Group which successfully launched and managed Alpha Exchange Inc., a securities exchange in Canada. His previous roles include 10 years within BMO Financial Group primarily, as Vice President Finance and Corporate Controller for BMO Nesbitt Burns Inc., a registered broker-dealer in Canada and its subsidiaries. He also served as Chief Financial Officer of BMO Nesbitt Burns Equity Partners Inc. and its US Affiliates. Mr. Zamin is a Chartered Professional Accountant, Certified Public Accountant (Illinois), Chartered Global Management Accountant (USA) and holds a BMath from the University of Waterloo.

Andre G. Poles, is a securities lawyer in Ontario and serves as General Counsel and Chief Compliance Officer for Marquest Asset Management Inc. Prior to joining Marquest, Mr. Poles briefly served as Chief Compliance Officer to a Scholarship Plan Dealer and Investment Fund Manager in Ontario. Prior to that, Mr. Poles served as Senior Vice-President and Head of the Canada Risk Management Group, Compliance, Regulatory, Risk and Legal Resources for the Macquarie Group of Companies from 2008-2013. Prior to such time, Mr. Poles practiced Securities Law in the Investment Fund Group at Torys LLP.

Alice Tsang, BA, CFA has over 22 years' experience in the Canadian investment industry and has been a portfolio manager with Marquest Asset Management Inc. since 2004. Ms. Tsang currently co-manages the Marquest Resource Fund and is the lead manager for other Marquest equity funds. Ms. Tsang has a BA from the University of Toronto and is a Chartered Financial Analyst. Ms. Tsang is a regulator weekly commentator on BNN's television business station.

Ms. Tsang will be directly involved in providing investment advice and managing the Portfolio of the Partnership.

Paul Crath, is a director of Marquest. He has acted in corporate finance strategy and development for several mid-market growth stage companies, including mergers and acquisitions and financing initiatives, where he has had past success with

multiple investments, buyouts and disposition for portfolio companies. Mr. Crath has also worked extensively in a senior role with several groups in structured product development and marketing of investment funds. He currently is a director of Accilent Raw Materials Group Inc. and provides advisory services in the following areas: (i) specialty mergers and merchant banking transactions and investment products; and (ii) investment development services, where his focus is on product development and institutional/high net worth sales and marketing and legal and financial structuring. He began his career as a corporate lawyer at White & Case, LLP in New York City, specializing in acquisition financings.

2.2 Our Business

Investment Objectives

The investment objectives of the Partnership are to invest all or substantially all of the Available Funds in Flow-Through Shares of Resource Companies involved in mineral exploration, development and/or production in Canada, with a view to achieving capital appreciation and maximizing the tax benefit of an investment in Units for its Limited Partners. The Partnership intends to invest all or substantially all of the Available Funds such that Limited Partners will be entitled to claim certain deductions from income and may be entitled to, in respect of up to 100% of the Available Funds, investment tax credits for income tax purposes for the 2016 and subsequent taxation years. Flow-Through Shares are common shares purchased from the treasury of a Resource Company under an agreement which provides that, in addition to issuing common shares, the Resource Company agrees to incur and renounce CEE to the Partnership in an amount equal to the Subscription Price of the Flow-Through Shares and in the form prescribed under the Tax Act. Flow-Through Shares are typically purchased at a premium to the market price of the Resource Company's listed common shares as compensation for the benefit of tax deductions. The shares are typically issued on a private placement basis, and as such are subject to resale restrictions.

The Partnership will use the Available Funds to subscribe for Flow-Through Shares pursuant to Flow-Through Agreements to be entered into with Resource Companies. The Partnership intends to invest up to 100% of the Available Funds in Resource Companies engaged in "grass roots" mineral exploration.

Under the terms of each Flow-Through Agreement, the Partnership will subscribe for Flow-Through Shares and, in some cases, Warrants of a Resource Company issued from treasury and the Resource Company will incur and renounce to the Partnership, in an amount equal to the subscription price of the Flow-Through Shares, expenditures in respect of mineral exploration that qualify as CEE and may be renounced to the Partnership pursuant to a timely election made in the form prescribed under the Tax Act. Investments made by the Partnership will be consistent with the Investment Guidelines set out below.

Available Funds that have not been invested in Flow-Through Shares of Resource Companies by December 31, 2016 will be distributed on a *pro rata* basis to the Limited Partners of record on December 31, 2016, by March 31, 2017, without interest or deduction. In such an event, the amount of deductions that Limited Partners will be able to claim for income tax purposes would be proportionately reduced.

Investment Strategy

Investments will be made in the mineral sector with the objective of creating a diversified portfolio of securities of Resource Companies involved in precious metals, base metals, uranium and other mineral exploration. In addition, a Limited Partner who is an individual, other than a trust, may be entitled to federal and provincial investment tax credits in respect of the Partnership's investment in Flow-Through Shares of issuers involved in "grass roots" mineral exploration, being certain types of exploration conducted for the purpose of determining the existence, location, extent or quality of mineral resources.

The Partnership intends to focus on companies in the intermediate and junior mineral sectors with advanced exploration programs. It is anticipated that all or substantially all of the Available Funds will be invested in Flow-Through Shares of issuers engaged in "grass roots" mineral exploration. The Partnership's Investment Strategy is to invest in Flow-Through Shares issued by Resource Companies that are considered to: (i) represent good value in relation to the market price of the Resource Company's shares; (ii) have experienced and capable senior management; (iii) have a strong exploration program in place; and (iv) offer potential for future growth.

The Partnership may sell Flow-Through Shares and other shares acquired on behalf of the Partnership prior to dissolution of the Partnership if the General Partner, in consultation with the Portfolio Manager, 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 such sales which occur after 2016 (net of a reserve for fees and expenses), unless reinvested in additional shares or Flow-Through Shares will be invested in

high-quality liquid investments or distributed to Limited Partners. For each fiscal year of the Partnership, the net income or loss of the Partnership and any Eligible Expenditures renounced by Resource Companies to the Partnership with an effective date in such fiscal year will be allocated *pro rata* to Limited Partners who are shown as such on the record of Limited Partners maintained by the General Partner on the last day of such fiscal year. 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 and investment tax credits for income tax purposes as described herein.

Investment Guidelines

The Investment Guidelines that will be followed by the General Partner and Portfolio Manager in investing the Available Funds and in entering into Flow-Through Agreements with Resource Companies on behalf of the Partnership are described below.

(a) **Resource Companies**. The Partnership will invest all or substantially all of the Available Funds in Flow-Through Shares issued by Resource Companies, provided that the Partnership may invest in cash and cash equivalents until suitable investment opportunities arise. To the extent the Partnership disposes of Flow-Through Shares, the Partnership may reinvest the net proceeds from any such dispositions in additional shares of Resource Companies, cash and cash equivalents, government bonds and securities of entities listed on a Canadian stock exchange. Up to 10% of Available Funds may be invested in Flow-Through Shares of Resource Companies that are not reporting issuers and which, may, therefore, be subject to continuing resale restrictions.

(b) **Exchange Listing**. The Partnership will invest all or substantially all of the Available Funds in Flow-Through Shares of Resource Companies, the shares of which are listed and posted for trading on a Canadian stock exchange, including without limitation, the Toronto Stock Exchange, the TSX Venture Exchange and Canadian Securities Exchange.

(c) **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 Guidelines.

(d) **Purchasing Securities**. The Partnership will purchase securities (other than Flow-Through Shares) only through normal market facilities unless the purchase price therefor approximates or is less than the prevailing market price or is negotiated or established on an arm's length basis from the Partnership and the General Partner.

(e) **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.

(f) **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 provided that this restriction shall not apply to the purchase of securities which are paid for on an installment basis where the total purchase price and the amount of all such installments is fixed at the time the initial installment is paid.

(g) **No Material Interest**. The Partnership will not purchase securities from or sell securities to the General Partner or any of the General Partner's respective Affiliates, any officer, director or shareholder of any Affiliate of the General Partner, trust, firm or corporation managed by the General Partner or any of their respective Affiliates or any firm or corporation in which may have a material interest (which, for these purposes, means beneficial ownership of more than 10% of the voting securities of such entity) unless, with respect to any purchase or sale of securities, any such transaction is effected through normal market facilities, is not pre-arranged and the purchase price approximates the prevailing market price. The restriction will not apply to a sale of Partnership assets to a mutual fund in advance of the dissolution of the Partnership, if such a transaction should occur.

(h) **No Borrowing**. The Partnership will not engage in borrowing.

(i) **No Commodities**. The Partnership will not purchase or sell commodities.

(j) **No Guarantees**. The Partnership will not guarantee the securities or obligations of any person.

(k) **No Real Estate**. The Partnership will not purchase or sell real estate or interests therein.

(l) **No Lending**. The Partnership will not lend money. For purposes of this restriction, investments in high-quality liquid investments are not considered lending.

(m) **No Control**. The Partnership will not purchase securities of a reporting issuer for the purpose of exercising control or management over such issuer and will not purchase more than 10% of the issued and outstanding voting securities of any particular Resource Company in which it may invest.

(n) **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 its investment portfolio.

(o) **No Short Sales**. The Partnership will not make short sales of securities other than for hedging purposes against existing positions held by the Partnership.

(p) **No Mortgages**. The Partnership will not purchase mortgages.

(q) **No Mutual Funds**. The Partnership will not purchase the securities of any mutual fund, other than in connection with the Mutual Fund Rollover Transaction.

Mutual Fund Rollover Transaction

Before November 30, 2017, the General Partner intends to implement the Mutual Fund Rollover Transaction in which the Partnership will transfer its assets to the Mutual Fund in exchange for Mutual Fund Shares. The Mutual Fund is a reporting issuer under securities legislation in Canada. Following completion of the Mutual Fund Rollover Transaction, the Mutual Fund Shares will be distributed to the Limited Partners, pro rata, on a tax deferred basis and within 60 days after that, the Partnership will be dissolved. The Mutual Fund Rollover Transaction will not require the approval of Limited Partners.

If the assets of the Partnership being exchanged with the Mutual Fund conflict with the investment restrictions of National Instrument 81-102, the completion of the Mutual Fund Rollover Transaction will be subject to the Partnership receiving any exemptions required under that National Instrument. **There can be no assurance that the Mutual Fund Rollover Transaction will receive the necessary regulatory approvals or be implemented.**

If the Mutual Fund Rollover Transaction is not implemented before November 30, 2017 (or as late as May 31, 2018 as permitted by the Partnership Agreement), the Partnership will be dissolved unless the Limited Partners extend this date by special resolution. On dissolution of the Partnership, the Partnership's assets, including securities of Resource Companies, will be distributed to the Limited Partners on a pro-rata basis, after deduction of the Performance Bonus payable to the Portfolio Manager (as described herein).

The General Partner has been granted all necessary power and authority, on behalf of the Partnership and each Limited Partner, to enter into the Mutual Fund Rollover Transaction and to implement the dissolution of the Partnership, and after that, 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 the Mutual Fund Rollover Transaction or the dissolution of the Partnership, without any further authorization by the Limited Partners.

The Mutual Fund

Marquest Mutual Funds Inc., which is the Mutual Fund proposed to complete the Mutual Fund Rollover Transaction with the Partnership, is a corporation formed by articles of incorporation under the laws of Ontario on September 24, 2004. The Portfolio Manager is also the portfolio manager of the Mutual Fund. The Mutual Fund is authorized to issue an unlimited number of Mutual Fund Shares, issuable in series. The Mutual Fund Shares do not carry voting rights other than the right to vote on matters prescribed by National Instrument 81-102. Gerald L. Brockelsby (Director, Chief Investment Officer and Advising Representative of the Portfolio Manager) and Stephen J. Zamin (Director and Chief Financial Officer of the Portfolio Manager) are also officers and directors of the Mutual Fund.

The Mutual Fund currently has five funds, with each fund having its own investment objectives and strategy. Three of such funds, including Explorer Series Fund, are offered under a current simplified prospectus. The Mutual Fund Shares - Explorer Series, A/Rollover Series are likely to be designated as the shares to be distributed to Limited Partners on a Mutual Fund Rollover Transaction. The fundamental investment objective of the Explorer Series Fund is to seek long-term capital growth by investing in a diversified portfolio of primarily equity securities of Canadian mineral resource companies. The Mutual Fund offers redemption of the Explorer Series, A/Rollover Series on a daily basis, subject to suspension of redemptions in extraordinary situations as permitted by securities legislation. The Portfolio Manager, as manager of the Mutual Fund, receives a management fee of 2% per annum of the Mutual Fund's net assets related to the Explorer Series, A/Rollover Series Mutual Fund Shares.

The Mutual Fund contains other funds into which Explorer Series shares may be exchanged at no commission cost.

The net asset value per Mutual Fund Share will be calculated at the close of business on each day that the TSX is open for trading. The calculation will usually be done at 4:00 p.m. (Toronto time), unless the TSX closes earlier. In some circumstances, the Mutual Fund may calculate NAV at another time. The Mutual Fund will calculate a separate NAV for each series of Mutual Fund Shares.

The net asset value per Mutual Fund Share of a particular series will be calculated as follows:

Assets of the Mutual Fund to which the particular Series relates	**-**	**Accrued fees and expenses and other liabilities of the Series**	**=**	**Net asset value of Series**
Net asset value of Series	**÷**	**Total number of shares of Series outstanding**	**=**	**Net asset value per share of Series**

The Mutual Fund's public documents, including simplified prospectus, annual information form, fund facts and management reports of fund performance, can be viewed on the SEDAR website at www.sedar.com and additional information can be obtained by contacting the Portfolio Manager at funds@marquest.ca.

Outlook for Canadian Mineral Exploration

The following information on the outlook for Canadian mineral exploration (and other sections in this Offering Memorandum) contains forward-looking statements that involve risk and uncertainties. These forward-looking statements relate to, among other things, strategy, indicators and expectations for the resource sector and Resource Companies and other expectations, intentions and plans contained in this Offering Memorandum that are not historical fact.

The downturn in mining stocks over the past three years has severely curtailed capital into the mining sector which is now beginning to impact the development of projects. Many projects are being delayed, downsized or cancelled out right. Lead times to bring new supply into production are being extended due to the uncertainty of available capital, escalating costs and the growing complications around regulatory and environmental issues. These challenges to the supply side of the metals markets will in the opinion of the Portfolio Manager likely tighten metals inventories over the next few years. At the same time, global economic growth is continuing to improve particularly in the U.S.. The Portfolio Manager believes that the combination of continued economic growth and a challenging supply picture could lead to an improved supply/demand picture for certain commodities.

While the fundamental environment for the mining sector is beginning to improve, valuations remain extremely cheap. Mining stocks have been out of favour with investors for an extended period of time. This negative investor sentiment has not distinguished between companies with capable management, good projects and sound balance sheets and those that have none of these strong attributes. As a result the stronger fundamental companies are relatively cheap by most valuation metrics. The Portfolio Manager believes that a modest improvement in commodity prices could have a very positive impact on the price of select mining stocks due to the attractive valuations and that mining stocks will significantly outperform the underlying commodity prices as the market sentiment improves.

Due to the weakness in the mining sector investors have become more concerned about political and geographical risks and as a result are more inclined to focus their investments in sound jurisdictions such as Canada. Therefore as the mining sector outlook improves, the Portfolio Manager believes that Canada will be a major beneficiary as one of the most preferred mining environments in the world.

The long term outlook for the mining sector remains tied to the emerging economies, particularly China from which approximately 50% of world base metal demand is generated. While the growth rate of the Chinese economy has been slowing in recent years, the Portfolio Manager believes that Chinese economic growth is beginning to stabilize at present growth rates. As a result of the stabilization of Chinese growth and the challenging supply environment, the Portfolio Manager believes that commodity prices are presently at the lower end of their long term trading range and that prices will gradually increase over the next few years.

2.3 Development Of Business

The Partnership was established on January 6, 2016. As of this date and the date of the Offering Memorandum there are no Partnership assets under management.

2.4 Long Term Objectives

The General Partner, on behalf of the Partnership, intends to invest all or substantially all of the Available Funds in Resource Companies, in as diversified a manner as possible by December 31, 2016.

As of the date of the Initial Closing to November 30, 2017 or as late as May 31, 2018 as permitted by the Partnership Agreement, the General Partner will monitor the activities of all Resource Companies from which the Partnership has purchased Flow-Through Shares, and will evaluate on a continual basis whether to hold, or sell, some or all of the shares and Warrants of each such Resource Company. Where advisable in the General Partner's opinion, some or all of the shares and Warrants held by the Partnership will be sold. The General Partner intends to implement the Mutual Fund Rollover Transaction; however, if the Mutual Fund Rollover Transaction is not implemented by the General Partner before November 30, 2017 (or at the General Partner's option, sooner, or later up to May 31, 2018), the remaining shares and Warrants still held by the Partnership will be valued, so that the Partnership may be dissolved on, in accordance with the procedure described elsewhere in this Offering Memorandum.

The following table shows how the Partnership intends to meet its long term objectives, after January 1, 2017 and until such date as the Partnership is dissolved, such dissolution expected to occur on or before November 30, 2017 or as late as May 31, 2018 as permitted by the Partnership Agreement:

What Partnership must do and how it will do it	**Target completion date**	**Partnership's cost to complete and/or use of proceeds**
Ongoing monitoring of the activities of the Resource Companies in which the Partnership has invested and monitoring of the share prices of such Resource Companies	November 30, 2017	No additional cost charged to the Partnership other than administrative and operating expenses described herein, including Management Fee payable to the Portfolio Manager.
Sell some or all of the shares and warrants of Resource Companies purchased by the Partnership where warranted based on the Portfolio Manager's evaluation of the Resource Companies' prospects and general market conditions	November 30, 2017	No additional cost charged to the Partnership other than administrative and operating expenses described herein.

What Partnership must do and how it will do it	Target completion date	Partnership's cost to complete and/or use of proceeds
Tax-deferred exchange of Partnership equity assets (Mutual Fund Rollover Transaction) for redeemable Mutual Fund Shares, or distribution to each Limited Partner of his or her proportionate share of cash, shares, warrants and other securities held by the Partnership as at the dissolution of Partnership (date subject to change)	November 30, 2017	No additional cost charged to the Partnership other than administrative and operating expenses described herein.

2.5 Short Term Objectives and How We Intend To Achieve Them

The General Partner, on behalf of the Partnership, intends to invest all or substantially all of the Available Funds in Resource Companies by December 31, 2016.

The following table shows how the Partnership intends to meet its short term objectives for the next 12 months.

What Partnership must do and how it will do it	Target completion date	Partnership's cost to complete and/or use of proceeds
Invest, in as diversified a manner as possible, in accordance with the investment objectives, investment strategy and Investment Guidelines, the rest of the Available Funds of investor subscriptions in high-quality Resource Companies, that meet the Partnership's selection criteria	December 31, 2016	The total subscriptions raised in this Offering

2.6 Insufficient Proceeds

Proceeds of the Offering are expected to be sufficient to accomplish the Partnership's objectives.

2.7 Material Agreements

Material contracts which have been entered into or will, prior to the Closing of this Offering, be entered into by the Partnership and material contracts that will subsequently be entered into, other than contracts entered into in the ordinary course of business, are as follows:

(a) Flow-Through Agreements

The General Partner, on behalf of the Partnership, will enter into Flow-Through Agreements with Resource Companies as required to expend the Available Funds.

Pursuant to the terms of the Flow-Through Agreements, Resource Companies will be obligated to incur exploration and development expenditures that qualify as Eligible Expenditures. Typically, Flow-Through Agreements will require the Resource Companies to incur Eligible Expenditures and renounce Eligible Expenditures to the Partnership.

The General Partner will, on behalf of the Partnership, use reasonable efforts to invest all or substantially all of the Available Funds in Flow-Through Shares of Resource Companies pursuant to agreements made before December 31, 2016 in contemplation of the Resource Companies renouncing Eligible Expenditures in an amount equal to the subscription price of the Flow-Through Shares to the Partnership, with an effective date no later than December 31, 2016. The General Partner will not enter into Flow-Through Agreements under which Available Funds are committed which contemplate that Eligible Expenditures will be incurred after December 31, 2017 or which contemplate that Eligible Expenditures will be renounced with an effective date later than December 31, 2016.

(b) The Partnership Agreement

The rights and obligations of the Partners are governed by the Partnership Agreement and the applicable legislation in Ontario. The following statements in this Offering Memorandum are only a summary of the key provisions of the Partnership Agreement and does not purport to be complete. In the case of any contradiction between this summary and the Partnership Agreement, the terms of the Partnership Agreement shall be paramount.

Prospective Subscribers are urged to read the Partnership Agreement in its entirety and obtain independent legal advice on its meaning prior to making an investment.

Limited Partners

Each Subscriber whose subscription is accepted by the General Partner will become a Limited Partner upon the General Partner executing the Partnership Agreement on behalf of the Subscriber and filing the required declaration under the *Limited Partnerships Act* (Ontario).

Fiscal Period

The Partnership will use December 31 as its fiscal period year end, with the first fiscal period ending on December 31, 2016.

Units

The General Partner is not required to subscribe for any Units or otherwise contribute capital to the Partnership. The interests of the Limited Partners will be represented by a minimum of 2,500 Units and no maximum number of Units. Each Unit is equal to each other Unit and has the same rights and obligations attaching to it as each other Unit. A Limited Partner will be entitled to a written confirmation evidencing the number of Units held by him, upon request, after payment of all instalments has cleared.

Transfer of Units

A Unit may be transferred and assigned, subject to approval by the General Partner (which approval cannot be unreasonably withheld), by the holder by executing and having the assignee execute and deliver to the General Partner the required assignment and power of attorney form. The assignee will not become a Limited Partner until his name is entered on the record of Limited Partners of the Partnership.

No assignment of a fractional Unit may be made. No assignment of less than all of the Units held by a Limited Partner may be made. The General Partner may also refuse to record an assignment which the General Partner has reason to believe is not made in accordance with the *Securities Act* of Ontario.

Fees and Expenses

In addition to paying the ongoing expenses of the Partnership or reimbursing the General Partner for such expenses, the Partnership Agreement provides for the payment of Issue Expenses to the General Partner, being 4.75% of the Subscription Proceeds. The Partnership Agreement also provides for the payment of the Management Fee to the Portfolio Manager, being a fee equal to 1% of the Net Asset Value of the Partnership, calculated and paid monthly in arrears. The Portfolio Manager may also be entitled to a Performance Bonus (as described elsewhere in this Offering Memorandum).

Powers of the General Partner

The General Partner has, to the exclusion of the Limited Partners, the sole power and exclusive authority to manage the business and affairs of the Partnership, to make all decisions regarding the business of the Partnership and to bind the Partnership. The General Partner is to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Limited Partners. Certain restrictions are imposed on the General Partner and certain actions may not be taken by it without the approval of the Limited Partners by special resolution.

The General Partner has, among other things, the power on behalf of the Partnership and each Limited Partner to make any election, determination or designation that may be made under the Tax Act or any other fiscal legislation. To this end, each Limited Partner, in executing and delivering the Subscription Agreement and power of attorney form, irrevocably constitutes the General Partner as his agent for the purpose of signing and making such election, determination or designation on his behalf.

The General Partner is prohibited from commingling the Partnership's funds or assets with those of any other person.

Net Income and Loss

All income, gains and proceeds and losses, expenditures, tax credits, costs or deductions of the Partnership properly allocable to the Partners for the Tax Act shall be allocated among the Partners as follows at the end of each fiscal year:

(a) the Limited Partners of record at the end of the financial year will be entitled to 99.99% of the net income or net loss of the Partnership which will be allocated among the Limited Partners Pro-Rata; and

(b) the General Partner will be entitled to 0.01% of the net income or net loss of the Partnership.

Conflicts of Interest

The Partnership Agreement permits the General Partner and its Affiliates and their respective directors and officers to engage in other activities which may conflict with the interests of the Partnership. Specifically, the Partnership Agreement provides that:

(a) the General Partner and its Affiliates, including the general partner of the General Partner and the Portfolio Manager and their respective directors and officers are permitted to be engaged, indirectly or directly, in and continue in the exploration and development of natural resource properties in Canada and elsewhere, or activities related or peripheral thereto;

(b) the exploration and development activities of Resource Companies may lead to the incidental result of providing additional information with respect to, or augmenting the value of properties in which the General Partner or other parties not at arm's length with the General Partner have or subsequently acquire either a direct or indirect interest;

(c) the services of the directors and officers of the general partner of the General Partner are not exclusive to the Partnership, and the officers and directors of the general partner of the General Partner may, from time to time, engage in the promotion, management or investment management of another fund or partnership, including future partnerships and other funds, partnerships or entities which invest primarily in Flow-Through Shares;

(d) an Affiliate of the General Partner, namely the Exempt Market Dealer may receive cash commissions, securities and/or rights to purchase securities of Resource Companies, in consideration for its services as agent or finder in connection with certain private placements of Flow-Through Shares to the Partnership. The fee payable to the Exempt Market Dealer will be paid by the Resource Company from funds other than the funds invested in Flow-Through Shares by the Partnership. **There is no percentage limit to the amount of the Partnership's Available Funds that may be invested in Resource Companies for which the Exempt Market Dealer may receive a fee**; and

(e) Affiliates and officers of Affiliates of the General Partner may serve as directors of Resource Companies which issue Flow-Through Shares to the Partnership.

In the Partnership Agreement, the Limited Partners each agree that the foregoing activities are permitted, and the General Partner (and any other parties referred to above) is not required to account to the Partnership or any Limited Partner for any benefit or profit derived from any such activity.

Change, Resignation and Removal of General Partner

The General Partner may resign as the general partner of the Partnership at any time and will be deemed to have resigned upon its bankruptcy, insolvency or dissolution. The resignation of the General Partner becomes effective upon the earlier of the appointment of a new General Partner by the Limited Partners by ordinary resolution and the expiration of 180 days following the deemed resignation or written notice to the Limited Partners of the voluntary resignation of the General Partner. The General Partner is not entitled to resign if the effect of its resolution would be to dissolve the Partnership.

The Limited Partners of the Partnership are entitled to remove the General Partner by special resolution where the General Partner is in default of a material obligation under the Partnership Agreement.

Indemnification of Limited Partners and Liability of General Partner

The General Partner shall indemnify and hold harmless each Limited Partner from any costs, damages, liabilities, expenses or losses suffered by a Limited Partner resulting or arising out of such Limited Partner not having limited liability, provided that such loss of limited liability was caused by any act or omission of the General Partner. The General Partner will indemnify the Partnership for any damages incurred by the Partnership as a result of a material act of gross negligence or willful misconduct by the General Partner or of any material act or omission not believed in good faith by the General Partner to be within the scope of authority conferred by the Partnership Agreement.

The General Partner has unlimited liability for the debts, liabilities and obligations of the Partnership to the extent of its assets.

Accounting and Reporting to the Limited Partners

The Partnership's fiscal year will be the calendar year. A copy of the audited financial statements of the Partnership will be mailed by the General Partner to each Limited Partner within approximately 120 days (or such shorter period of time as may be required by applicable law) following the end of each fiscal year. In addition, the General Partner shall, by March 31 of each year or as soon as possible thereafter and within 90 days of the date of dissolution of the Partnership, forward to each Limited Partner of record on December 31 of the preceding year or on the date of dissolution, as the case may be, information in a suitable form to enable the Limited Partner to complete his income tax reporting relating to his interest in the Partnership. However, the preparation and filing of the income tax returns will be the responsibility of each Limited Partner. The General Partner will ensure that the Partnership complies with all other reporting and administrative requirements.

The General Partner must keep adequate books and records reflecting the activities of the Partnership. A Limited Partner has the right to examine the books and records of the Partnership at all reasonable times. Notwithstanding the foregoing, a Limited Partner will not have access to any information which in the opinion of counsel to the General Partner should be kept confidential in the best interests of the Partnership.

Meetings

It is not expected that an annual meeting of the Partnership will be convened, however, meetings may be called by the General Partner or upon the request of Limited Partners holding in the aggregate 50% or more of the outstanding Units of the Partnership. Notice of not less than 21 days or more than 60 days is to be given for each meeting. A Limited Partner may attend a meeting of the Partnership in person or by proxy, or, in the case of a corporate Partner, by a representative. A quorum is two persons representing 50% or more of the Units outstanding except that where a meeting is adjourned for lack of a quorum there is no quorum requirement for the adjourned meeting.

Each Unit of the Partnership entitles the holder to one vote. The General Partner and its Affiliates are not permitted to vote on any special resolution. A special resolution requires a majority of at least 66 2/3% of the votes cast.

Power of Attorney

The form of subscription required to be executed by a Subscriber or assignee for the issue or assignment of a Unit includes an irrevocable power of attorney authorizing the General Partner on behalf of the holder of the Unit to execute, under seal or otherwise, any instrument, deed or document required in carrying on the business of the Partnership as authorized by the Partnership Agreement, to attend to certain formalities required to record changes in the ownership of Units and amendments to the Partnership Agreement, and to maintain the good standing of the Partnership. The power of attorney also authorizes the General Partner to make elections or designations under the Tax Act and other applicable tax statutes or regulations and to execute any documents in connection with the dissolution of the Partnership, or the Mutual Fund Rollover Transaction. The power of attorney shall survive any dissolution or termination of the Partnership.

Dissolution

The Partnership will pursue its activities until on or about November 30, 2017 (as may be extended to May 31, 2018 at the sole discretion of the General Partner) unless it is dissolved or completes the Mutual Fund Rollover Transaction before that date. To provide for liquidity, the General Partner intends to implement the Mutual Fund Rollover Transaction before November 30, 2017 (or as late as May 31, 2018). The Mutual Fund Rollover Transaction will not require the approval of Limited Partners and may be implemented on not less than 5 days prior written notice to Limited Partners.

(c) Portfolio Management and Investment Fund Management Agreement

The Portfolio Manager/Investment Fund Manager performs services under a Portfolio Management and Investment Fund Management Agreement for an initial term expiring on the earlier of the wind up and dissolution of the Partnership or November 30, 2017 (as may be extended to May 31, 2018).

The Portfolio Manager will receive a management fee per annum equal to 1.0% of the Partnership's Net Asset Value of the Partnership's assets, calculated and paid monthly in arrears for the services performed under the Portfolio Management and Investment Fund Management Agreement. From its Management Fee, and not from the proceeds to the Partnership, the Portfolio Manager may pay to various Agents, up to 0.75% of the Subscription Price for services performed by those Agents as it relates to Subscribers.

The Portfolio Manager is also entitled to receive the Performance Bonus, which is payable (on the earlier of (i) the business day prior to the implementation of the Mutual Fund Rollover Transaction, and (ii) November 30, 2017 or May 31, 2018 if the term of the Partnership is extended) in respect of each Unit of the Partnership then outstanding equal to 20% of the amount by which the sum of (A) the Net Asset Value per Unit of the Partnership as of that date and (B) all distributions per Unit of the Partnership on or before that date, exceeds $100 (the Subscription Price per Unit).

The Portfolio Manager will, with the assistance of the General Partner, identify, analyze and select investment opportunities in the mining sector. The Portfolio Manager will assist the General Partner in monitoring the performance of Resource Companies (including their expenditure of Flow-Through Share subscription proceeds within the time frames outlined in the Flow-Through Agreements). Further, under the Portfolio Management and Investment Fund Management Agreement, the Portfolio Manager has agreed to act at all times on a basis which is fair and reasonable to the Partnership, to act honestly and in good faith with a view to the best interests of the Partnership, and, in connection therewith, to exercise a degree of care, diligence, and skill that a reasonably prudent person having the experience and qualifications of the Portfolio Manager would exercise in comparable circumstances. The Portfolio Management and Investment Fund Management Agreement provides that the Portfolio 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 Portfolio Manager to satisfy the foregoing standard of care. The Portfolio Manager will assist the General Partner in endeavouring to invest the Available Funds in Flow-Through Shares of Resource Companies in accordance with the Partnership's investment strategy and investment guidelines, prior to or on December 31, 2016.

In the purchase and sale of securities for the Partnership, the Portfolio Manager will seek to obtain overall services and prompt execution of orders on favourable terms.

The Portfolio Manager will also assist the General Partner in:

- calculating the Net Asset Value of the investment portfolio
- reviewing, evaluating & executing trading strategies
- executing trades
- reviewing, on an ongoing basis, Resource Companies and the mining sector marketplace
- determining the timing and means of liquidating holdings for reinvestment or roll-over
- advising with respect to desirability and timing of exercising any warrants, and assisting with the effecting of any warrant exercise
- complying with the investment objective and investment strategy of the partnership
- monitoring the performance of the investment portfolio
- determining the timing and means of liquidating the investment portfolio's holdings
- assisting in the smooth transition to a mutual fund upon the implementation of the Mutual Fund Rollover Transaction, with a minimum of immediate portfolio liquidation upon any redemption by investors.

The services of the Portfolio Manager are not exclusive to the Partnership.

Copies of the contracts referred to above, once executed, may be inspected during normal business hours at 161 Bay Street, Suite 4420, Toronto, Ontario, M5J 2S1 throughout the period of distribution and for 30 days thereafter.

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

3.1 Compensation and Securities Held

The General Partner is a limited partnership and therefore does not have any directors or officers. Marquest FT Inc. is the general partner of the General Partner and is wholly owned by the Portfolio Manager. The name, municipality of residence, office and principal occupation of each of the directors and senior officers of Marquest FT Inc. are set out below:

Name and municipality of principal residence	**Positions held in Marquest FT Inc. and the date of obtaining that position**	**Compensation paid by Partnership since inception, and compensation anticipated to be paid in the current financial year**	**Number, type and percentage of securities of the Partnership held after completion of Offering**
Gerald L. Brockelsby Oakville, Ontario	Director, Chief Executive Officer and President since January 16, 2013	NIL	NIL
Stephen J. Zamin Toronto, Ontario	Director since September 24, 2013; Chief Financial Officer since June 19, 2013	NIL	NIL
Paul Crath Toronto, Ontario	Director since February 15, 2013	NIL	NIL

The General Partner may be considered to be the promoter of the Partnership within the meaning of securities legislation.

The directors and officers of Marquest FT Inc., in its capacity as general partner of the General Partner, will not receive any compensation directly from the Partnership. Certain of the directors and officers of Marquest FT Inc. are also directors and officers of the Portfolio Manager, as described under the heading "Business of Marquest Mining 2016-I Super Flow-Through Limited Partnership – 2.1 Structure – Portfolio Manager/Investment Fund Manager".

Fees to the General Partner

In consideration for services rendered and to be rendered by the General Partner to the Partnership, the General Partner will be entitled to the Issue Expenses, being a one-time fee equal to 4.75% of the Subscription Proceeds in respect of all of the Units sold hereunder, part of which will be paid to wholesalers involved in the distribution of Units. The General Partner's one-time fee is intended to reimburse the General Partner for the costs of issue of this Offering, including, without limitation, the costs of creating and organizing the Partnership, the costs of printing and preparing this Offering Memorandum, initial legal expenses of the Partnership, initial audit expenses of the Partnership, marketing expenses, FundSERV set-up costs, etc. (defined herein as the Issue Expenses). In addition, on the dissolution of the Partnership, the General Partner, in its capacity as a member of the Partnership, will be entitled to a share of the realized and accrued gains of the Partnership as described herein.

3.2 Management Experience

The following table provides relevant information about each director and officer of Marquest FT Inc. The term of each director's appointment expires at the next annual general meeting of Marquest FT, unless he is re-elected or re-appointed at that meeting.

Name and Municipality of Residence	Principal Occupation [(1)]
Gerald L. Brockelsby Oakville, Ontario	Director, Chief Investment Officer and Advising Representative of Marquest
Stephen J. Zamin Toronto, Ontario	Director, Chief Financial Officer of Marquest; prior to joining Marquest was CFO and Head of Administration for Alpha Group
Paul Crath Toronto, Ontario	Director of Marquest; Director, Accilent Raw Materials Group Inc.

(1) Biographies of each director and senior officer are set out above under the heading Business of Marquest Mining 2016-I Super Flow-Through Limited Partnership – 2.1 Structure – Portfolio Manager/Investment Fund Manager".

ITEM 4 CAPITAL STRUCTURE

4.1 Capital

Subscribers of Units of the Partnership in this Offering will be governed by the terms of the Partnership Agreement. The following table provides relevant information about the outstanding securities of the Partnership:

Description of security	Number authorized to be issued	Number outstanding as at January 6, 2016	Number outstanding after min. offering
Units	unlimited	1 (Initial Unit) – to be redeemed	2,500

VALUATION OF INVESTMENTS

Valuation of Assets

The Valuation Agent will be responsible for providing all valuation services to the Partnership and will calculate the Net Asset Value and Net Asset Value per Unit, on a business day of each month (the "Valuation Date"), and calculate the value of the Partnership's assets on the basis of quoted prices on the applicable stock exchange.

Net Asset Value of the Partnership

The net asset value of the Partnership (the "Net Asset Value") will be calculated by the General Partner and the Portfolio Manager in consultation with the Valuation Agent on each Valuation Date by subtracting the aggregate amount of the Partnership's liabilities from the aggregate amount of the Partnership's assets. It is anticipated that these liabilities will include without limitation: (a) mailing and printing expenses for periodic reports to Limited Partners; (b) fees payable to the auditors and legal and professional advisors of the Partnership; (c) ongoing regulatory filing fees; (d) any reasonable out-of-pocket expenses incurred by the General Partner or its agents in connection with their ongoing obligations to the Partnership; (e) expenses relating to portfolio transactions; and (f) any expenses which may be incurred in connection with the dissolution of the Partnership and the Mutual Fund Rollover Transaction. The General Partner estimates that the administrative and operating expenses (excluding Management Fees) giving rise to these liabilities will be approximately $25,000 per year in the case of the Minimum Offering, and rising to a maximum of $100,000.

The Partnership's assets will be valued in accordance with the following principles:

a) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash received (or declared to holders of record on a date before the date as of which the Net Asset Value is being determined and to be received) and interest accrued and not yet received, will be deemed to be the full amount thereof, provided that: (i) the value of any security which is a debt obligation which, at the time of acquisition, had a remaining term to maturity of one year or less will be the amount paid to acquire the obligation plus the amount of any interest accrued on such obligation since the time of acquisition; (ii) interest accrued will include amortization over the remaining term to maturity of any discount or premium from the face value of an obligation at the time of its acquisition, and (iii) if the General Partner has determined that any such deposit, bill, demand note or account receivable is not worth the full amount thereof, the value thereof will be deemed to be such value as the General Partner determines to be the fair value;

b) the value of any security which is listed or traded upon a stock exchange will be determined by taking the latest available closing sale price of recent date, or lacking any recent sales or any record thereof, the simple average of the latest available offer price and the latest available bid price, (unless in the opinion of the General Partner such value does not reflect the value thereof and in which case the latest offer price or bid price will be used as determined by the General Partner), as at the Valuation Date on which the Net Asset Value is being determined, all as reported by any means in common use;

c) any market price reported in currency other than Canadian dollars will be translated into Canadian currency at the prevailing rate of exchange, as determined by the General Partner, at the Valuation Date;

d) the value of any securities traded over-the-counter will be priced at the average of the latest bid and ask prices quoted by a major dealer in such securities unless a different fair market value is otherwise determined by the General Partner;

e) the value of any warrant for which no published market exists will be the greater of zero or the intrinsic value of such warrant (i.e., the difference between the exercise price of the warrant and the underlying market value of the underlying security) on a particular Valuation Date;

f) the value of any restricted securities (including securities subject to any hold period) will be the lesser of:

    A. the value thereof based on reported quotations in common use; and

    B. the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, multiplied by the percentage that the Partnership's acquisition cost was of the market value of such securities at the time of acquisition,

provided that a gradual taking into account of the actual value of the securities may be made where the date on which the restrictions will be lifted is known; and

g) the value of any security or property or other assets to which, in the opinion of the General Partner, the above principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) will be the fair value thereof determined in good faith in such manner as the General Partner from time to time adopts.

The Net Asset Value per Unit is the amount obtained by dividing the Net Asset Value as of a particular Valuation Date by the total number of Units outstanding on that date.

4.2 Long Term Debt

Neither the Partnership nor the General Partner currently has any debt, nor do they intend to incur any long term debt in the future.

4.3 Prior Sales

The following table shows securities issued by the Partnership within the last 12 months:

Date of issuance	Type of security issued	Number of securities issued	Price per security	Total funds received
January 6, 2016	Initial Unit	1	$100	$100

ITEM 5 SECURITIES OFFERED

5.1 Terms of Securities

The terms of the Partnership Agreement, which creates and governs all rights attaching to Units, are described in Item 2.7 “Material Agreements”. Item 1.2 describes the use of available funds.

5.2 Subscription Procedure

The Units are offered for sale during the period (the “Offering Period”), which is intended to end on or before June 30, 2016. The General Partner reserves the right to extend the Offering Period one or more times beyond June 30, 2016, to December 31, 2016 at the latest. The Subscription Price of the Units is $100 per Unit payable on execution of the Subscription Agreement, with a minimum subscription of 50 Units per investor, and with any investment in excess of $5,000 to be made in multiples of $1,000. The Partnership is making the Offering to all residents of Canada.

Units may be purchased through persons permitted under applicable securities legislation to sell Units of the Partnership. An investor who wishes to subscribe for Units must, subject to a minimum subscription of fifty (50) Units, complete, execute and deliver to the General Partner a Subscription Agreement and pay the amount due on Closing (as hereinafter defined) ($100.00 per Unit subscribed for) by an electronic order system such as FundSERV, by direct debit from the investor’s brokerage account or by certified cheque or bank draft made payable to the Partnership. Where Units are purchased through FundSERV, completed Subscription Agreements must be delivered to the General Partner within five business days of the purchase. **All subscriptions will be irrevocable, subject to the two day cancellation right described herein, that is available to certain Subscribers, as described in this Offering Memorandum**.

A person wishing to subscribe for Units of the Partnership must make a cheque payable to “Marquest Asset Management Inc. in Trust for Marquest LPs” which will be applied to Marquest Mining 2016-I Super Flow-Through Limited Partnership on the date of subscription for the full amount of the subscription.

The General Partner will be responsible for collecting all subscription orders and Subscription Proceeds from subscribers and the Agents, and for either returning same in the case the Minimum Offering is not attained, or remitting Agents’ Fees to the Agents, and remitting the balance to the Partnership.

You may subscribe for Units by returning the following documents to the General Partner on behalf of the Partnership:

1. for all Subscribers, a completed and signed **Subscription Agreement**;

2. for Subscribers, who are not residents of New Brunswick, Ontario or Québec and who are not Accredited Investors (other than a subscriber who are not an individual and are purchasing at least $150,000 of Units) a completed and signed **Form 45-106F4 - Risk Acknowledgement (Appendix II)** attached to the Subscription Agreement;

3. for Subscribers who have completed Form 45-106F4 - Risk Acknowledgement (Appendix II) and who are residents of Alberta, Nova Scotia or Saskatchewan a completed and signed **45-106F4 - Risk Acknowledgement Schedules (Appendix II.I)** attached to the Subscription Agreement;

4. for Subscribers who have completed Form 45-106F4 - Risk Acknowledgement (Appendix II) and who are residents of Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon and who are subscribing for more than $10,000 in Units a completed and signed **Declaration of Eligible Investor Status (Appendix III)** attached to the Subscription Agreement;

5. for Subscribers who are Accredited Investors, a completed and signed **Accredited Investor Certificate (Appendix IV)** attached to the Subscription Agreement and if an individual a completed and signed **Form 45-106F9 Form for Individual Accredited Investors (Appendix IV.I)**;

6. for Subscribers **who are not individuals** and who are purchasing at least $150,000 in Units only the Subscription Agreement is required;

7. for all Subscribers, a certified cheque, bank draft or wire transfer for the total Subscription Price of the Units you wish to purchase, payable to "Marquest Asset Management Inc. In Trust For Marquest LPs" which will be applied to Marquest Mining 2016-I Super Flow-Through Limited Partnership"; and

8. for Subscribers who are residents of British Columbia, Alberta, Manitoba, Saskatchewan, Northwest Territories, Yukon, and Nunavut who purchase from persons who are not registered with any securities commission in Canada (in reliance on a Blanket Order, as defined below), in addition to the documents noted above, a completed Risk Acknowledgement Form. It is the non-registered seller's obligation to provide you with the applicable form of Risk Acknowledgement to be completed.

Prior to a Closing, Subscription Proceeds received pursuant to this Offering will be received by the General Partner, and held in trust in a segregated account until all subscriptions for the applicable Closing are received and other closing conditions of this Offering have been satisfied. If the Closing is not completed for any reason, all subscription funds will be forthwith returned to the investors without interest or deduction. Fractional Units will not be issued. Subscriptions in excess of the minimum subscription of 50 Units ($5,000) may be made in multiples of 10 Units ($1,000).

A Subscriber will be entitled to receive written confirmation from the Transfer Agent of Units subscribed for, provided the Subscriber has paid the full Subscription Price for his Units. The General Partner has appointed Marquest Asset Management Inc. to act as the Registrar and Transfer Agent of the Units.

Subscriptions for Units are subject to acceptance or rejection in whole or in part by the General Partner in its sole discretion. An investor whose subscription is accepted by the General Partner will become a Limited Partner of the Partnership upon the amendment of the record of limited partners maintained by the General Partner. If a subscription is not accepted by the General Partner, monies received but not applied toward the Subscription Price shall be returned to the investor without interest or deduction within 15 days following such rejection. Investors will be required to make certain representations in the Subscription Agreement for Units and the General Partner will rely on such representations to establish the availability of the exemptions from applicable prospectus and registration requirements.

Subscriptions for Units of the Partnership must be made by completing the Subscription and Power of Attorney Form of Partnership and by forwarding such form directly to the General Partner. Subscription Proceeds pursuant to the Offering will be received by the General Partner pending Closing. If the Offering is not completed because the Minimum Offering has not

been met by June 30, 2016 (or any postponed or extended final closing date not later than December 31, 2016), all subscription funds will be returned to Subscribers without interest or deduction as soon as possible, unless the closing date has been extended.

Exemptions From Prospectus Requirements.

The Offering is being made in reliance upon exemptions from the prospectus requirements provided in National Instrument 45-106 ("NI 45-106"). Accordingly, no prospectus has been or will be filed with any securities commission in Canada in connection with the Offering.

Exempt market dealers ("EMD") can act as a dealer in the "exempt market" in order and to sell exempt products like the Units under this Offering. The key permitted activities for an EMD are trades of prospectus-exempt securities to specified clients, including "accredited investors", trades in securities to clients who purchase a minimum of $150,000 of a security in one transaction, and where permitted, trades in securities distributed under an offering memorandum ("EMD Exemptions"). Under these EMD Exemptions, an EMD can sell investment funds (whether or not they are prospectus-qualified) without being a member of the Mutual Fund Dealers Association or being registered as a mutual fund dealer.

In certain circumstances, sellers of exempt market products in BC, Alberta, Saskatchewan, Manitoba, Northwest Territories, Yukon and who are not registered as EMDs may be permitted to sell exempt market products, in reliance on and in compliance with a blanket order adopted in the applicable jurisdiction (a "Blanket Order").

(a) All Subscribers (except those resident in New Brunswick, Ontario and Québec):

<u>Offering Memorandum Exemption</u>

Section 2.9 of NI 45-106 provides exemptions for the sale of Units to Subscribers if the Subscriber purchases as principal and the Partnership delivers this Offering Memorandum to the Subscriber in the required form; and the Subscriber signs Form 45-106F4 - Risk Acknowledgment, attached as Appendix II to the Subscription Agreement and if resident in Alberta, Nova Scotia or Saskatchewan also signs Form 45-106F4 - Risk Acknowledgement Schedules attached as Appendix II.I to the Subscription Agreement. All jurisdictions of Canada where the offering memorandum exemption is available, except British Columbia and Newfoundland and Labrador, impose eligibility criteria on persons or companies investing under the offering memorandum exemption. In Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon, if the Subscriber's aggregate subscription amount is more than $10,000, the Subscriber must be an "eligible investor". In Alberta, Nova Scotia and Saskatchewan, if the Subscriber's aggregate subscription amount (including this purchase) over the preceding 12 months relying upon the Offering Memorandum Exemption is greater than $10,000, the Subscriber must be an "eligible investor". In Alberta, Nova Scotia and Saskatchewan, if the Subscriber is an "eligible investor" the aggregate subscription amount (including this purchase) over the preceding 12 months relying upon the Offering Memorandum Exemption cannot exceed $30,000, unless they have received advice from a registrant, in which case the aggregate subscription amount (including this purchase) over the preceding 12 months relying upon the Offering Memorandum Exemption cannot exceed $100,000

An "eligible investor" includes the following investors (among other categories):

(a) a person whose

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

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

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

(b) a person of which a majority of the voting securities are beneficially owned by eligible investors or a majority of the directors are eligible investors,

(c) a general partnership of which all of the partners are eligible investors,

(d) a limited partnership of which the majority of the general partners are eligible investors,

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

(f) a person that has obtained advice regarding the suitability of the investment and if the person is resident in a jurisdiction of Canada, that advice has been obtained from an eligibility adviser.

See Appendix III to the Subscription Agreement for the categories of "eligible investors".

In British Columbia and Newfoundland and Labrador, a Subscriber may purchase Units with a total Subscription Price over $10,000, and there is no requirement that the Subscriber be an "eligible investor".

The offering memorandum exemption in NI 45-106 is not available in New Brunswick, Ontario or Québec.

(b) All Subscribers:

(1) Accredited Investor Exemption

Section 2.3 of NI 45-106 allows "accredited investors" to purchase Units. The definition of "accredited investor" includes (among other categories):

- an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds $1,000,000;
- an individual whose net income before taxes exceeded $200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded $300,000 in each of those years and who, in either case, reasonably expects to exceed that net income level in the current calendar year; or
- an individual who, either alone or with a spouse, has net assets of at least $5,000,000.

See the Accredited Investor Certificate attached to the Subscription Agreement for a complete list of the categories of "accredited investor". Each Subscriber who purchases as an accredited investor must complete and sign the Accredited Investor Certificate attached to the Subscription Agreement and, if an individual, Form 45-106F9 Form for Individual Accredited Investors, **but does not need to complete the Risk Acknowledgment, Form 45-106F4.**

However, any Subscriber resident in a Northwest jurisdiction who purchases Units under the Offering from a non-registered seller relying on the Blanket Order must complete a Risk Acknowledgement Form. It is the non-registered seller's obligation to provide you with the applicable form of Risk Acknowledgement to be completed

(2) $150,000 Minimum Purchase Exemption

Section 2.10 of NI 45-106 allows a purchaser who is not an individual and who is purchasing as principal and invests not less than $150,000 to purchase Units. A Risk Acknowledgment on Form 45-106F4 need not be signed in this case.

However**,** any Subscriber resident in a Northwest jurisdiction who purchases Units under the Offering from a non-registered seller located in a Northwest jurisdiction relying on a Blanket Order, must complete the Risk Acknowledgement under the applicable Blanket Order. It is the non-registered seller's obligation to provide you with the applicable form of Risk Acknowledgement to be completed.

ITEM 6 INCOME TAX CONSEQUENCES

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

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

Investors acquiring units with a view to obtaining tax advantages should obtain independent tax advice from a knowledgeable tax advisor.

Introduction

In the opinion of Boughton Law Corporation, special tax counsel to the Partnership and the General Partner ("Tax Counsel"), the following is a summary, as at the date of this Offering Memorandum, of the principal Canadian federal income tax considerations under the Tax Act and the regulations thereto (the "Regulations") for an investor who acquires, holds and disposes of Units purchased pursuant to this Offering. This summary does not address any tax considerations associated with holding, converting or disposing of Mutual Fund Shares that may be received by a Limited Partner upon dissolution of the Partnership.

This summary is applicable only to Limited Partners who pay the purchase price for their Units in full when due and who, for the purposes of the Tax Act, at all relevant times are resident in Canada for taxation purposes and hold their Units (including in due course any property acquired in place of 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, and has not acquired Units as an adventure in the nature of trade, the Units should generally be considered to be capital property to the Limited Partner.

This summary is not applicable to a Limited Partner:

(a) who is a non-resident of Canada for purposes of the Tax Act;

(b) who is a partnership or a trust;

(c) that is a "financial institution" as defined in subsection 142.2(1) of the Tax Act;

(d) that is a "principal-business corporation" as defined in subsection 66(15) of the Tax Act;

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

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

(g) who has made a functional currency election under subsection 261(5) of the Tax Act;

(h) that is a corporation which holds a "significant interest" in the Partnership as defined in subsection 34.2(1) of the Tax Act; or

(i) that have entered into or will enter into a "derivative forward agreement" as that term is defined in subsection 248(1) of the Tax Act.

Except as otherwise indicated, this summary assumes that:

(a) the Units are not, and will not be, listed or traded on a stock exchange or other "public market" within the meaning of the Tax Act;

(b) other than the Units, there are no, and will not be any, other "investments" in the Partnership as defined in subsection 122.1(1) of the Tax Act;

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

(d) each Limited Partner will at all relevant times deal at arm's length, for purposes of the Tax Act, with the Partnership and each of the Resource Companies with which the Partnership has entered into a Flow-Through Agreement;

(e) the Flow-Through Shares to be acquired by the Partnership will be capital property to the Partnership; but for clarity, there is no assurance the CRA will regard the Flow-Through Shares as capital property;

(f) the Flow-Through Shares to be acquired by the Partnership are "flow-through shares" for the purposes of subsection 66(15) of the Tax Act and will not constitute "prescribed shares" for the purposes of the Regulations;

(g) the Partnership is not, and will not be at any material time, a "specified person" within the meaning of the Tax Act or subsection 6202.1(5) of the Regulations in relation to any Resource Company with which it has entered into a Flow-Through Agreement;

(h) the Mutual Fund is not, and will not be at any material time, a "specified person" within the meaning of the Tax Act or subsection 6202.1(5) of the Regulations in relation to any Resource Company;

(i) all Partners of the Partnership are resident in Canada at all relevant times; and

(j) Units that represent more than 50% of the fair market value of all interests in the Partnership are not held by "financial institutions" (as defined in subsection 142.2(1) of the Tax Act) at all relevant times.

This summary also assumes that none of the Partners or any "specified person" in relation to a Partner is entitled, whether immediately or in the future and either absolutely or contingently, to receive or obtain in any manner whatever, any amount or benefit (i) for the purposes of deriving earnings, or reducing the impact of any loss that may be sustained, by virtue of being a Partner or the holding or disposition of Units and/or Flow-Through Shares; or (ii) as a repayment or return of all or any part of the consideration for which a Unit or a Flow-Through Share was issued.

This summary is of a general nature and is based on the current provisions of the Tax Act and Regulations, all amendments to the Tax Act and Regulations specifically proposed and publicly announced by the Minister of Finance prior to the date hereof ("Tax Proposals"), and Tax Counsel's understanding of the current administrative practices of the CRA. Unless otherwise expressly stated, this summary assumes the Tax Proposals will be enacted as intended, and that legislative, judicial or administrative actions will not modify or change the statements expressed in this summary.

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

This summary is not intended to be, nor should it be construed as, legal or tax advice to prospective purchasers of Units. It is not practical to comment on all aspects of federal income tax law that may be relevant to each prospective purchaser of Units. The income tax considerations applicable to a prospective purchaser of Units will depend on a number of factors

particular to each prospective purchaser, including but not limited to applicable provincial tax legislation. Accordingly, each prospective purchaser of Units should obtain independent advice from a qualified tax advisor as to the income tax considerations applicable to investing in Units in the context of the purchaser's own circumstances.

Computation of Income

The Partnership itself is not liable for income tax, and is not required to file income tax returns other than annual information returns. 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 each year and upon its dissolution. Subject to the important restrictions described below under "Limitations on Deductibility of Expenses or Losses of Partnership", each Limited Partner will be required to include, or be entitled to deduct, in computing their income for a given taxation year the Limited Partner's *pro rata* share of the income, or loss, as the case may be, of the Partnership allocated to the Limited Partner under the Partnership Agreement for the fiscal period of the Partnership ending in the Limited Partner's taxation year, whether or not any distribution of income has been made to the Limited Partner by the Partnership. The income or loss of the Partnership will be allocated to a Limited Partner in accordance with the Partnership Agreement.

Partnership income or loss is computed without taking into account any deductions for CEE renounced to it in respect of any Flow-Through Shares owned by the Partnership. Rather, CEE is allocated directly to the Limited Partners in computing their income, as described in more detail below under the heading "Canadian Exploration Expense". The Partnership's income will include taxable capital gains realized by the Partnership on a 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 should equal its proceeds of disposition of the Flow-Through Shares net of any reasonable costs of disposition. If the CRA were to successfully assert the Flow-Through Shares are not capital property, the full gain would be included in the Partnership's income. The income of the Partnership will include any interest earned on funds held by the Partnership prior to (or following) its investment in Flow-Through Shares.

Each Limited Partner will be required to file an income tax return reporting the Limited Partner's share of the Partnership's income or loss. The General Partner confirms that the Partnership will provide each Limited Partner with tax information relating to the Units of the Limited Partner, but it 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 containing prescribed information for each fiscal period of the Partnership. A return made by one Limited Partner is deemed to be made by each Limited Partner in the Partnership. The General Partner is obliged to file the required information return under the Partnership Agreement.

The costs associated with the organization of the Partnership will not be fully deductible by the Partnership in determining its income for the fiscal period in which they are incurred. Subject to the discussion below of the Proposed Loss Limitation Rule, organization expenses incurred by the Partnership are eligible capital expenditures, three-quarters of which may be deducted by the Partnership at the rate of 7% per year on a declining balance basis (subject to pro ration where the taxation year is less than 365 days).

Generally, offering expenses are deductible over a 5 year period at the rate of 20% per year (subject to pro ration where the taxation year is less than 365 days). In the event that the Partnership is dissolved and these expenses have not been fully deducted, each Limited Partner immediately prior to the dissolution may deduct, in a taxation year ending after that time, the Limited Partner's *pro rata* share of the amount the Partnership would have been entitled to deduct in its fiscal period ending in the taxation year if the Partnership had continued to exist and the adjusted cost base of a Limited Partner's Units will be reduced on dissolution of the Partnership by the Limited Partner's share of such expenses. Subject to the discussion below of the Proposed Loss Limitation Rule, other fees and expenses that are incurred by the Partnership in the course of its ongoing business should be deductible in the year incurred to the extent that they are reasonable.

The Tax Act levies a special tax on the income of those partnerships which constitute a "SIFT partnership" ("SIFT"). A SIFT includes certain Canadian partnerships whose units are listed or traded on a stock exchange or other public market. If the Partnership were to constitute a SIFT, certain taxes could apply to the Partnership and to Limited Partners. However, based on the provisions of the Partnership Agreement and the confirmation of the General Partner that the Units are not, and will not be, listed or traded on a stock exchange or other "public market" within the meaning of the Tax Act, and that there are

no “investments”, as defined in subsection 122.1(1) of the Tax Act, in the Partnership other than the Units, the Partnership should not constitute a SIFT.

Canadian Exploration Expense

Provided the relevant provisions in the Tax Act are satisfied, the Partnership is deemed to incur CEE that is renounced in prescribed form to the Partnership by a Resource Company pursuant to a Flow-Through Agreement between the Partnership and the Resource Company. The Partnership is deemed to incur the CEE on the effective date of the renunciation. The General Partner confirms that, at the end of each fiscal period and in accordance with the Partnership Agreement, the Partnership will allocate CEE so incurred by it for the fiscal period to its then Limited Partners. As a result, the Limited Partners are considered to have incurred the CEE at that time to the extent of their *pro rata* ownership interest in the Partnership.

A Limited Partner adds the CEE so allocated to the Limited Partner’s "cumulative Canadian exploration expense" ("CCEE") pool. Subject to the relevant provisions of the Tax Act, in computing income from all sources for a taxation year, the general rule is that a Limited Partner may deduct up to 100% of the balance in the Limited Partner’s CCEE pool at the end of the year. Any balance in the CCEE pool can be carried forward indefinitely and claimed in a later year, subject to the detailed rules in the Tax Act. However, a Limited Partner’s share of CEE incurred by the Partnership in a fiscal period is 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 CEE is added to the Limited Partner’s share of CEE incurred by the Partnership in the immediately following fiscal period, but the CEE will again be subject to possible reduction through the application of the at-risk rules in that subsequent fiscal period.

The CCEE pool of a particular Limited Partner is reduced by deductions in respect of the CCEE pool made by the Limited Partner in prior taxation years. The CCEE pool is also reduced by a Limited Partner’s share of any amount the Limited Partner or Partnership receives or is entitled to receive as assistance or benefits that relate to CEE incurred, or that can reasonably be related to Canadian exploration activities. Where the balance of a Limited Partner’s CCEE pool is negative at the end of a taxation year because reductions in calculating the CCEE pool exceed the balance of that pool at the beginning of the year and additions thereto during the year, the negative amount must be included in the Limited Partner’s income for that taxation year and the Limited Partner’s CCEE pool is adjusted to nil. To the extent that any federal or any provincial investment tax credit, as described further below, is applied by a Limited Partner in a taxation year, the amount of such credits would be deducted in the calculation of the Limited Partner’s CCEE pool for the following taxation year. This may result in a negative balance in the Limited Partner's CCEE pool.

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

The General Partner confirms that it will ensure that each Flow-Through Agreement will contain covenants and representations of the Resource Company that it will incur CEE in an amount equal to the full purchase price payable for the Flow-Through Shares acquired by the Partnership, and that it will use reasonable and timely efforts to ensure that such CEE will be renounced to the Partnership with an effective date not later than December 31, 2016. The only exception to this will arise where the Flow-Through Agreement relates to Flow-Through Shares purchased with the proceeds generated from the sale of Flow-Through Shares as noted herein.

If the relevant conditions in the Tax Act are satisfied, certain CEE incurred or to be incurred by a Resource Company in a particular calendar year may be renounced effective December 31 of the preceding calendar year, provided such renunciation is made in the first three months of the particular calendar year. For example, each Flow-Through Agreement entered into and fully paid for in 2016 will permit a Resource Company to incur such CEE at any time up to December 31, 2017, provided certain conditions are met and the Resource Company agrees to renounce that CEE to the Partnership by March 31, 2017 with an effective date of December 31, 2016.

If such CEE renounced effective December 31, 2016 is not in fact incurred in 2017, the CEE so renounced to the Partnership will be reduced accordingly, effective as of December 31, 2016. The further result is that CEE previously allocated by the Partnership to Limited Partners as at December 31, 2016 will also be reduced accordingly, and the Limited Partners may be

reassessed for their 2016 taxation year as a result. However, none of the Limited Partners will be charged interest on any unpaid tax arising as a result of such reduction before May 2018.

The Partnership may enter into Flow-Through Agreements that will require the Resource Company to indemnify the Limited Partners for any additional tax payable in the event that the Resource Company fails to incur and/or renounce CEE equal to the purchase price for the Flow-Through Shares in the manner described above. It is the CRA's position that any indemnity payment made under such agreements would be included in the Limited Partner's income but that the Limited Partner could make an election under subsection 12(2.2) of the Tax Act to exclude such payment from its income if the amount of an outlay or expense (other than in respect of the cost of property) is reduced. Limited Partners should consult their tax advisors if any such indemnity payment is received.

If the Partnership disposes of any Flow-Through Shares, it may use all or part of the proceeds from the sale to acquire additional Flow-Through Shares. In such an event, each Flow-Through Agreement of the Partnership will require the Resource Company to incur CEE in the amount of the full purchase price for the Flow-Through Shares and renounce such CEE to the Partnership.

As of March 21, 2013 ("Budget Day") certain pre-production mine development expenses, as described in paragraph (g) of the definition of CEE in subsection 66.1(6) of the Tax Act, are to be reclassified as CDE. The transition of these expenses from CEE to CDE will be phased in gradually beginning in 2016 and have full effect as of the 2018 calendar year. Grandfathering is provided for eligible expenses incurred before 2018 in respect of a new mine that was under construction prior to Budget Day or where there is a written agreement to incur the expense that was entered into prior to Budget Day. Based on the anticipated manner in which the Partnership will operate as described in this Offering Memorandum, it is likely that this provision will have no material effect on the Partnership or Limited Partners.

The Liberal CEE Initiative, currently being discussed by the Federal Government, may affect the availability of CEE deductions. The timing and extent of the potential reduction in CEE deductions will not be known with any degree of certainty until the next Federal Budget or possibly later. Provisions associated with the Liberal CEE initiative may be given retroactive effect if and when they are enacted.

Investment and Other 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 a certain type of CEE renounced to the Partnership and allocated to the Limited Partner. Generally, the CEE that gives rise to the EITC relates to specified surface grass roots mining exploration expenses that are: (i) incurred or deemed to be incurred in Canada before 2017; and (ii) renounced to the Partnership under a Flow-Through Agreement made on or before March 31, 2016. Historically, the relevant dates by which a Flow-Through Agreement must be entered into and by which expenses must be incurred thereunder in order to qualify for the EITC have been extended by one year, with such extension announced in the Federal Budget. If the 2016 Federal Budget announces an extension of these dates, and the Tax Act is amended accordingly, the expenditures would likely need to be incurred or deemed to be incurred before 2018 under a Flow-Through Agreement entered into on or before March 31, 2017, in order to be eligible for the EITC. Given the current government's policy platform to limit the deductibility of CEE in certain circumstances, there can be no assurance at this time that such extension will be proposed or implemented.

The amount of CEE upon which the EITC is computed will be reduced by any provincial tax credit, such as described below, that the Limited Partner has received, is entitled to receive or can reasonably be expected to receive in respect of the CEE.

The EITC can be used by a Limited Partner to reduce the tax otherwise payable in the taxation year of the Limited Partner in which the Limited Partner becomes entitled to the credit. However, the EITC will be limited to the extent it reduces the Limited Partner's tax payable beyond the level of alternative minimum tax discussed below. Subject to detailed rules in the Tax Act, any unapplied portion of the EITC may be claimed in up to the following twenty years or the preceding three years. To the extent the EITC is applied in a year, it is deducted from the Limited Partner's CCEE account in the following taxation year. Therefore, a Limited Partner who deducts an EITC in 2016 will be required to include in income in 2017 the amount so deducted unless there is a sufficient offsetting balance in its CCEE account in 2017.

Certain provinces provide for similar non-refundable investment tax credits for use in computing the provincial income tax liability, generally, of individuals resident in the province and in respect of such CEE incurred in that province.

Limitations on Deductibility of Expenses or Losses of Partnership

Subject to the "at-risk" rules in the Tax Act and the Proposed Loss Limitation Rule discussed below, a Limited Partner's share of 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, may be carried back three years and forward twenty years and applied against taxable income of such other years.

The "at-risk" rules may, in certain circumstances, limit the amount of deductions, including CEE, and losses 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 to the extent these amounts exceed the Limited Partner's "at-risk amount" in respect of the Partnership.

Based on the manner in which the Partnership will operate and be financed as described in this Offering Memorandum, and the assumption that the financing for any portion of the Subscription Price for the Units is not limited or deemed to be limited within the meaning of the Tax Act, it is likely the "at-risk" rules will not limit a Limited Partner's deductions in respect of Partnership losses or CEE incurred by the Partnership. A sale of Flow-Through Shares by the Partnership in a fiscal year may give rise to a capital gain equal to the proceeds thereof less direct selling costs. The full amount of the portion of such capital gain allocable to a Limited Partner would generally be recognized as an addition to the Limited Partner's at-risk amount at the Partnership's fiscal year end. If the Partnership reinvests the amount of such capital gain in additional Flow-Through Shares in the same fiscal year, and CEE in this amount is renounced to the Partnership effective in this same fiscal year, the amount of such CEE allocable to the Limited Partner at the fiscal year end should not be adversely affected by the at-risk rules.

The Tax Act contains additional rules that restrict the deductibility of certain amounts by persons who acquire a "tax shelter investment" as defined in Tax Act. The Units have been registered with the CRA under the "tax shelter" registration rules in the Tax Act and will be "tax shelter investments" under the Tax Act.

Where a Limited Partner finances the acquisition of Units with a financing for which recourse is or is deemed to be limited (a "limited recourse amount") within the meaning of the Tax Act or has any other "prescribed benefit" in respect of financing the Limited Partner's Units, the CEE and other expenses of the Partnership may be reduced by the amount of such financing to the extent the financing can reasonably be considered to relate to such amounts. "Prescribed benefit" includes any amount, having regard to statements or representations made in respect of the Units, that may reasonably be expected to be received or made available to a Limited Partner (or a person who does not deal at arm's length with a Limited Partner) which would have the effect of reducing the impact of any loss that the Limited Partner may sustain by virtue of acquiring, holding or disposing of any interest in the Units. A prescribed benefit also includes certain limited recourse amounts and certain amounts that are deemed to be limited recourse amounts.

The 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 financing will be reduced by the amount of the reduction. Where the reduction of other expenses reduces the loss of the Partnership, the Partnership Agreement similarly provides that such reduction will first reduce the amount of the loss that would otherwise be allocated to the Limited Partner who incurs the limited recourse financing. As the Units are tax shelter investments, the cost of a Unit to a Limited Partner may also be reduced by the total of limited recourse amounts and "at-risk adjustments" that can reasonably be considered to relate to such Units. Any such reduction may reduce the amount of deductions otherwise available to the Limited Partner to the extent that deductions are not reduced at the Partnership level as described above.

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 any 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) the debt bears interest at a rate not less than the lesser of the rate prescribed in the Tax Act in effect at the time the indebtedness arose or the rate prescribed from time to time during the term of the debt; and

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

A Limited Partner's loss in a year may be limited by the Proposed Loss Limitation Rule, as described below.

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

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

On October 31, 2003, the Department of Finance announced the Proposed Loss Limitation Rule relating to the deductibility of losses under the Tax Act. Under the Proposed Loss Limitation Rule, a taxpayer will be considered to have a loss from a business or property for a taxation year only if, in that year, it is reasonable to assume that the taxpayer will realize a cumulative profit from the business or property during the time that the taxpayer has carried on, or can reasonably be expected to carry on, the business or has held, or can reasonably be expected to hold, the property. Profit, for this purpose, does not include capital gains or capital losses. While the specific application of the Proposed Loss Limitation Rule to Limited Partners will ultimately be a question of fact in any case, it could apply to limit losses realized by the Partnership and allocated to the Limited Partners, and to any losses realized by the Limited Partners from interest expense in a year or the deduction of Issue Expenses and the Agents' Fees after the dissolution of the Partnership. On February 23, 2005, the Minister of Finance (Canada) announced that alternative proposals to replace the Proposed Loss Limitation Rule would be released at an early opportunity. As of the date hereof, no alternative proposal has been released and the proposed amendment is on hold. There can be no assurance that such alternative proposals will not adversely affect Limited Partners.

Income Tax Withholding and Installments

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.

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

Adjusted Cost Base of Units

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

Where the total of any such reductions to the adjusted cost base of a Unit exceeds the original cost of the Unit plus any such increases to the adjusted cost base of the Unit at the end of a fiscal period of the Partnership, such excess ("negative

amount") will be deemed to be a capital gain of the Limited Partner in respect of the Unit at that time. While there can be no assurance, it is not anticipated that original Limited Partners will realize such a capital gain.

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 exceeded by, as the case may be, 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. One-half of a capital loss is an "allowable capital loss", and is deductible only against taxable capital gains for the year. Subject to the detailed rules of the Tax Act, the unused portion of a capital loss may be carried back three years or forward indefinitely in accordance with the rules of the Tax Act.

A Canadian-controlled private corporation, as defined in the Tax Act, may be subject to an additional refundable tax of 6 2/3% of certain investment income, which includes 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. Only a person who is a Limited Partner at the end of a fiscal period of the Partnership will be entitled to a *pro rata* share of the Partnership's CEE in that fiscal period.

Transfer of Partnership's Assets

With the approval of the Limited Partners as provided in the Partnership Agreement, the General Partner may transfer to the Mutual Fund all of the assets of the Partnership in consideration for Mutual Fund Shares. 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, and the Mutual Fund will acquire each Partnership asset at a cost amount thereof to the Partnership. Further, provided the Partnership is dissolved within 60 days of the asset transfer and certain other requirements are satisfied, the Mutual Fund Shares will be distributed to the Limited Partners with a cost for tax purposes equal to the cost of the Units held by the Limited Partners (less any cash received), and a Limited Partner will generally not be subject to tax in respect of such transaction.

A transfer of the Partnership's assets on a dissolution of the Partnership, other than as described in the preceding paragraph, could result in taxable capital gains to the Limited Partners. However, the form of any such dissolution transaction and the tax consequences associated with it can only be ascertained with any degree of certainty at the time the Partnership is to be dissolved. Consequently, Limited Partners are encouraged to seek independent income tax advice regarding any particular proposal regarding dissolution of the Partnership.

Alternative Minimum Tax

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

Whether and to what extent the tax liability of a Limited Partner is increased by the alternative minimum tax will depend on the amount of the particular 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 the year resulting from the application of the alternative minimum tax will be deductible in any of the seven immediately following taxation years in computing the amount that would, but for the alternative minimum tax, be the individual's tax otherwise payable for the year.

Non-Eligibility for Investment in Deferred Income Plans

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

Tax Shelter

The federal tax shelter identification number in respect of the Partnership is TS 084137, and the Québec tax shelter identification number in respect of the Partnership is QAF-16-01609. This identification number is required to be included in any income tax return filed by a Limited Partner. Issuance of the identification number 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 an investment in the Units.

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

ITEM 7 COMPENSATION PAID TO SELLERS AND FINDERS

Fees Payable to Agents

Agents' Fees in cash equal to 5.25% of the Subscription Proceeds will be paid as compensation to Agents in respect of all the Units sold to Subscribers introduced to the Partnership by such Agents.

Wholesalers who raise Subscription Proceeds will be paid a cash fee by the General Partner out of the Issue Expenses received by the General Partner.

From its Management Fee, and not from the proceeds to the Partnership, the Portfolio Manager may pay to various Agents, up to 0.75% of the Subscription Price for services performed by those Agents as it relates to Subscribers.

Fees Payable to the General Partner

The General Partner will receive a fee equal to 4.75% of the Subscription Proceeds in respect of the Issue Expenses.

Fees Payable to the Portfolio Manager

The Portfolio Manager will receive the Management Fee and may receive the Performance Bonus.

ITEM 8 RISK FACTORS

There are certain risks that potential subscribers should carefully consider, including the following factors.

Speculative Nature of Investment

This is a blind pool offering. This Offering is speculative. 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 Companies 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, development and/or production, 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.

Blind Pool

This is a blind pool offering. The purchase price per Unit paid by an investor at a Closing subsequent to the Initial Closing may be less or more than the Net Asset Value per Unit at the time of the purchase, and since the proceeds available to the Partnership for investment will be net of offering and other expenses, unless the Partnership's portfolio increases in value, the purchase price per Unit for such investors will be more than the Net Asset Value per Unit. The extent to which the purchase price per Unit is higher or lower than the Net Asset Value per Unit will depend on a variety of factors, including whether or not the Partnership acquires Flow-Through Shares at a premium or discount to market prices, and changes in the value of the Partnership's portfolio.

After the Initial Closing of the Offering, the Net Asset Value per Unit can be obtained by visiting the Portfolio Manager's website at www.marquest.ca or by contacting the Portfolio Manager directly at 1-877-777-1541. None of the information contained on this website is or will be deemed to be incorporated in this Offering Memorandum by reference.

No Assurance of a Positive Return

Because of market fluctuations in the values of the investments to be held by the Partnership, there is no assurance of a positive return on a Limited Partner's original investment. The investment involves a high degree of risk and should be considered only by those persons who can afford a loss of their entire investment.

Speculative Offering

The Units offered by this Offering Memorandum are speculative and there is no market for the Units which are subject to resale restrictions imposed under applicable Canadian securities legislation.

Size of Offering

The size of the Offering will directly affect the degree of diversification of the portfolio of Flow-Through Shares held by the Partnership and will affect the scope of investment opportunities available to the Partnership. In addition, if only the Minimum Offering is sold, the General Partner's ability to negotiate with Resource Companies will be impaired and therefore the intended business and investment strategy of the Partnership will not be fully met.

Changes in Net Asset Values

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

The value of the units may fluctuate due to variations in the value of investments held by the partnership. Fluctuations in the market values of the portfolio investments may occur for a number of reasons beyond the control of the partnership and the Manager, including fluctuations in market prices for commodities and foreign exchange rates and other risks described under "Risks Associated with Resource Companies"

The Partnership invests primarily in Flow-Through Shares issued by Resource Companies. Accordingly, the investment portfolio of the Partnership may be more volatile than portfolios with a more diversified investment focus.

Possible Loss of Limited Liability

Legislation with respect to limited partners provides that a limited partner benefits from limited liability unless, in addition to exercising his rights and powers as a limited partner, he takes part in the management or control of the business of the limited partnership.

No Resale Market

Although the Units are transferable subject to certain restrictions contained in the Partnership Agreement, there is no market through which the Units may be resold and none is expected to develop. Subscribers 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. In addition, fluctuations in the market values of Flow-Through Shares acquired by the Partnership may occur for a number of reasons beyond the control of the General Partner or Partnership and there is no assurance that an adequate market will exist for the securities acquired by the Partnership or by the Limited Partners on dissolution of the Partnership or earlier. The Partnership will endeavour to provide Limited Partners with enhanced liquidity for their Units, and the Mutual Fund Rollover Transaction is expected to be implemented, but there can be no assurance that such endeavours or proposals, as applicable, will be successful or receive the requisite approvals.

No Review by Regulatory Authorities

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

Share Prices & Resale Restrictions

The Flow-Through Shares may be issued to the Partnership at prices greater than the market prices of such shares, and Limited Partners must rely entirely on the discretion of the General Partner in negotiating the pricing of those securities. In addition, all Flow-Through Shares issued to the Partnership will be subject to resale restrictions, of a minimum of 4 months, and a maximum of 12 months or even longer, depending on the reporting issuer status of the relevant Resource Company. The effect of such resale restrictions could include the inability of the Partnership to sell Flow-Through Shares into the market at advantageous or timely market prices, or ever.

Rate of Return

There is no assurance that an investment in the Partnership will earn a specified rate or return, or even any return, over the life of the Partnership.

No Dividends or Cash Distributions

The Partnership does not expect to pay, but is not precluded from paying, dividends or other cash distributions to Limited Partners prior to the dissolution of the Partnership.

Agreements with Resource Companies

There is no assurance that the Partnership will enter into Flow-Through Agreements with Resource Companies on or before December 31, 2016 to utilize all of the Available Funds of the entire Offering, or that all committed funds will be expended on Eligible Expenditures which will be renounced effective on or before December 31, 2016.

There may be insufficient high-quality Resource Companies willing to offer Flow-Through Shares to the Partnership.

Resource Companies may fail to comply with provisions contained in Flow-Through Agreements or with provisions of the Tax Act with respect to the amount, timing and nature of the expenses that are to be renounced and/or incurred by the Resource Companies. The Partnership may not be able to recover any losses suffered as a result of Resource Companies' failure to abide by the provisions in Flow-Through Agreements and/or the Tax Act.

The General Partner will consider technical reports made available to it in making an investment decision, but will not necessarily require a technical report to be provided by a Resource Company before entering into a Flow-Through Agreement with a Resource Company.

Limited Partners must also rely upon the discretion of the General Partner in entering into any agreements with Resource Companies, in determining the composition of the portfolio of Flow-Through Shares of Resource Companies to be owned by the Partnership, and in determining whether to dispose of Flow-Through Shares owned by the Partnership. Management of the General Partner does not consist of individuals whose principal occupation is making investment decisions or evaluating Resource Companies or companies in general. None of the management of the General Partner will devote his full time to the business and affairs of the Partnership or General Partner. Limited Partners who are not willing to rely on the discretion of the General Partner, or would second-guess investment decisions made by the General Partner, should not purchase Units.

Dependence on Key Personnel

The loss of any of the management of the General Partner would not likely have a material adverse effect on the management and business of the Partnership.

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 Portfolio Manager in entering into any Flow-Through Agreements with Resource Companies, in determining (in accordance with the Partnership's investment strategies and Investment Restrictions) the composition of the portfolio of securities of Resource Companies to be acquired by the Portfolio, and in determining whether to dispose of securities (including Flow-Through Shares) held by the Portfolio. In addition, there is no certainty that the Portfolio Manager's employees who will be responsible for the management of the Partnership's portfolio of securities, will continue to be employees of the Portfolio Manager throughout the term of the Partnership.

In assessing the suitability of an investment in any Resource Company, the Portfolio Manager will consider the experience and track record of the Resource Company's management and publicly available information concerning the mineral resource property interests held by the Resource Company. The Portfolio 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 Company'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 Portfolio Manager in negotiating the pricing of those securities.

Flow-Through Shares

There can be no assurance that the Portfolio Manager will be able to identify a sufficient number of suitable Resource Companies willing to issue Flow-Through Shares at prices deemed to be acceptable by the General Partner to permit the Portfolio to commit all Available Funds to purchase Flow-Through Shares by December 31, 2016. As at the date hereof, the Partnership has not entered into any Flow-Through Agreements. Any Available Funds in respect of the Portfolio not committed by the Partnership on or before December 31, 2016 will be distributed to the Limited Partners of record on December 31, 2016 by March 31, 2017, 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. If uncommitted funds are returned in this manner, Limited Partners of the Portfolio will not be entitled to claim all of the anticipated deductions from income for income tax purposes.

Concentration Risk

The Partnership intends to invest the Available Funds in Flow-Through Shares of junior and intermediate Resource Companies engaged in mineral exploration, development and/or production 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. While an investment strategy with less emphasis on mineral exploration, development and/or production 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.

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 owned by the Partnership may be affected by such factors as investor demand, resale restrictions, general market trends, and regulatory restrictions. Fluctuations in the market values 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 these securities 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 securities held by the Partnership, including those listed and not subject to resale restrictions, may be relatively illiquid and may decline in price if a significant number of shares are offered for sale.

Competition

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

Return of Contributions

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

Financial Resources of the General Partner

While the General Partner has unlimited liability for the obligations of the Partnership and has agreed to indemnify the Limited Partners in certain circumstances, the General Partner does not have and is not expected to have significant financial resources which would enable it to satisfy the obligations of the Partnership or to satisfy the obligations of the General Partner to indemnify the Limited Partners in certain circumstances. Prospective investors should not rely on the General Partner to provide any additional capital or loans to the Partnership in the event of any contingency.

In addition, both the General Partner and the Partnership are newly established, with no previous operating history.

Tax Related Risks

Units are most suitable for an 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. The Tax Act may not be amended to extend the deadline for entering into Flow-Through Agreements eligible for the EITC beyond March 31, 2016.

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 Mutual Fund Shares including on exchanging Units for Mutual Fund Shares on dissolution of the Partnership. 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 have not been introduced and 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 Companies will not incur or renounce Eligible Expenditures in an aggregate amount equal to the Available Funds, which may adversely affect the return on a Limited Partner's investment in Units. Under certain Flow-Through Agreements to purchase Flow-Through Shares, the subscription price for Flow-Through Shares may be released before Eligible Expenditures have been incurred and renounced. There is a risk under such Flow-Through Agreements that the Resource Company will not incur and renounce Eligible Expenditures in an amount equal to the subscription price for such shares; however, the Resource Company 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 Companies and purportedly renounced or allocated to the Partnership may not qualify as Eligible Expenditures or qualify for the EITC, which may adversely affect the return on a Limited Partner's investment in Units.

If Eligible Expenditures renounced within the first three months of 2017, with an effective date for tax purposes of December 31, 2016, is not in fact incurred in 2017, the Partnership's, and consequently, the Limited Partners', CEE may be reassessed by CRA effective as of December 31, 2016 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 2018.

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 alternative minimum tax could limit tax benefits available to Limited Partners.

If a Limited Partner finances the subscription price of his 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 Proposed Loss Limitation Rule could, among other things, adversely affect a Limited Partner who has borrowed funds in connection with the acquisition of Units or the deduction by the Partnership of expenses, including interest on money borrowed to pay the Agents' commissions and other expenses. The summary set out under the heading "Income Tax Consequences" does not address 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 Proposed Loss Limitation Rule limits a taxpayer's ability to deduct a loss from a business or property in a year, unless it is reasonable to expect in that year that the taxpayer will realize a cumulative profit from that business or property over the expected life of the business or period of ownership of the property. Cumulative profit will be determined without reference to capital gains or capital losses. If enacted as proposed, the Proposed Loss Limitation Rule will apply to taxation years commencing after 2004. The specific application of the Proposed Loss Limitation Rule to Limited Partners will ultimately depend upon the facts in any case and CRA's administrative practice. However, if the Proposed Loss Limitation Rule is

enacted in its current form, it could apply in the 2016 taxation year and subsequent tax years to limit losses realized by the Partnership and allocated to the Limited Partners, and to any losses realized by the Limited Partners from interest expense in a year or the deduction of offering expenses and the Agents' commission after the dissolution of the Partnership. On February 23, 2005, the Minister of Finance (Canada) announced that an alternative proposal to replace the Proposed Loss Limitation Rule would be released for comment at an early opportunity. There can be no assurance that any alternative proposal will not adversely affect Limited Partners.

The Partnership may not be able to invest 100% of the Available Funds in Resource Companies 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 the heading "Income Tax Consequences" would, in some respects, be materially 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.

There is a possibility that CRA may deny the deductibility of fees paid to the 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. Pursuant to the Partnership Agreement, the General Partner is entitled to a management fee equal to 4.75% of the gross proceeds of the Offering on account of expenses of the Offering (other than the Agents' Fees). To the extent that the amount paid to the General Partner exceeds reimbursements for offering expenses, CRA may assert that an entitlement of the General Partner to the excess is more appropriately treated as an entitlement to share in any income of the Partnership as a partner of the Partnership and, therefore, may not result in a deduction in computing the Partnership's income. 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.

The Tax Act limits the availability of the exemption from capital gains in respect of the donation of certain publicly listed securities. In respect of Flow-Through Shares issued on or after March 21, 2011 (or in certain cases, securities acquired in connection with a tax-deferred exchange of such shares) that are donated to a "qualified donee" (as defined in the Tax Act), the exemption from capital gains is generally limited to the extent that the capital gain exceeds the original cost of the shares, subject to certain adjustments. Any Limited Partner who may intend to donate to a "qualified donee" any securities acquired on the dissolution of the Partnership, including any Mutual Fund Shares, in the event the Mutual Fund Rollover Transaction is implemented, should consult with his or her own advisors regarding the income tax consequences in respect of any such donation, including the potential application of these amendments to the Tax Act.

Resale Restrictions May be an Issue if the Mutual Fund Rollover Transaction is not Implemented

There are no assurances that the Mutual Fund Rollover Transaction will be proposed, receive the necessary approvals (including regulatory approvals) or be implemented. In such circumstances, each Limited Partner's *pro rata* interest in the assets of the Partnership will be distributed upon the dissolution of the Partnership, which will occur on or before May 31, 2018.

For example, if no Mutual Fund Rollover Transaction is completed and the General Partner and Portfolio Manager are unable to dispose of all investments prior to the Dissolution Date, Limited Partners may receive securities of Resource Companies, for which there may be an illiquid market or which may be subject to resale and other restrictions under applicable securities law.

Mutual Fund Shares

In the event that the Mutual Fund Rollover Transaction is completed, Limited Partners may receive shares in a mutual fund. These shares will be subject to various risk factors applicable to shares of mutual fund corporations or other investment vehicles which invest in securities of Canadian companies engaged in the natural resource industries. These risks are similar

to other risks defined herein. In addition, the pressure of large-scale redemptions in a short period of time right after the Mutual Fund Rollover Transaction could add to the volatility.

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 Companies 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 Companies in which the Partnership invests would not be materially adversely affected.

Valuation of Non-Listed Resource Companies

The Partnership's investments in certain small Resource Companies may be difficult to value accurately or to sell, and may trade at a price significantly lower than their value. In general, the less liquid an investment, the more its value tends to fluctuate. As a result, the Partnership may not be able to convert its investments to cash at a fair market price when it needs to or it may bear additional costs in doing so.

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.

If the assets of the Partnership allocated to a Portfolio are not sufficient to satisfy liabilities of the Partnership allocated to that Portfolio, the excess liabilities will be satisfied from assets attributable to the other Portfolio which will reduce the Net Asset Value of Units of the Class representing that other Portfolio.

Conflicts Of Interest

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

The General Partner will not engage in any business other than acting as general partner for the Partnership. The General Partner's Affiliates may, and probably will, engage in other business ventures (the "Conflicting Ventures"), including, without limitation, acting as general partners, or directors or officers of general partners, of other limited partnerships or entities which invest in Flow-Through Shares of Resource Companies or other tax-advantaged investment vehicles. Neither the Partnership nor any Partners shall by virtue of the Partnership Agreement or otherwise have any right, title or interest in or to such Conflicting Ventures.

An Affiliate of the General Partner, namely the Exempt Market Dealer, may receive cash commissions, securities and/or rights to purchase securities of Resource Companies, in consideration for its services as agent or finder in connection with certain private placements of Flow-Through Shares to the Partnership. The fee payable to the Exempt Market Dealer will be paid by the Resource Company from funds other than the funds invested in Flow-Through Shares by the Partnership. There is no percentage limit to the amount of the Partnership's Available Funds that may be invested in Resource Companies for which the Exempt Market Dealer may receive a fee. The registered staff who work for the Exempt Market Dealer will take no part in the decision as to whether the Portfolio Manager will invest in the shares of any Resource Company.

Affiliates of the General Partner will engage in selling of securities of issuers other than the Partnership, some or all of which may be competing with the Partnership for investors as well as Flow-Through Share opportunities with Resource Companies.

Moreover, the General Partner may make decisions to dispose of Flow-Through Shares held by the Partnership in the same Resource Companies in which Conflicting Ventures may wish to acquire Flow-Through Shares. Conversely, the General Partner may wish to acquire Flow-Through Shares or other securities in the same Resource Companies in which Conflicting Ventures already hold securities, and which securities the Conflicting Ventures wish to dispose of.

The Partnership may acquire Flow-Through Shares in Resource Companies which are controlled by directors and officer of the General Partner or Affiliates of the General Partner.

The services of the directors and officers of the General Partner are not exclusive to the Partnership, and the directors and officers of the General Partner may, from time to time, engage in the promotion, management or investment management of another fund or partnership, including future partnerships and other funds, partnerships or entities which invest primarily in flow-through shares.

The services of the Portfolio Manager are not exclusive to the Partnership.

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

Risks Associated With Resource Companies

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

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 Company, it may not be known if the Resource Company'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 Company 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 Companies 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 Company 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 Company will be affected by numerous factors which are beyond the control of such Resource Company. 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 Company 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 Company 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 Company 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 Company's financial position.

No Assurance of Title or Boundaries, or of Access

While a Resource Company 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 Company'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 Company's properties may also be subject to prior unregistered agreements or transfers or native land claims, and a Resource Company's title may be affected by these and other undetected defects.

Government Regulation

A Resource Company's mineral exploration or mining operations are subject to government legislation, policies and controls relating to prospecting, land use, trade, environmental protection, taxation, rate of exchange, return of capital, and labour relations. A Resource Company'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 stability, and by changes in regulations or shifts in political or economic conditions that are beyond the Resource Company's control. Any of these factors may adversely affect the Resource Company's business and/or its mining property holdings. Although a Resource Company'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 Company's operations. Amendments to current laws and regulations governing the operations of a Resource Company or more stringent enforcement of such laws and regulations could have a substantial adverse impact on the financial results of the Resource Company.

Environmental Regulation

A Resource Company'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 Company 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 Company'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 Company's financial condition, results of operations or prospects

Mineral Exploration Risks

Mineral exploration involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to avoid. There is no assurance that commercial quantities of minerals will be discovered by any of the Resource Companies in which the Partnership invests, nor any assurance that the mining properties will be brought into a state of commercial production.

Volatile Nature of Mineral Sector

The mineral sector is cyclical, and mining share prices reflect overall demand for minerals, which decreases (along with mining share prices) during periods of economic slowdown, as well as where there is an oversupply of a particular mineral, or basic commodities in general, or where currencies fluctuate in markets in which minerals are produced or marketed. Moreover, the mining sector could be affected by extensive government regulation, restrictions on production, tax increases, expropriation of property, land claims by aboriginal peoples, pollution controls, environmental group terrorism, and consumer boycotts, all of which could negatively affect the value of Flow-Through Shares of a Resource Company. In addition, mining shares are frequently over-promoted and surrounded by hype.

Resource Companies

The business activities of the Resource Companies are speculative and may be adversely affected by factors outside the control of those companies. In addition, most, if not all, of the Resource Companies will not have a history of earnings. Some or all of the Partnership's assets will be invested in Resource Companies with small market capitalization. Resource Companies are also more prone to be recipients of halt trade orders by the stock exchange on which they trade and/or cease trade orders by securities commissions which exercise regulatory oversight, and such liquidity interruptions may be protracted, even resulting in the de-listing of Resource Companies.

Resource Company Disclosure

There is no assurance that disclosure of any resource discovery, or any other material fact, by any Resource Company in which the Partnership acquires Flow-Through Shares, will be accurate, and there is a risk that false or even fraudulent disclosure may occur, as has happened in the past, and this may result in eventual collapse of the Resource Company's share price. The standards of financial and other disclosure for resource companies are still quite poor.

ITEM 9 REPORTING OBLIGATIONS

The General Partner will send to Subscribers, on an ongoing basis, any notices that it is required to send pursuant to the Partnership Agreement. Audited financial statements of the Partnership will be sent to Investors approximately 120 days after the Partnership's fiscal year end.

Information about the Partnership (including monthly Net Asset Values ("NAVs") can be obtained at www.marquest.ca. The contents of this website are NOT incorporated by reference, and the web address is given for information purposes only.

ITEM 10 RESALE RESTRICTIONS

For trades in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Québec, Saskatchewan and Yukon:

In addition to requiring the approval of the General Partner to transfer Units, these securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under securities legislation.

Unless permitted under securities legislation, you cannot trade the securities before the date that is 4 months and a day after the date the Partnership becomes a reporting issuer in any province or territory of Canada. **As there is no present intention for the Partnership to become a reporting issuer in any province or territory of Canada, you may never be able to transfer your Units unless you comply with an exemption from the prospectus and registration requirements under securities legislation.**

For trades in Manitoba:

Unless permitted under securities legislation, you must not trade the securities without the prior written consent of the regulator in Manitoba unless:

(a) the Partnership has filed a prospectus with the regulator in Manitoba with respect to the securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus, or

(b) you have held the securities for at least 12 months.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

Subscribers of Units offered hereunder who wish to resell such securities should consult with their own legal advisors prior to engaging in any resale, in order to ascertain the restrictions on any such resale.

It is the responsibility of each individual Subscriber of Units to ensure that all forms required by the applicable securities legislation are filed as required upon disposition of the Units acquired pursuant to this Offering.

ITEM 11 PURCHASERS' RIGHTS

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

Two Day Cancellation Right

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

Incorporation by Reference

If you have purchased Units relying on the Offering Memorandum exemption provided in Section 2.9 of NI 45-106 and are resident in Alberta, Nova Scotia or Saskatchewan, any marketing material prepared on behalf of the Limited Partnership and provided to you in connection the purchase of Units are incorporated by reference into this Offering Memorandum.

Statutory Rights of Action in the Event of a Misrepresentation

Securities legislation in certain provinces and territories of Canada provides purchasers of Units under this Offering Memorandum with, in addition to any other right they may have at law, rights of action for damages or rescission, or both, where this Offering Memorandum, any amendments thereto, and, in certain cases, advertising and sales literature used in

connection with the offering of the Units, contains a misrepresentation. If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

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

(b) for damages against the Partnership and certain other parties (depending on the jurisdiction).

For the purposes of this section, "misrepresentation" means (a) an untrue statement of a fact that significantly effects, or would reasonably be expected to have a significant effect, on the market price or the value of the securities (a "material fact"); or (b) an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or entities that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations.

Any statutory rights of action for damages or rescission described below are in addition to, and without derogation from, any other right or remedy available at law to the purchaser and are subject to the defences contained in those laws. These rights must be exercised by the purchaser within the time limits set out below. **Limited Partners should refer to the applicable provisions of the securities legislation of their province or territory for the particulars of these rights or consult with a legal advisor.**

Rights of Purchasers in Alberta and British Columbia

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

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

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

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts that gave rise to the cause of action and three (3) years after the day you purchased the securities.

Rights of Purchasers in Saskatchewan

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

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

(b) for damages against

(i) the Partnership,
(ii) every person who was a promoter of the Partnership at the date of this Offering Memorandum,

(iii) every person who was a director of Marquest FT Inc. at the date of this Offering Memorandum,
(iv) every person or company whose consent has been filed respecting this Offering Memorandum, but only with respect to reports, opinions or statements that have been made by them,
(v) every person who or company that sells securities on behalf of the Partnership under this Offering Memorandum, and
(vi) every other person who signed this Offering Memorandum.

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six (6) years after the day you purchased the securities.

Rights of Purchasers in Manitoba

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

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

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

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to rescind the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action or two (2) years after the day you purchased the securities.

Rights of Purchasers in Ontario

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

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

(b) for damages against the Partnership.

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three (3) years after the day you purchased the securities.

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

Rights of Purchasers in Nova Scotia

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

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

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

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three (3) years after the day you purchased the securities.

Rights of Purchasers in New Brunswick

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

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

(b) for damages against the Partnership.

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of one (1) year after you first had knowledge of the facts giving rise to the cause of action and six (6) years after the day you purchased the securities.

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

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

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

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

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to rescind the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action or three (3) years after the day you purchased the securities.

Rights of Purchasers in Québec

If you are a resident of Québec and if there is a misrepresentation in this Offering Memorandum, you have:

(i) a statutory right of action for damages against the Partnership, every officer and director of Marquest FT Inc., every other person who signed this Offering Memorandum, the dealer (if any) under contract to the Partnership and any expert whose opinion, containing a misrepresentation, appeared with the expert's consent in this Offering Memorandum, and

(ii) a statutory right of action against the Partnership for rescission of your subscription or revision of the price at which these securities were sold to you.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (i) and/or (ii) above, you must do so within strict time limitations. You must commence your action for rescission of the purchase contract or revision of the price at which the securities were sold to you within three years after the date that you purchased the securities. You must commence your action for damages within three years from the date you obtained knowledge of the facts giving rise to the action, but at the latest within five years from the date that on which this Offering Memorandum was filed with the *Autorité des marches financiers*.

The foregoing is only a summary of your rights. You are advised to consult your legal advisors for advice concerning your rights of action.

ITEM 11A AUDITORS

The auditors of both the Partnership and General Partner are Collins Barrow Toronto LLP, Chartered Professional Accountants of 11 King Street West, Suite 700, Toronto, Ontario M5H 4C7.

Audited financial statements of the Partnership for the year ended December 31, 2016 will be sent to Investors approximately 120 days after the Partnership's fiscal year end.

ITEM 11B LEGAL PROCEEDINGS

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

ITEM 12 FINANCIAL STATEMENTS

Attached to this Offering Memorandum is an audited balance sheet of the Partnership as at January 6, 2016] and an audited opening balance sheet of the General Partner as at January 6, 2016.

Marquest Mining 2016-1 Super Flow-Through Limited Partnership

Opening Statement of Financial Position

As at January 6, 2016

(expressed in Canadian dollars)

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INDEPENDENT AUDITOR'S REPORT

To the Partners of
MQ 2016-1 Limited Partnership in its capacity as
General Partner of Marquest Mining 2016-1 Super Flow-Through Limited Partnership

We have audited the opening statement of financial position of Marquest Mining 2016-1 Super Flow-Through Limited Partnership as at January 6, 2016 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement presents fairly, in all material respects, the financial position of Marquest Mining 2016-1 Super Flow-Through Limited Partnership as at January 6, 2016 in accordance with International Financial Reporting Standards.

Collins Barrow Toronto LLP

Chartered Professional Accountants
Licensed Public Accountants
January 6, 2016
Toronto, Ontario

MARQUEST MINING 2016-1 SUPER FLOW-THROUGH LIMITED PARTNERSHIP

Opening Statement of Financial Position
As at January 6, 2016 (expressed in Canadian dollars)

Assets		
Cash	**$**	**100**
Net assets attributable to partners	**$**	**100**
Net assets per class	**$**	**100**
Net assets per class per unit	**$**	**100**

Approved on behalf of the Board of Directors of Marquest FT Inc.,
in its capacity as the general partner of MQ 2016-1 Limited Partnership, the general partner

Gerald Brockelsby
Gerald L. Brockelsby, Director
Marquest FT Inc.

Stephen Zamin
Stephen J. Zamin, Director
Marquest FT Inc.

Notes to the Statement of Financial Position
As at January 6, 2016 (expressed in Canadian dollars)

1. ESTABLISHMENT OF PARTNERSHIP

Marquest Mining 2016-1 Super Flow-Through Limited Partnership (the **"Partnership"**) was formed as a limited partnership under the laws of the Province of Ontario on January 6, 2016. The investment objectives of the Partnership are to preserve capital; achieve capital appreciation; and to provide holders of units with a tax-assisted investment in a diversified portfolio of flow-through shares issued by resource issuers engaged in the intermediate and junior mineral sector with advanced exploration programs. MQ 2016-1 Limited Partnership is the general partner (the **"General Partner"**) of the Partnership. Marquest Asset Management Inc. (the "**Portfolio Manager**") is the portfolio manager of the Partnership and promoter of the Partnership in connection with the offering of units of the Partnership.

The Partnership is authorized to issue an unlimited number of partnership units. On January 6, 2016, the Partnership issued one unit for $100 cash.

There has been no activity in the Partnership since its formation except for the issuance of the initial limited partnership unit. Accordingly, no statement of operations or cash flows has been presented.

The Partnership shall not issue units in the offering unless subscriptions aggregating not less than 2,500 units have been received and accepted by the Partnership from investors.

These financial statements are authorized by Marquest FT Inc. and Marquest Asset Management Inc. on January 6, 2016.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The statement of financial position of the Partnership has been prepared in compliance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board (IASB), relevant to preparing a statement of financial position. This is the Partnership's first financial statement prepared in accordance with IFRS and IFRS 1 *First time adoption of International Financial Reporting Standards* has been applied. The Partnership has not presented financial statements for previous periods. The statement of financial position has been prepared under the historical cost convention.

The following is a summary of significant accounting policies that have been followed by the Partnership in the preparation of its statement of financial position.

Functional currency and presentation currency

The statement of financial position is presented in Canadian dollars, which is the Partnership's functional and presentation currency.

Issue costs

Issue costs incurred in connection with the offering are charged to the net assets attributable to partners.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Valuation of partnership units for transaction purposes

Net Asset Value per unit on any day is obtained by dividing the Net Asset Value on such day by the number of units then outstanding.

Financial Instruments

The Partnership recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost.

Cash is classified as loans and receivables and is measured at amortized costs subsequent to initial recognition.

Classification of partnership units

The Limited Partnership Agreement (the "**LPA**") imposes a contractual obligation for the Partnership to deliver a pro rata share of its net assets to the partners on termination of the Partnership. Based on the terms of the LPA the General Partner and Limited Partner are both considered to have an interest in the residual net assets of the Partnership; however they are not considered to have identical contractual obligations. Consequently the net assets attributable to Limited Partners and General Partner are classified as liabilities.

3. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The Partnership's overall risk management program seeks to maximize the returns derived for the level of risk to which the Partnership is exposed and seeks to minimize potential adverse effects on the Partnership's financial performance.

Credit risk

The Partnership is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As at January 6, 2016, the credit risk is considered limited as the cash balance is minimal.

4. MANAGEMENT FEES AND OTHER EXPENSES

The General Partner will receive a one-time payment of 4.75% of the total subscription proceeds which is intended to reimburse the General Partner for the costs of issue of the offering. The General Partner also has a 0.01% interest in the Partnership.

The Partnership will also provide for the payment of a management fee to the Portfolio Manager a fee equal to 1% of the Net Asset Value of the Partnership, calculated and paid monthly in arrears. The Portfolio Manager may also be entitled to receive performance bonus, which is payable (on the earlier of (i) the business day prior to the implementation of the Mutual Fund Rollover Transaction, and (ii) November 30, 2017 or May 31, 2018, if the term of the Partnership is extended, in respect of each Unit of the Partnership then outstanding equal to 20% of the amount by which the sum of (A) the Net Asset Value per Unit of the Partnership as of that date and (B) all distributions per Unit of the Partnership on or before that date, exceeds $100.

5. FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of cash and the Partnership's obligation for net assets attributable to partners approximate their fair values.

6. CAPITAL RISK MANAGEMENT

Units issued and outstanding are considered to be the capital of the Partnership. The Manager considers the Partnership's capital to consist of the net assets attributable to partners. The Partnership's capital is managed in accordance with the Partnership's investment objectives, policies and restrictions, as outlined in the Partnership's offering memorandum. The Partnership has no specific restrictions or specific capital requirements on the subscriptions of units.

7. FUTURE ACCOUNTING CHANGES

The final version of IFRS 9, Financial instruments, was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however is available for early adoption. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments.

8. MATERIAL TRANSACTION

On January 6, 2016, the Partnership commenced a private placement of units by way of a confidential offering memorandum relating to the private placement offering of an unlimited number of partnership units at a price of $100 per unit on a best efforts basis.

MQ 2016-1 Limited Partnership

Opening Statement of Financial Position

As at January 6, 2016

(expressed in Canadian dollars)

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INDEPENDENT AUDITOR'S REPORT

To the Partners of
MQ 2016-1 Limited Partnership

We have audited the opening statement of financial position of MQ 2016-1 Limited Partnership as at January 6, 2016 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement presents fairly, in all material respects, the financial position of MQ 2016-1 Limited Partnership as at January 6, 2016 in accordance with International Financial Reporting Standards.

Collins Barrow Toronto LLP

Chartered Professional Accountants
Licensed Public Accountants
January 6, 2016
Toronto, Ontario

MQ 2016-1 LIMITED PARTNERSHIP

Opening Statement of Financial Position
As at January 6, 2016 (expressed in Canadian dollars)

Assets		
Cash	**$**	**100**
Net assets attributable to partners	**$**	**100**
Net assets per class	**$**	**100**
Net assets per class per unit	**$**	**100**

Approved on behalf of the Board of Directors of Marquest FT Inc.,
in its capacity as the general partner

Gerald Brockelsby
Gerald L. Brockelsby, Director
Marquest FT Inc.

Stephen Zamin
Stephen J. Zamin, Director
Marquest FT Inc.

MQ 2016-1 LIMITED PARTNERSHIP

Notes to the Statement of Financial Position
As at January 6, 2016 (expressed in Canadian dollars)

1. ESTABLISHMENT OF PARTNERSHIP

MQ 2016-1 Limited Partnership (the **"General Partner"**) was formed as a limited partnership under the laws of the Province of Ontario on January 6, 2016. The primary business activity of the General Partner is to manage and act as the general partner of Marquest Mining 2016-1 Super Flow-Through Limited Partnership (the **"Partnership"**), an Ontario limited partnership, the primary business of which is to invest in flow-through shares and other securities of issuers in the intermediate or junior mineral sector with advance exploration programs.

There has been no activity in the General Partner since its formation except for the issuance of the initial limited partnership unit. Accordingly, no statement of operations or cash flows has been presented.

These financial statements are authorized by Marquest FT Inc. and Marquest Asset Management Inc. on January 6, 2016.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The statement of financial position of the General Partner has been prepared in compliance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board (IASB), relevant to preparing a statement of financial position. This is the General Partner's first financial statement prepared in accordance with IFRS and IFRS 1 *First time adoption of International Financial Reporting Standards* has been applied. The General Partner has not presented financial statements for previous periods. The statement of financial position has been prepared under the historical cost convention.

The following is a summary of significant accounting policies that have been followed by the General Partner in the preparation of its statement of financial position.

Functional currency and presentation currency

The statement of financial position is presented in Canadian dollars, which is the General Partner's functional and presentation currency.

Issue costs

Issue costs incurred in connection with the offering are charged to the net assets attributable to partners.

Valuation of partnership units for transaction purposes

Net Asset Value per unit on any day is obtained by dividing the Net Asset Value on such day by the number of units then outstanding.

Financial Instruments

The General Partner recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash is classified as loans and receivables and is measured at amortized costs subsequent to initial recognition.

Classification of partnership units

The Limited Partnership Agreement (the "**LPA**") imposes a contractual obligation for the General Partner to deliver a pro rata share of its net assets to the partners on termination of the General Partner. Based on the terms of the LPA the General Partner and Limited Partner are both considered to have an interest in the residual net assets of the Partnership; however they are not considered to have identical contractual obligations. Consequently the net assets attributable to Limited Partners and General Partner are classified as liabilities.

3. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The General Partner's overall risk management program seeks to maximize the returns derived for the level of risk to which the General Partner is exposed and seeks to minimize potential adverse effects on the General Partner's financial performance.

Credit risk

The General Partner is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As at January 6, 2016, the credit risk is considered limited as the cash balance is minimal.

4. MANAGEMENT FEES AND OTHER EXPENSES

The General Partner will receive a one-time payment of 4.75% of the total subscription proceeds which is intended to reimburse the General Partner for the costs of issue of the offering.

The General Partner has retained the Portfolio Manager ("Marquest Asset Management Inc.") for the management of the Partnership in accordance with the terms of the Partnership Agreement. The Portfolio Manager will receive a management fee per annum equal to 1.0% of the Partnership's Net Asset Value of the Partnership, calculated and paid monthly in arrears. The Portfolio Manager is also entitled to receive a performance bonus which is payable (on the earlier of (i) the business day prior to the implementation of the Mutual Fund Rollover Transaction, and (ii) November 30, 2017 or May 31, 2018, if the term of the Partnership is extended, in respect of each Unit of the Partnership then outstanding equal to 20% of the amount by which the sum of (A) the Net Asset Value per Unit of the Partnership as of that date and (B) all distributions per Unit of the Partnership on or before that date, exceeds $100.

5. FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of cash and the General Partner's obligation for net assets attributable to partners approximate their fair values.

6. CAPITAL RISK MANAGEMENT

Units issued and outstanding are considered to be the capital of the General Partner. The Manager considers the General Partner's capital to consist of the net assets attributable to partners. The General Partner's capital is managed in accordance with the General Partner's investment objectives, policies and restrictions. The General Partner has no specific restrictions or specific capital requirements on the subscriptions of units.

7. FUTURE ACCOUNTING CHANGES

The final version of IFRS 9, Financial instruments, was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however is available for early adoption. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments.

ITEM 13 DATE AND CERTIFICATE

Dated January 6, 2016.

This Offering Memorandum does not contain a misrepresentation.

MARQUEST MINING 2016-I SUPER FLOW-THROUGH LIMITED PARTNERSHIP
by its General Partner MQ 2016-I Limited Partnership
by its General Partner MARQUEST FT INC.

Per: "Gerald Brockelsby "
Director, C.E.O.

APPENDIX A

LIMITED PARTNERSHIP AGREEMENT

This agreement is entered into as of January 6, 2016

AMONG:

MQ 2016-I Limited Partnership, a limited partnership formed under the laws of Ontario

(the "General Partner")

OF THE FIRST PART

AND

MARQUEST ASSET MANAGEMENT INC., a corporation incorporated under the federal laws of Canada

(the "Initial Limited Partner")

OF THE SECOND PART

AND

Each of those parties who, from time to time, is accepted and becomes a limited partner of the Partnership formed pursuant to this Agreement

(individually the "Limited Partner" and collectively the "Limited Partners")

OF THE THIRD PART

WHEREAS the General Partner and Initial Limited Partner have decided to enter into this Limited Partnership Agreement (the "Agreement") for the purpose of governing the affairs of the Partnership;

NOW THEREFORE in consideration of the covenants, representations and agreements contained herein, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties agree as follows:

1. Formation of Limited Partnership

1.1 The General Partner and Initial Limited Partner hereby form and enter into the Partnership, to be governed by the laws of Ontario and the terms and conditions of this Agreement.

1.2 The Partnership will be formed effective from the date on which the Declaration is first filed and will continue until the Targeted Dissolution Date unless earlier dissolved in accordance with the terms of this Agreement, or by operation of law or by judicial decree.

2. Name, Office and Address

2.1 The name of the Partnership is confirmed to be Marquest Mining 2016-I Super Flow-Through Limited Partnership or such other name or names as the General Partner may select as necessary or advisable.

2.2 The head office of the Partnership shall be 161 Bay Street, Suite 4420, Toronto, Ontario, M5J 2S1. The General Partner may at any time and from time to time change the location of the Partnership's head office to another location within Ontario and shall give prompt notice to the Limited Partners of any change in the head office of the Partnership.

2.3 The addresses of the General Partner and the Limited Partners shall be the addresses referred to herein.

3. Definitions

3.1 In this Agreement, unless the context otherwise clearly requires, the following words or phrases shall have the following meanings:

(a) "Act" means the *Limited Partnerships Act* (Ontario), as amended;

(b) "Affiliates", as describing the relationship between two persons, means:
(i) one of them is an affiliate of the other, as those terms are defined in the Securities Act (Ontario);
(ii) one is a director or senior officer, as so defined, of the other or of an affiliate, as so defined, of the other; or,
(iii) one does not deal at arm's length with the other for the purposes of the Tax Act.

(c) "Agents' Fees" means the fees which may be paid by the Partnership to registered dealers involved in the Offering, equal to 5.25% of the gross proceeds of the Offering;

(d) "CEE" means "Canadian exploration expense" as defined in the Tax Act;

(e) "Capital Contribution" means the initial capital contribution being the Minimum Subscription, together with any additional amount of capital contributed by the Limited Partner in respect of a Unit;

(f) "Declaration" means the declaration filed and recorded in respect of the Partnership pursuant to the Act, and all amendments to such declaration filed and recorded as aforesaid;

(g) "EITC" means the federal investment tax credit of 15% in respect of an eligible individual's "flow-through mining expenditure" under the Tax Act, and, where applicable, the tax credit of: (i) 20% in respect of an eligible individual's BC flow-through mining expenditure under the *Income Tax Act* (British Columbia); (ii) 5% in respect of an eligible individual's Ontario exploration expenditures under the *Taxation Act, 2007* (Ontario); (iii) 30% in respect of an eligible individual's Manitoba flow-through mining expenditures under the *Income Tax Act* (Manitoba); or (iv) 10 % in respect of an eligible individual's Saskatchewan eligible flow-through mining expenditures under the *Mineral Resources Act* (Saskatchewan);

(h) "Flow-Through Shares" means shares which are "flow-through shares" as defined in the Tax Act, and which entitle the holder thereof to income tax deductions in respect of CEE;

(i) "General Partner" means MQ 2016-I Limited Partnership and each other party who becomes an alternative general partner of the Partnership pursuant to the terms and conditions of this Agreement;

(j) "general partner of the General Partner" means Marquest FT Inc. or such other party who becomes an alternative general partner of the General Partner;

(k) "Initial Limited Partner" means Marquest Asset Management Inc.;

(l) "Investment Guidelines" means the investment guidelines set out in Schedule "A" to this Agreement;

(m) "Issue Expenses" means the amount equal to 4.75% of the gross proceeds of the Offering to be paid by the Partnership to the General Partner on account of the expenses of the Offering (other than the Agents' Fees), including, without limitation, the costs of creating and organizing the Partnership, the costs of printing and preparing the Offering Memorandum, initial legal expenses of the Partnership, initial audit expenses of the Partnership, marketing expenses, and FundSERV set-up costs;

(n) "Limited Partner" means any registered owner of at least the Minimum Subscription;

(o) "Management Fee" means a fee equal to 1% of the Net Asset Value of the Partnership, calculated and paid monthly in arrears to the Portfolio Manager for services performed under a portfolio management agreement;

(p) "Minimum Subscription" means the minimum subscription per investor of 50 Units, or $5,000;

(q) "Mutual Fund" means Marquest Mutual Funds Inc., a ''mutual fund corporation'' for purposes of the Tax Act;

(r) "Mutual Fund Rollover Transaction" means an exchange transaction which may be implemented by the General Partner in which the Partnership will, transfer its assets to the Mutual Fund in exchange for shares of the Mutual Fund, which shares will be distributed to the Limited Partners, pro rata, on the dissolution of the Partnership;

(s) "Net Asset Value" of the Partnership will be calculated by the General Partner by subtracting the aggregate amount of the Partnership's liabilities from the aggregate amount of the Partnership's assets on that date. The Partnership's assets will be valued as follows:

(i) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash received (or declared to holders of record on a date before the date as of which the Net Asset Value is being determined and to be received) and interest accrued and not yet received, shall be deemed to be the full amount thereof, provided that: (A) the value of any security which is a debt obligation which, at the time of acquisition, had a remaining term to maturity of one year or less shall be the amount paid to acquire the obligation plus the amount of any interest accrued on such obligation since the time of acquisition; (B) interest accrued will include amortization over the remaining term to maturity of any discount or premium from the face value of an obligation at the time of its acquisition; and (C) if the General Partner has determined that any such deposit, bill, demand note or account receivable is not worth the full amount thereof, the value thereof shall be deemed to be such value as the General Partner determines to be the fair value thereof;

(ii) the value of any security which is listed or traded upon a stock exchange shall be determined by taking the latest available closing sale price of recent date, or lacking any recent sales or any record thereof, the simple average of the latest available offer price and the latest available bid price, (unless in the opinion of the General Partner such value does not reflect the value thereof and in which case the latest offer price or bid price will be used as determined by the General Partner), as at the Valuation Date on which the Net Asset Value is being determined, all as reported by any means in common use;

(iii) any market price reported in currency other than Canadian dollars shall be translated into Canadian currency at the prevailing rate of exchange, as determined by the General Partner, at the Valuation Date;

(iv) the value of any securities traded over-the-counter will be priced at the average of the latest bid and ask prices quoted by a major dealer in such securities unless a different fair market value is otherwise determined by the General Partner;

(v) the value of any warrant for which no published market exists shall be the greater of zero or the intrinsic value of such warrant (i.e., the difference between the exercise price of the warrant and the underlying market value of the underlying security) on a particular Valuation Date;

(vi) the value of any restricted securities (including securities subject to any hold period) shall be the lesser of:

(A) the value thereof based on reported quotations in common use; and

(B) the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, multiplied by the percentage that the Partnership's acquisition cost was of the market value of such securities at the time of acquisition, provided that a gradual taking into account of the actual value of the securities may be made where the date on which the restrictions will be lifted is known;

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

(p) "Net Asset Value per Unit" is the amount obtained by dividing the Net Asset Value as of a particular Valuation Date by the total number of Units outstanding on that date;

(t) "Offering" means the offering of a minimum of 2,500 Units;

(u) "Offering Memorandum" means the confidential Offering Memorandum of the Partnership relating to the Offering, and any amendment thereto;

(v) "ordinary resolution" means a resolution passed by more than fifty per cent (50%) of the votes cast at a duly constituted meeting of the Limited Partners, or any adjournment thereof, or alternatively, a written resolution signed in one or more counterparts, by Limited Partners, holding more than fifty per cent (50%) of the Units outstanding entitled to vote at a meeting;

(w) "Partners" mean collectively the Limited Partners and the General Partner, and "Partner" means any one of them;

(x) "Partnership" means Marquest Mining 2016-I Super Flow-Through Limited Partnership;

(y) "Performance Bonus" means the amount the Partnership has agreed to pay the Portfolio Manager for services performed under a portfolio management agreement, being a bonus payable to the Portfolio Manager (on the earlier of: (i) the business day prior to the implementation of the Mutual Fund Rollover Transaction; and (ii) November 30, 2017 or May 31, 2018 if the term of the Partnership is extended) in respect of each Unit of the Partnership then outstanding equal to 20% of the amount by which the sum of (A) the Net Asset Value per Unit of the Partnership as of that date and (B) all distributions per Unit on or before that date, exceeds $100 (the subscription price per Unit);

(z) "Portfolio Manager" means Marquest Asset Management Inc. who will provide investment, management, administrative and other services to the Partnership and who will be responsible for managing the Partnership's investment in Resource Companies;

(aa) "Pro Rata" means in relation to each Limited Partner, the ratio of the number of Units held by a Limited Partner to the number of Units held by all of the Limited Partners;

(bb) "Registrar and Transfer Agent" means Marquest Asset Management Inc.;

(cc) "Resource Company" means a corporation which represents to the Partnership that it is a "principal-business corporation" as defined in Subsection 66(15) of the Tax Act that is engaged by itself or through its agents in the exploration for mineral resources in Canada, and intends to incur CEE on properties within Canada;

(dd) "special resolution" means a resolution passed by 66 2/3% or more of the votes cast at a duly constituted meeting of the Limited Partners, or an adjournment thereof, called for the purpose of considering such resolution, or, alternatively, a written resolution signed in one or more counterparts by Limited Partners holding 66 2/3% or more of the Units outstanding and entitled to vote on such resolution at a meeting;

(ee) "Subscription and Power of Attorney Form" means the Subscription Agreement pursuant to this Offering;

(ff) "Subscription Agreements" means the agreements between the Partnership and Resource Companies pursuant to which the Partnership will subscribe for Flow-Through Shares and the Resource Companies will agree to incur and renounce CEE in favour of the Partnership and will issue Flow-Through Shares to the Partnership in consideration for the subscription by the Partnership for such Flow-Through Shares;

(gg) "Super Flow-Through Shares" means Flow-Through Shares that qualify as "flow-through shares" as defined in Subsection 66(15) of the Tax Act and in respect of which a Resource Company agrees to incur and renounce certain CEE of a qualifying kind which permits certain investors to claim, in addition to a deduction against income for the renounced CEE, an EITC in respect of the renounced CEE that is not available in respect of other types of CEE;

(hh) "Targeted Dissolution Date" means November 30, 2017 or at the sole discretion of the General Partner and without notice to the Limited Partners, May 31, 2018;

(ii) "Tax Act" means the *Income Tax Act* (Canada), as amended;

(jj) "Unit" means the interest of a Limited Partner in the Partnership in respect of each One Hundred Dollars ($100) contributed; and

(kk) "Valuation Date" means the date once per month on which the Net Asset Value of the Partnership will be calculated.

3.2 Any term not defined herein shall have the meaning ascribed thereto in the Offering Memorandum, and shall be a defined term for the purposes hereof.

4. Partnership Purposes and Powers

4.1 The business of the Partnership will be restricted to investing in Flow-Through Shares (with a preference for Super Flow-Through Shares) in accordance with the Investment Guidelines, and reinvesting the proceeds of any sale thereof as provided elsewhere in this Agreement. Subscriptions will be entered into pursuant to Subscription Agreements entered into with Resource Companies pursuant to which Resource Companies will agree to incur and renounce CEE in prescribed form and in a timely manner as required in the Tax Act in favour of the Partnership and will issue Flow-Through Shares (including, without limitation, warrants or other instruments or securities) in consideration for the subscription by the Partnership for such Flow-Through Shares. The Partnership shall not carry on any other active business provided that the foregoing shall not be interpreted so as to prevent the Partnership from investing and reinvesting its funds, subject to the restrictions herein contained.

5. Admission of Limited Partners and Contributions

5.1 The interests of the Limited Partners in the Partnership shall be divided into Units. Each Unit shall, subject to Section 5.2, have attached thereto the same rights and obligations as, and shall rank equally and pari passu with, each other Unit with respect to distributions, allocations and voting.

5.2 The Initial Limited Partner subscribes for one Unit for an aggregate capital contribution of $100 and such subscription is accepted by the General Partner. Upon one or more other persons becoming Limited Partners, the Initial Limited Partner shall be entitled to and shall receive payment from the Partnership of $100 as a return of the capital contributed by such Initial Limited Partner and the Unit issued to the Initial Limited Partner shall be redeemed and cancelled.

5.3 The General Partner may admit Limited Partners from time to time up to and including December 31, 2016, subject to the right of the General Partner to extend the Offering, by the issue of an unlimited number of Units, may determine the terms and conditions of the offering and sale of the Units and may do all such things as may be necessary or advisable to give effect to such offering and sale (including, without limitation, the filing of any Offering Memorandum or any amendment thereto, the payment of Issue Expenses and the entry into of agreements to pay Agents' Fees with respect to the offering or sale of Units and to pay the Portfolio Manager) and any such acts done are hereby ratified and confirmed. Each person subscribing for Units must complete, execute and deliver to, or to the order of, the General Partner the Subscription and Power of Attorney Form and any other documents deemed necessary by the General Partner to comply with applicable securities laws and the terms and conditions of issue. A subscriber for Units shall become a Limited Partner upon the acceptance by the General Partner of the Subscription and Power of Attorney Form and other documents and the amendment of the register of Limited Partners to include the subscriber as a Limited Partner in accordance with the Act and, thereupon, the Limited Partners hereby consent to the admission of, and will admit, additional Limited Partners to the Partnership without further act of the Partners.

5.4 Upon compliance with the other terms and conditions of this Agreement, the General Partner shall amend the Declaration in accordance with the Act to include such information as is required to be stated in the Declaration and shall make such other filings and recordings as may be required by law.

5.5 The General Partner may, for any reason in its sole discretion, refuse to accept any subscription for Unit(s). In the event of any such refusal or in the event of the acceptance of a Subscription and Power of Attorney Form but a failure to amend the Declaration in accordance with the Act to include the subscriber as a Limited Partner, the General Partner shall cause the return of the Subscription and Power of Attorney Form, accompanying documents and any contribution of capital to the subscriber.

5.6 Each Limited Partner shall contribute or agree to contribute to the capital of the Partnership the Capital Contribution for each Unit subscribed for in accordance with the terms and conditions specified in the Subscription and Power of Attorney Form or in accordance with such other equivalent terms and conditions as the General Partner determines reasonable.

5.7 No Limited Partner shall be required to make any contribution to the capital of the Partnership in excess of the Capital Contribution.

5.8 No issue of a fraction of a Unit may be made or will be recognized.

5.9 The Capital Contribution for each Unit shall be payable in full at the time of subscription.

6. Units and Unit Certificates

6.1 The Partnership shall be authorized to issue Units as described in the Offering Memorandum in addition to the interest of the Initial Limited Partner. Each of the issued and outstanding Units shall be equal to each other with respect to all matters, including, without limitation, the right to vote and receive distributions from the Partnership.

6.2 Each Limited Partner is entitled to one (1) vote for each Unit held by him in respect of all matters to be decided by the Limited Partners.

6.3 The interest in Units is not intended to be certificated but issued as book-entry only. The General Partner shall cause the Registrar and Transfer Agent to deliver to each Limited Partner written confirmation ("Written Confirmation") of Units subscribed for. A Written Confirmation may be delivered to a Limited Partner entitled thereto by being mailed by prepaid post addressed to the address of such Limited Partners shown on the record of Limited Partners (or in the case of a Unit in the name of one or more persons, to the person whose name first appears on the Subscription Agreement), and none of the Partnership, the General Partner or the Registrar and Transfer Agent shall be liable for any loss occasioned to any Limited Partner by reason that the Written Confirmation so posted is lost or stolen from the mails or is not delivered.

6.4 Where a Partner claims that a Written Confirmation representing a Unit recorded in the name of such Partner has been defaced or apparently lost, destroyed or wrongly taken, the General Partner shall cause the Registrar and Transfer Agent to issue a new Written Confirmation, provided that such Limited Partner satisfies such other requirements as are reasonably imposed by the General Partner.

6.5 Where a Unit is subscribed for by or assigned to two or more persons, or a Unit is in the name of two or more persons:

(a) the name of each person shall be shown on the Written Confirmation in respect of the Unit;
(b) the Unit shall be presumed by the Partnership to be held jointly;
(c) the Written Confirmation shall be delivered to the person whose name appears first on the record of Limited Partners in respect of the Unit;
(d) amounts distributed by the Partnership in respect of the Unit may be sent to the person whose name appears first on the record of Limited Partners in respect of the Units or to such one of them as the joint holders direct in writing, and any one of such persons may give effectual receipts for any monies or assets distributed in respect of the Unit with the other of such persons having no further recourse against the Partnership; and
(e) any one of such persons may vote in respect of the Unit as if that person were solely entitled thereto, but if more than one of such persons is present or is represented at a meeting, the person whose name appears

first on the record of Limited Partners in respect of the Unit shall alone be entitled to vote in respect thereof.

7. Allocations and Distributions

7.1 The Partnership shall establish and maintain a capital account for each Limited Partner, which account shall be credited with the Capital Contributions made by the Partners to the Partnership, and credited or debited, as the case may be, with the amounts from time to time allocated or distributed to the Partners in accordance with the terms hereof.

7.2 Unless otherwise provided herein, where an amount is to be allocated or distributed to any Limited Partner, such allocation or distribution shall be made Pro Rata among the Limited Partners of record at the end of each fiscal year in the case of an allocation and as at the date of the distribution in the case of any distribution.

7.3 All income, gains and proceeds and losses, expenditures, tax credits, costs or deductions of the Partnership properly allocable to the Partners for the Tax Act shall be allocated among the Partners as follows at the end of each fiscal year:

(a) the Limited Partners of record at the end of the financial year will be entitled to 99.99% of the net income or net loss of the Partnership which will be allocated among the Limited Partners Pro-Rata; and

(b) the General Partner will be entitled to 0.01% of the net income or net loss of the Partnership.

7.4 No distributions shall be made unless, after making the distribution, sufficient property of the Partnership remains to satisfy all liabilities of and claims against the Partnership to persons who are not Partners. Notwithstanding anything contained herein, the General Partner may require that Limited Partners return all or part of such distributions as have rendered the Partnership unable to meet its obligations, and may require any Limited Partner to forthwith return to the Partnership any amount distributed to such Limited Partners in excess of such Limited Partner's entitlement.

7.5 No Partner shall be entitled to a return, or to demand a return, of any of such Partner's Capital Contribution or entitled to any distribution or allocation except as provided herein.

7.6 Except as provided herein, no Partner has the right to receive interest on any credit balance in accounts maintained on the books of the Partnership and no Partner is liable to pay interest to the Partnership on any deficit in any accounts maintained on the books of the Partnership.

7.7 Notwithstanding anything to the contrary in this Article, if the actions of a particular Limited Partner result in a reduction in the loss of the Partnership for a fiscal period or a reduction in the amount of any expenditure, including CEE, renounced to the Partnership, the amount of such reduction shall be applied firstly to reduce the share of the loss or the expenditure, as applicable, that would otherwise be allocated to the particular Limited Partner pursuant to this Article. To the extent the amount of such reduction exceeds the loss of the Partnership or the expenditures renounced to the Partnership that would otherwise be allocated to the particular Limited Partner, the loss or the expenditures after such reduction will be allocated among the Limited Partners other than the particular Limited Partner on a Pro Rata basis. If, in a subsequent fiscal period, the particular Limited Partner takes steps which offset all or part of the reduction in the loss of the Partnership or the reduction in the amount of such expenditures, such amount of the loss of the Partnership or expenditures, as the case may be, as is restored at such time shall first be allocated Pro Rata among the other Limited Partners until their share of the loss or expenditures are restored to what they would have been but for the actions of the particular Limited Partner and then to the particular Limited Partner.

8. Reimbursement and Remuneration of General Partner and Portfolio Manager

8.1 The General Partner may from time to time incur expenses on behalf and for the account of the Partnership, and any such expenses incurred by the General Partner on behalf of or for the account of the Partnership shall be reimbursed by the Partnership, or, in the event that funds on hand are insufficient for such reimbursement, may be paid by the General Partner and shall be considered an advance to the Partnership from the General Partner, which shall be reimbursed to the General Partner. Notwithstanding the foregoing, there is no obligation on the General Partner to advance any amount to the Partnership.

8.2 The General Partner is entitled to reimbursement by the Partnership of any advance by the General Partner to the Partnership together with interest thereon at the rate of interest and expense relative thereto at which such amounts are borrowed by the General Partner from its bankers, but such interest and expenses shall not exceed that which the Partnership could obtain from recognized financial establishments with respect to similar borrowings.

8.3 The General Partner is entitled to and will receive from the Partnership the Issue Expenses on account of the General Partner paying for all costs of issue in connection with the formation of the Partnership and the Offering Memorandum.

8.4 As an expense of the Partnership, the Partnership will pay to the Portfolio Manager, the Management Fee and the Performance Bonus (if payable), as more particularly described in the Offering Memorandum.

9. Management of Partnership

9.1 The General Partner shall manage, control and operate the business of the Partnership and do or cause to be done in a prudent and reasonable manner any and all acts necessary, appropriate or incidental to the business of the Partnership. The General Partner is authorized to engage the Portfolio Manager to perform certain portfolio management and investment management services in respect of the Partnership.

9.2 No Limited Partner, as such, shall take part in the management or control of the business of the Partnership or transact any business for the Partnership, nor does any Limited Partner have the power to sign for or bind the Partnership.

10. Powers and Authority of the General Partner

10.1 No person dealing with the Partnership is required to inquire into the authority of the General Partner to take any action or to make any decision in the name of the Partnership.

10.2 In addition to the other powers and authorities possessed by the General Partner pursuant to the Act or conferred by law or elsewhere in this Agreement, the General Partner shall have the power and authority to manage, control and operate the business and affairs of the Partnership and to do or cause to be done on behalf of the Partnership any and all acts necessary, convenient or incidental to the business of the Partnership, including without limitation:

(a) to open bank accounts for the Partnership and designate from time to time the signatories to such accounts;
(b) to invest funds not immediately required for the operations of the Partnership in high-quality money market instruments, including Canadian and U.S. Treasury Bills, term deposits with Canadian banks and bankers acceptances issued by such banks;
(c) to vote and represent (or appoint proxies for same) the Partnership at all meetings of companies in which the Partnership holds voting securities; and to exercise any and all rights and execute any and all documents, in its absolute discretion, relating to the Partnership's participation in such companies;
(d) to enter into all agreements and do any act, take any proceedings, make any decision and execute and deliver any instrument, deed, agreement or document, which the General Partner may, in its discretion, determine necessary for purposes of carrying on the business of the Partnership;
(e) to obtain and maintain insurance in such amounts and with such coverage as in the judgment of the General Partner may be necessary or advisable with respect to the business of the Partnership;
(f) to enter into financing, sales, agency and other agreements and arrangements in connection with the offering and sale of Units;
(g) to invest funds of the Partnership as provided in this Agreement;
(h) to submit to binding arbitration any matters pertaining to the assets, undertaking or business of the Partnership;
(i) to oversee the distribution of the assets of the Partnership after payment or satisfaction of the liabilities of the Partnership in accordance with this Agreement;
(j) to commence and defend any action or proceeding in connection with the Partnership;
(k) to make and file all reports, returns, elections, designations, determinations and other filings under the Tax Act or otherwise;
(l) to employ all persons necessary for the conduct of the business of the Partnership; and
(m) to retain such legal counsel, experts, advisors or consultants as the General Partner considers appropriate.

10.3 The General Partner may contract with any person to carry out any of the duties of the General Partner and may delegate to such person any power and authority of the General Partner hereunder, but no such contract or delegation shall relieve the General Partner of any of its obligations hereunder.

11. Fiscal Year, Record of Limited Partners, Accounting and Reporting

11.1 The first fiscal period or year of the Partnership shall be the period ending December 31, 2016, and thereafter, the fiscal year of the Partnership shall be the period from and including January 1 and to and including December 31.

11.2 The Registrar and Transfer Agent shall maintain or cause to be maintained such books as are necessary to record the names and addresses of the Limited Partners, the number of Units held by each Limited Partner and particulars of transfers of Units.

11.3 In addition to the books referred to above, the General Partner shall keep adequate books and records reflecting the activities of the Partnership. Until the Partnership is dissolved or terminated and for a reasonable period thereafter, such books and records will be kept available for inspection and audit by any Limited Partner or his duly authorized representatives during business hours at the offices of the General Partner. Upon request by a Limited Partner or his duly authorized representative, the General Partner shall, at the expense of such Limited Partner, furnish a copy of the Declaration.

11.4 The General Partner shall deliver to Limited Partners annual reports with respect to the finances of the Partnership and the business operations of the Partnership within approximately 120 days following the end of the fiscal period. The annual report shall include a balance sheet, statement of income, statement of changes in financial position and statement of changes in capital together with a report of all allocations and distributions made to the Partners and with tax information to enable each Limited Partner to complete and file his tax return.

11.5 Each person who is a member of the Partnership in a year is required to file an information return on or before the last day of March in the following year, or where the Partnership is dissolved, within 90 days of its dissolution. A return made by one partner will be deemed to be made by each partner. The General Partner shall file any such information return, commencing with the return in respect of 2016.

12. Liability of Partners

12.1 The General Partner has unlimited liability for the debts, liabilities and obligations of the Partnership to the extent of its assets.

12.2 Subject to applicable laws, the liability of each Limited Partner for the debts, liabilities and obligations of the Partnership shall be limited to the aggregate amount of his Capital Contributions and any additional amount the Limited Partner has agreed to contribute to the Partnership and such Limited Partner's share of the undistributed assets of the Partnership. A Limited Partner shall have no further liability for such debts, liabilities and obligations of the Partnership and shall not be liable for, any further calls or assessments for further contributions to the Partnership.

12.3 The Partnership and the General Partner shall, to the greatest extent practicable, endeavour to maintain the limited liability of the Limited Partners under the applicable laws and regulations of the jurisdictions of Canada in which it or the Partnership carries on or is deemed to carry on business.

12.4 Except for material gross negligence or material willful misconduct, the General Partner shall not be liable to the Limited Partners or Partnership for:

(a) any mistakes or errors in judgment, or

(b) any act or omission believed in good faith by the General Partner to be within the scope of authority conferred by this Agreement.

12.5 The General Partner shall indemnify and hold harmless each Limited Partner (including former Limited Partners) from and against all costs and damages incurred by such Limited Partner that result from not having limited liability, provided that such loss was caused by an act or omission of the General Partner, provided further that the foregoing indemnification shall only cover, in respect of each Limited Partner, the amount in excess of the amount determined in Subsections 96(2.2)(a) and (b) of the Tax Act. The General Partner will indemnify the Partnership for any damages incurred by the Partnership as a result of a material act of gross negligence or willful misconduct by the General Partner or of any material act or omission not believed in good faith by the General Partner to be within the scope of authority conferred by this Agreement.

12.6 It is acknowledged by the Limited Partners that upon dissolution of the Partnership, the Limited Partners may receive undivided interests in the Partnership assets and will thereafter no longer have limited liability with respect to the ownership of such assets.

13. Term

13.1 The Partnership will conduct business until the Targeted Dissolution Date unless dissolved and terminated earlier (or later) in accordance with the terms described herein or by operation of law.

14. Dissolution and Termination of Partnership, including Mutual Fund Rollover Transaction

14.1 Notwithstanding any rule of law to the contrary, the Partnership shall not be terminated and dissolved except in the manner provided for in this Agreement. Without limiting the generality of the foregoing, the Partnership shall not be dissolved or terminated by the admission of any new Partner, or by the withdrawal, removal, death, mental incompetence, insolvency, bankruptcy or other disability of a Limited Partner.

14.2 The Partnership will be dissolved only as a result of the occurrence of any of the following events:

(a) if the General Partner makes a proposal in writing to dissolve the Partnership and the Limited Partners consent to this proposal by means of a special resolution, on the date specified in the special resolution;

(b) the dissolution, liquidation, bankruptcy, insolvency or winding-up or the making of any assignment for the benefit of creditors of the General Partner or the appointment of a trustee, receiver, receiver-manager or liquidator, or following any event permitting a trustee or receiver or receiver-manager or liquidator to administer the affairs of the General Partner, provided that the trustee, receiver, receiver-manager or liquidator performs its functions for 60 consecutive days, unless a new General Partner is admitted to the Partnership by ordinary resolution;

(c) within 60 days of the implementation of the Mutual Fund Rollover Transaction in accordance with the provisions of Section 14.3 of this Agreement;

(d) the failure to appoint a successor to the General Partner in accordance with Article 20 of this Agreement; or

(e) the expiry of the Targeted Dissolution Date, unless otherwise extended by ordinary resolution.

14.3 Subject to Section 14.4 of this Agreement, to provide potential for liquidity and long-term growth of capital, on or before the Targeted Dissolution Date, the General Partner is irrevocably authorized (but not obligated) to implement the Mutual Fund Rollover Transaction in which the Partnership will transfer its assets to the Mutual Fund, in exchange for shares of the Mutual Fund. Immediately following the transfer of the assets, the Partnership will be dissolved resulting in the distribution of the shares of the Mutual Fund (the "Mutual Fund Shares") received by the Partnership to the Limited Partners.

The dissolution of the Partnership will occur within 60 days of the Mutual Fund Rollover Transaction, in which the General Partner shall:

(a) redeem such of the redeemable Mutual Fund Shares as may be required to pay or provide for the payment of the debts and liabilities of the Partnership and liquidation expenses;

(b) pay or provide for the payment of debts and liabilities of the Partnership and liquidation expenses;

and thereafter,

(c) distribute the remaining redeemable Mutual Fund Shares allocated as to 99.99% to the Limited Partners proportionate to the number of Units and as to 0.01% to the General Partner; and

(d) satisfy all applicable formalities in such circumstances as may be prescribed by applicable law.

The Mutual Fund Rollover Transaction will not be implemented if it would prospectively or retroactively affect the status of the Flow-Through Shares as flow-through shares for income tax purposes. The terms of the Mutual Fund Rollover Transaction will require the mutual agreement of the General Partner and the Mutual Fund and the receipt of all necessary regulatory approvals and required relief, if any, and will meet all requirements of any applicable regulatory policies (including, specifically, Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transaction*s ("MI 61-101") adopted by the Ontario Securities Commission). The Mutual Fund Rollover Transaction may be implemented at any time before the Targeted Dissolution Date, if the General Partner determines, in its sole discretion, it is in the best interests of the Limited Partners to do so, following which the Partnership will be terminated.

14.4 The following conditions apply to the Mutual Fund Rollover Transaction:

(a) the Mutual Fund Rollover Transaction is subject to such other matters as are appropriate, including obtaining the receipt of any necessary regulatory approvals and the requirements of applicable law, regulations and policies (including specifically MI 61-101) and the receipt of exemptions, if any, under National Instrument 81-102 *Mutual Funds*, to the extent that the assets of the Partnership to be transferred to the Mutual Fund conflict with the investment restrictions of that National Instrument or the Mutual Fund;

(b) the Mutual Fund Rollover Transaction may be implemented on not less than 5 days prior written notice to the Limited Partners. Such notice will be delivered to the Limited Partners in accordance with the provisions of this Agreement and will set out all material information pertaining to the Mutual Fund Rollover Transaction and the Mutual Fund, including without limitation, Canadian federal income tax considerations relevant to Limited Partners. The Mutual Fund Rollover Transaction will not require the approval of the Limited Partners; and

(c) if the Mutual Fund Rollover Transaction is not implemented by the Targeted Dissolution Date, the General Partner or its designee will ensure that, to the extent practicable, the assets of the Partnership are converted to cash. If the liquidation of certain securities is not practicable or appropriate prior to the Targeted Dissolution Date or such other dissolution date, those securities will be distributed to the Limited Partners and the General Partner in specie.

15. Investment, Return of Funds and Reinvestment

15.1 Any funds received by the Partnership, which are not immediately required for disbursement by the Partnership, shall be invested by the General Partner, until required, in high-quality money market instruments, including, without limitation, Canadian and U.S. Treasury Bills, term deposits with Canadian banks, and bankers acceptances issued by such banks.

15.2 Should any substantial amount of the proceeds from the offering of Units, net of the Issue Expenses and the Agents' Fees, not be committed for expenditure by December 31, 2016, pursuant to Subscription Agreements, the General Partner shall distribute or cause to be distributed on or before March 31, 2017 to each Limited Partner of record as of December 31, 2016, his Pro Rata share of the uncommitted portion of such proceeds, without interest or deduction.

15.3 The Partnership will have the right to take advantage of any rising share prices, and provided that any resale restrictions imposed by applicable securities legislation have expired, to sell the Flow-Through Shares and Super Flow-Through Shares owned by the Partnership in the market. The proceeds of such sale may, at the discretion of the General Partner: (a) be held in interest-bearing accounts by the Partnership; (b) distributed to the Limited Partners;(c) re-invested by the General Partner into high-quality money market instruments (including, without limitation, government treasury bills); (d) reinvested in non-flow-through shares of Resource Companies; (e) reinvested in flow-through securities of Resource Companies who meet the Partnership's investment criteria, and result in further tax benefits for the Limited Partners or (f) reinvested in securities of Resource Companies.

15.4 The Partnership shall further have the right to exercise any warrants held by it in the event that the current market price for the underlying common shares is greater than the warrant's exercise price. For greater certainty, in accordance

with its powers set out in this Agreement, and without restricting the generality thereof, the General Partner shall have the right to determine the extent to which: (a) any warrants held by the Partnership are to be exercised; and (b) any other securities are to be disposed of in order to generate proceeds which may be applied toward the exercise price of any warrants (notwithstanding that any such dispositions may give rise to tax consequences for the Partners).

16. Issue, Assignment and Ownership of Units

16.1 Subject to applicable securities laws, regulations and orders, and to compliance with the terms and conditions of this Agreement, a Unit not may be assigned, unless the General Partner shall have first consented to such transfer in writing, which consent shall not be unreasonably withheld upon satisfaction of the following conditions. To effect such an assignment, a Limited Partner, or his duly authorized agent, shall:

(a) notify, the General Partner, in writing, irrevocably, of his intention to transfer the Unit(s) specified in such notice;

(b) deliver, or cause to be delivered, to the General Partner, a transfer form substantially in the form provided by the General Partner (which shall include, among other things, a confirmation by the parties thereto that the transfer or assignment shall not occur on a "public market" within the meaning of the Tax Act), completed and executed by such Limited Partner, or his agent, and by the assignee;

(c) satisfy the General Partner in the General Partner's sole and absolute discretion that the assignee is a person capable of assuming the risks connected with an investment in the Partnership, as well as being a person generally suitable as a limited partner in the Partnership, and that an assignment to the assignee will not violate or offend the letter or spirit of the *Securities Act* of the province or territory of residence of the assignor or assignee;

(d) provide such reasonable evidence and information as the General Partner may require;

(e) deliver a transfer form executed by the assignee whereby the assignee agrees to be bound by the terms of this Agreement and to assume the obligations of a Limited Partner under this Agreement, in form and substance satisfactory to the General Partner; and

(f) pay the reasonable fees and expenses of the Registrar and Transfer Agent in connection with the assignment;

provided that no such assignee shall become a Limited Partner until all filings and recordings required by law have been duly made, including the amendment of the record of Limited Partners to include the assignee as a Limited Partner in accordance with the Act. If the assignee is entitled to become a Limited Partner pursuant to the provisions hereof, the General Partner is authorized to admit the assignee to the Partnership as a Limited Partner and the Partners hereby consent to the admission of, and will admit, the assignee to the Partnership as a Limited Partner without further act of the Partners.

16.2 An assignment shall be deemed to take effect on the date the record of Limited Partners is amended to include the assignee as a Limited Partner with respect to such assignment in accordance with the Act.

16.3 If the assignor of a Unit is a firm or corporation, or purports to assign such Unit in any representative capacity, or if an assignment results from the death, mental incapacity or bankruptcy of a Limited Partner or is otherwise involuntary, the assignor or his legal representative shall furnish to the General Partner such documents, certificates, assurances, court orders and other materials as the General Partner may reasonably require to cause such assignment to be effected.

16.4 No assignment of a fraction of a Unit may be made or will be recognized.

16.5 No assignment shall relieve the transferor from any obligations to the Partnership incurred prior to the assignment becoming effective.

16.6 Notwithstanding any other provision of this Agreement, a transfer or assignment of a Unit shall not be effective, shall be void from the outset and the General Partner shall be deemed not to have consented thereto 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: (a) the general terms of the transfer or assignment and (b) that the transfer or assignment occur on a "public market" within the meaning of the Tax Act.

17. Conflicts of Interest

17.1 The Limited Partners acknowledge that:

(a) the General Partner and its Affiliates, including the general partner of the General Partner and the Portfolio Manager and their respective directors and officers are permitted to be engaged, indirectly or directly, in and continue in the exploration and development of natural resource properties in Canada and elsewhere, or activities related or peripheral thereto;

(b) the exploration and development activities of Resource Companies may lead to the incidental result of providing additional information with respect to, or augmenting the value of properties in which the General Partner or other parties not at arm's length with the General Partner have or subsequently acquire either a direct or indirect interest;

(c) the services of the directors and officers of the general partner of the General Partner are not exclusive to the Partnership, and the officers and directors of the general partner of the General Partner may, from time to time, engage in the promotion, management or investment management of another fund or partnership, including future partnerships and other funds, partnerships or entities which invest primarily in Flow-Through Shares;

(d) Affiliates and officers of Affiliates of the General Partner may serve as directors of Resource Companies which issue Flow-Through Shares to the Partnership; and,

(e) there are certain other activities listed in the Offering Memorandum under the subheading "Conflicts of Interest" or elsewhere, which the Limited Partners expressly acknowledge that they have read and understood.

17.2 Subject to the General Partner's obligations herein, the Limited Partners agree that the activities and facts set forth in Section 17.1 shall not constitute an improper, impermissible or actionable conflict of interest or breach of fiduciary duty to the Partnership or the Limited Partners, and the Limited Partners hereby consent to such activities. The Limited Partners further agree that neither the General Partner nor any other party referred to in Section 17.1 will be required to account to the Partnership or any Limited Partner for any benefit or profit derived from any such activities or from such similar or competing activity or any transaction relating thereto by reason of any conflict of interest or the fiduciary relationship created by virtue of the position of the General Partner hereunder unless such activity is contrary to the express terms of this Agreement.

18. Conduct of Business

18.1 The General Partner agrees to conduct the business of the Partnership in the following manner:

(a) funds of the Partnership shall not be commingled with any other funds;

(b) title to investments of the Partnership shall be held in the name of the Partnership or the General Partner, directly or beneficially;

(c) the General Partner shall not take any action with respect to the assets of the Partnership which is not in the best interests of the Partnership as determined in the sole and exclusive discretion of the General Partner;

(d) the Partnership shall not make loans to, nor guarantee the obligations of, the General Partner, or any Affiliate of the General Partner; and,

(e) where services are supplied to the Partnership by the General Partner or an Affiliate, the cost of such services to the Partnership shall not exceed the fair market value thereof.

19. Representations

19.1 The General Partner represents and warrants that:

(a) it is a limited partnership formed and validly subsisting under the laws of Ontario;

(b) it is or will become registered and will maintain such registration to do business, has or will acquire all requisite licenses and permits to carry on the business of the Partnership in all jurisdictions in which the Partnership activities render such registration necessary;

(c) has the capacity and competence to enter into and be bound by the Agreement;

(d) it has the capacity and authority to act as General Partner and the performance of its obligations hereunder as General Partner do not and will not conflict with or breach its charter documents, by-laws or any agreement by which it is bound;

(e) it is a "Canadian partnership" within the meaning of the Tax Act; and,

(f) it is not a "non-Canadian" within the meaning of the *Investment Canada Act* (Canada).

19.2 Each Limited Partner represents, warrants, covenants, and declares to the Partnership, General Partner and each other Limited Partner (which covenants, declarations, representations and warranties shall survive closing) that:

(a) he is not a non-resident of Canada for the purposes of the Tax Act;

(b) he is not a "non-Canadian" within the meaning of the *Investment Canada Act* (Canada);

(c) he is not a "financial institution" within the meaning of the Tax Act;

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

(e) he has the legal capacity and competence to enter into and be bound by this Agreement and the Subscription and Power of Attorney Form;

(f) the subscription hereunder is being made by the Subscriber as principal for his own account and not for the benefit of any other person and that the issuance of securities of the Partnership to him will be properly made, pursuant to an exemption from the prospectus and registration requirements of the *Securities Act* of the province or territory in which he is resident;

(g) he has received, and has read and understood, a copy of the Offering Memorandum and a copy of this Agreement prior to subscribing for Units, and has based the decision to invest in the Units solely on the disclosures set out therein;

(h) no advice was given by, or sought by the Limited Partner from, the General Partner or Partnership, or any of their respective officers, directors, employees or agents, as to the merits of an investment in Units;

(i) he has been informed of, and accepts all of the risks inherent in the investment in Units, including, without limitation, those described in the Offering Memorandum, and those associated with resource exploration;

(j) neither the Partnership or General Partner, nor any director, officer, employee or agent thereof, has made any representation about the present or future value of the Units, and the only representations upon which the Limited Partner may rely are those contained in the Partnership Agreement;

(k) he has sought and obtained independent legal, tax and accounting advice regarding the purchase and sale of Units and the holding of Units under applicable securities and tax laws;

(l) he is aware of the characteristics of the Units and of their speculative nature as well as of the fact that they cannot be sold or otherwise disposed of except in accordance with the provisions of this Agreement and applicable securities laws;

(m) the Partnership has afforded to the Limited Partner and his advisors full and complete access to all information concerning the business and financial condition of the Partnership (to the extent that such information was possessed by the Partnership or could be acquired by the Partnership without unreasonable effort or expense) that the Limited Partner deemed necessary or desirable in order to evaluate the merits and risks of an investment in the Units;

(n) his advisors have received satisfactory and complete information concerning the business and financial condition of the Partnership in response to all inquiries made by them in respect thereof;

(o) commissions will be paid in connection with the Offering, from subscription proceeds as described in the Offering Memorandum;

(p) no person has made to the Limited Partner any written or oral representations:

(i) that any person will resell or repurchase the Units;
(ii) that any person will refund the purchase price of the Units; or
(iii) as to the future price or value of the Units,

(q) he is purchasing his Units as principal and not with a view to resale or distribution, and no other person or entity will have a beneficial interest in the Units;

(r) he shall ensure that his status described in this Section 19.2 shall not be modified and he shall not transfer any of his Units, in whole or in part, in a manner that would not conform with this Agreement (including, without limitation, to a person whose status would not conform to this Section 19.2);

(s) he is not acquiring the Units hereunder with knowledge of any material fact about the Partnership that has not been generally disclosed;

(t) if an individual, he has attained the age of majority and has the legal capacity and competence to enter into and be bound by this Agreement and to take all actions required pursuant hereto;

(u) if a corporation, unincorporated association or other entity that is not an individual, it has the legal capacity and competence to enter into and be bound by this Agreement and to take all actions required pursuant hereto, and further certifies that all necessary approvals have been given in connection herewith;

(v) he is a resident of Canada, and will continue to reside in the same province or territory while he holds Units;

(w) he is not a company whose principal activity is resource exploration and is not non-arm's length (within the meaning of the Tax Act) with any Resource Company, and he will ensure that his status will not be modified and that he will not transfer his Units in whole or in part to any person who would be unable to make such representations and warranties;

(x) he understands the aims and objectives of the Partnership and understands the nature of its activities;

(y) he has been informed of the proposed use of the proceeds of distribution of the offering of Units;

(z) he is capable of giving a continuing power of attorney as contained in, and forming part of, this Agreement;

(aa) if required under applicable securities laws or by order of any securities commission, stock exchange or other regulatory authority, he shall execute, deliver, file and otherwise assist the General Partner in filing such reports, undertakings and other documents with respect to the issue of Units as may be required;

(bb) he shall not undertake any action that will cause the Partnership to be, or create a substantial risk that the Partnership will be, a "SIFT partnership" within the meaning of the Tax Act (including any action that could cause his Units to be listed or traded on a "public market" within the meaning of the Tax Act which, for greater certainty, includes any trading system or other organized facility on which securities that are qualified for public distribution are listed or traded, but does not include a facility that is operated solely to carry out the issuance of a "security" (as defined in Subsection 122.1(1) of the Tax Act) or its redemption, acquisition or cancellation by its issuer); and

(cc) he has not financed, and will not finance, his acquisition of the Units with indebtedness for which recourse is or is deemed to be limited within the meaning of the Tax Act, and for the purposes of this representation, warranty and covenant, limited recourse indebtedness includes

(i) indebtedness in respect of which bona fide written arrangements were not made, at the time the indebtedness was incurred, for repayment of all principal and interest within a reasonable period not exceeding 10 years;

(ii) indebtedness on which interest is not payable, at least annually, at a rate equal to or greater than the lesser of the rate prescribed under the Tax Act at the time the indebtedness arose and the prescribed rate that is applicable from time to time during the term of the indebtedness; and

(iii) indebtedness in respect of which such interest is not paid by the debtor within 60 days of the end of the debtor's tax year.

Each Limited Partner acknowledges that the foregoing representations, warranties, covenants and declarations are made by him with the intent that they may be relied upon by the Partnership and General Partner (as well as any registered dealers acting as agents in connection with the Offering) in determining the Limited Partner's suitability as a purchaser of Units. Each Limited Partner agrees that the foregoing representations, warranties, covenants and declarations will be true and correct as of the execution of this Agreement, and he hereby agrees to indemnify the Partnership, General Partner, and any registered dealer involved in the Offering, against all losses, claims, costs, expenses and damages or liabilities which any of them may suffer or incur as a result of reliance thereon. Each Limited Partner agrees to notify the General Partner immediately of any change in representation, warranty, or other information relating to him set forth herein which takes place at any time in the future while such Limited Partner holds Units.

19.3 The representations and warranties contained in this Article shall survive the execution of this Agreement and each party is obliged to ensure the continuing accuracy of each representation and warranty made by it throughout the term of the Partnership.

20. Removal, Resignation and Replacement of the General Partner

20.1 Except as otherwise provided herein, the General Partner may not sell, assign, transfer or otherwise dispose of its interest in the Partnership as General Partner, except if such sale, assignment, transfer or disposition is to an Affiliate or in connection with and ancillary to a merger or amalgamation of the General Partner, resulting in the surviving or continuing entity being the General Partner.

20.2 The General Partner shall be deemed to resign as the general partner of the Partnership in the event of: the bankruptcy, insolvency, dissolution, liquidation or winding up of the General Partner (or the commencement of any act or proceeding in connection therewith which is not contested in good faith by the General Partner); the appointment of a trustee, receiver or receiver and manager of the affairs of the General Partner; a mortgagee or other encumbrancer taking possession of all of the property or assets beneficially owned by the General Partner or a substantial part thereof; levy or execution or any similar process being levied or enforced against all of the property or assets of the General

Partner or a substantial part thereof; or the General Partner sells all or substantially all of its assets. The General Partner shall forthwith advise the Limited Partners by written notice of the occurrence of any event referred to in this Article 20.

20.3 The General Partner may only be removed as General Partner of the Partnership by a special resolution of the Limited Partners, and subject to the requirements of Subsection 21.12(a) hereof.

20.4 The right to remove the General Partner provided for in Section 20.3 shall be effective only upon the appointment by the Limited Partners, concurrently with such removal, of a new General Partner to assume all of the responsibilities and obligations of the General Partner.

20.5 The General Partner may withdraw as the General Partner at any time on not less than one hundred and eighty (180) days prior written notice to the Limited Partners, provided that any such withdrawal shall be effective only following the admission of a new General Partner to the Partnership. The General Partner shall not withdraw if the effect thereof would be to dissolve the Partnership or constitute the Partnership a general partnership.

20.6 In the event of the resignation of the General Partner or the deemed resignation of the General Partner, such General Partner shall cease to be the General Partner of the Partnership and such resignation or deemed resignation shall be effective upon the admission of a new General Partner to the Partnership by ordinary resolution (and the filing of an amendment to the Declaration to evidence such action) or, in the event of there not being another General Partner at such time, the expiration of 180 days from the date of the giving of the notice of resignation, or on the occurrence of the triggering event.

20.7 The new General Partner shall, prior to assuming its responsibilities as General Partner under the terms of this Agreement, execute those documents presented by the Partnership to give effect to such assumption.

20.8 Upon the admission of the new General Partner:

(a) the new General Partner shall become a party to this Agreement by signing a counterpart hereto and shall agree to be bound by all the provisions hereof and to assume the obligations, duties and liabilities of the departing General Partner hereunder as and from the date the new General Partner becomes a party to this Agreement;

(b) the new General Partner will purchase and the departing General Partner will sell the interest of the departing General Partner in the Partnership (excluding any Units held by the departing General Partner) at a purchase price of one dollar ($1.00);

(c) the departing General Partner will do all things and take all steps to effectively transfer the records and management of the Partnership and the interest of the departing General Partner in the Partnership to the new General Partner; and,

(d) the departing General Partner will file all declarations and amendments to any declarations or other instruments necessary to record the admission of the new General Partner or to qualify or continue the Partnership as a limited partnership

20.9 Upon the removal or resignation of the General Partner, the Partnership shall release and hold harmless the departing General Partner, its officers, directors, shareholders and employees (as the case may be) from any and all costs, damages, liabilities or expenses incurred by the Partnership in connection with the Partnership's business or otherwise as a result of or arising out of events occurring after such removal or withdrawal and events occurring prior thereto unless caused by or deriving from any gross negligence or wilful misconduct by the General Partner, its officers, directors, shareholders or employees.

21. Meetings of Partners and Scope of Meetings

21.1 Special meetings of the Partners may be called:

(a) at any time by the General Partner; and,

(b) upon the written request of Limited Partners holding in the aggregate not less than fifty per cent (50%) of outstanding Units.

21.2 The request referred to in Subsection 21.1(b) shall specify the purpose or purposes for which such meeting is to be called, and shall include sufficient information to enable the other Partners to make a reasoned judgment of each matter to be considered at the meeting. Any such meeting shall be held in the City of Toronto or such other place within the Greater Toronto Area as the General Partner shall reasonably designate if the meeting was called by the General Partner, or in the City of Toronto if the meeting was called at the request of the Limited Partners. If the General Partner fails to call a meeting upon such request of Limited Partners within thirty (30) days after the giving of such request, then the requesting Limited Partners may call such meeting and the notice calling such meeting shall be signed by such requesting Limited Partners or by any person as such requesting Limited Partners may specify in writing. Any meeting called by such requesting Limited Partners shall be conducted in accordance with the provisions of this Agreement and shall be held within sixty (60) days of the giving of the original request.

21.3 At least two (2) Limited Partners present in person and holding or representing in person or by proxy at least fifty per cent (50%) of the outstanding Units entitled to vote at a meeting shall be necessary to constitute a quorum for the transaction of business at all Partnership meetings. If a quorum shall not be present within 30 minutes from the time fixed for holding any such meeting, the holders of a majority of the Units present in person or represented by proxy at such meeting shall have power to adjourn the meeting to another day, which day shall not be less than ten (10) days nor more than twenty-one (21) days from the meeting first held, and notice shall forthwith be given to the Limited Partners of such adjourned meeting. The Limited Partners present in person or by proxy at any adjourned meeting shall constitute a quorum for the transaction of business, and at such adjourned meeting any business may be transacted which might have been transacted at the meeting first held, had a quorum been present.

21.4 Notice of all meetings of the Partners, other than adjourned meetings, stating the time, place and purpose of the meeting, shall be given by the person or persons calling the meeting to the General Partner and to each Limited Partner at his registered address mailed at least twenty-one (21) days and not more than sixty (60) days before the meeting. All notices of meeting will list all matters which are to be subject to a vote at such meeting, and will provide sufficient information to enable Limited Partners to make a reasoned judgment on each matter to be considered at such meeting. Notice of adjourned meetings shall be given forthwith and otherwise in accordance with the provisions for notice contained in this part.

21.5 At all meetings of Partners, each Limited Partner shall be entitled to cast one (1) vote for each Unit owned by the Limited Partner upon each matter presented for a vote. In the event that the General Partner holds Units, it will be entitled to vote with respect to those Units. Any officer or director of the general partner of the General Partner, counsel for the General Partner, a proxyholder and the auditors may attend any meeting of Partners. Any counsel for or representative authorized in writing by a Limited Partner may attend for or on behalf of such Limited Partner, and may address the meeting on the matters properly before it. Every question submitted to a meeting, except for those matters which require a vote by special resolution, shall be decided by ordinary resolution on a show of hands unless a poll is demanded, in which case a poll shall be taken. In the case of an equality of votes, the chairman of the meeting shall not have a casting vote.

21.6 Where two (2) or more Limited Partners hold the same Unit or Units jointly, one of those holders present, in person or by proxy, at a meeting of Limited Partners may, in the absence of the other or others, vote the Unit or Units, but if two (2) or more of those persons are present, in person or by proxy, and vote, they shall only be entitled to vote jointly (and not severally) in respect of the Unit or Units jointly held by them.

21.7 At any meeting of Partners, any holder of Units entitled to vote thereat may vote by proxy, provided that no proxy shall be voted at any meeting unless it shall have been placed on file with the Registrar and Transfer Agent for verification prior to the time at which such vote shall be taken. A proxy purporting to be executed by or on behalf of a Limited Partner shall be deemed valid unless challenged at or prior to its exercise, and the burden of proving invalidity shall not rest on the challenger.

21.8 The General Partner shall solicit proxies in connection with any meeting of Limited Partners that is convened, and shall comply with the applicable provisions of the *Securities Act* (Ontario) and the regulations and Rules thereunder in respect of such solicitations. A proxy solicited in contravention of this Section shall be invalid and shall confer no rights to vote upon the holder thereof.

21.9 The Chief Executive Officer or president of the general partner of the General Partner or his nominee shall act as chairman of any meeting of Limited Partners unless the Limited Partners vote to appoint, from amongst themselves, a chairman of any meeting of Limited Partners in place and stead of the Chief Executive Officer or president or his nominee.

21.10 Any business which may be conducted at a meeting of Partners may be approved by a resolution in writing in lieu thereof. Notice of such resolution shall be given to all Limited Partners, and approval of such resolutions shall be evidenced by the signature on any such resolution or counterpart thereof by Limited Partners holding the percentage of Units required to approve such matter at a meeting of Limited Partners called for such purpose.

21.11 Any resolutions passed in accordance with this Agreement shall be binding on all Partners and their respective heirs, executors, administrators, other legal representatives, successors and assigns, whether or not such Partner is present or represented by proxy at the meeting at which such resolution is passed and whether or not such Partner votes against such resolution.

21.12 Subject to Section 21.13 hereof, the Limited Partners may by special resolution:

(a) remove the General Partner where the General Partner is in default of a material obligation under this Agreement, or appoint a new general partner in the event of a deemed resignation, removal or resignation of the General Partner;

(b) subject to the approval of the General Partner, dissolve the Partnership or continue and extend the term of the Partnership beyond the Targeted Dissolution Date;

(c) amend or rescind any special resolution;

(d) waive any default on the part of the General Partner, on such terms as they may determine, and release the General Partner from any claims in respect thereof;

(e) continue the Partnership if the Partnership is terminated by operation of law;

(f) agree to any compromise or arrangement by the Partnership with any creditor or creditors or classes of creditors, or with the holders of any shares or securities of the General Partner;

(g) require the General Partner on behalf of the Partnership to enforce any obligation or covenant on the part of the General Partner or any Limited Partner; and

(h) waive any rights under this Agreement.

21.13 Each Limited Partner acknowledges that the Act authorizes only a general partner to transact business and sign for the Partnership and to bind it. A Limited Partner may from time to time make examinations into the state and progress of the Partnership's business and may advise as to its management, but becomes liable as a general partner if, in addition to the foregoing activities, a Limited Partner takes part in the control of the Partnership's business. Therefore, the Limited Partners agree that, notwithstanding that the Limited Partners may have powers conferred on them by virtue of Section 21.12, any decisions made or business conducted at meetings of Partners shall be restricted so that no Limited Partner becomes liable as a general partner.

21.14 The General Partner may secure the consent or agreement of any Limited Partner to any matter requiring such a consent or agreement in writing and such consents or agreements in writing may be used in conjunction with votes

given at a meeting of Limited Partners or without a meeting of Limited Partners to secure the necessary consent or agreement hereunder.

21.15 Notwithstanding anything herein contained, only Limited Partners who are registered as such in the record of Limited Partners on the record date determined for the meeting shall have the right to attend in person or by proxy and to vote on all matters submitted to the meeting.

21.16 A vote cast in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death, incapacity, insolvency, bankruptcy or insanity of the Limited Partner giving the proxy or the revocation of the proxy, provided that no written notice of such death, incapacity, insolvency, bankruptcy, insanity or revocation shall have been received at the place of meeting prior to the time fixed for holding of the meeting.

21.17 To the extent that the rules and procedures for the conduct of a meeting of the Limited Partners are not prescribed in this Agreement, such rules and procedures shall be determined by the General Partner.

21.18 Minutes and proceedings of every meeting of the Partners shall be made and recorded by the General Partner. Minutes, when signed by the chairman of the meeting, shall be prima facie evidence of the matters therein stated. Until the contrary is proved, every meeting in respect of which minutes have been made shall be deemed to have been duly held and convened and all proceedings referred to in the minutes shall be deemed to have been duly passed.

22. Amendment of Agreement

22.1 Save and except as set forth in Section 22.2, this Agreement may be amended in writing on the initiative of the General Partner only with the approval of the Limited Partners given by special resolution, provided that: (a) this Section 22.1 may not be amended without the unanimous consent of the Limited Partners and the unanimous consent of the Limited Partners is required to reduce the interest in the Partnership of any Limited Partner; (b) no amendment may be made to the Agreement which would allow any Limited Partners to take part in the control of the business of the Partnership, or which would have the effect of altering the liability of any Limited Partner or the status of the Partnership as a limited partnership, or which would allow any Limited Partner to exercise control of the business of the Partnership, or which would change the right of a Limited Partner to vote at any meetings; and (c) no amendment may be made to the Agreement, without the General Partner's express prior written consent, which would have the effect of diminishing, reducing, delaying or otherwise negatively affecting the General Partner's entitlement to receive its share of the assets of the Partnership.

22.2 The General Partner may, without prior notice to or consent from any Limited Partner, amend, from time to time, any provision of this Agreement:

(a) for the purpose of adding to this Agreement any further covenants, restrictions, deletions or provisions which in the opinion of counsel to the Partnership are necessary for the protection of or are otherwise to the benefit of the Limited Partners;

(b) to cure an ambiguity or to correct or supplement any provisions contained herein which in the opinion of counsel to the Partnership may be defective or inconsistent with any other provisions contained therein, provided that such cure, correction or supplemental provision does not and will not, in the opinion of such counsel, materially adversely affect the interests of the Limited Partners;

(c) to reflect the admission, resignation, withdrawal or removal of any Partner of the Partnership or the assignment by any Limited Partner of the whole or any part of his interest in the Partnership under or pursuant to the terms hereof; and,

(d) to make such other provisions in respect of matters or questions arising under this Agreement, which in the opinion of counsel to the Partnership do not and will not adversely affect the interests of the Limited Partners.

22.3 Limited Partners shall be notified by the General Partner of full details of any amendments to this Agreement within thirty (30) days of the effective date of the amendment.

22.4 Notwithstanding the foregoing, or any other provisions to the contrary contained in this Agreement, no amendments of this Agreement shall be adopted if such amendment would:

(a) change the Partnership to a general partnership;

(b) change the liability of the General Partner or any Limited Partner;

(c) allow any Limited Partner to participate in the management of the Partnership;

(d) change the business of the Partnership; or,

(e) change the right of a Limited Partner to vote at any meeting.

23. Notice

23.1 Any notice, direction or request required or permitted to be given hereunder shall be in writing and shall be given by personal delivery, facsimile or by mailing the same in Ontario by first class mail, postage prepaid, addressed as follows:

(a) to the Partnership or General Partner at 161 Bay Street, Suite 4420, Toronto, Ontario, M5J 2S1, facsimile: (416) 365-4080

(b) to each Limited Partner at his last address shown on the record of Limited Partners or such e-mail address previously provided by the Limited Partner to the General Partner or Partnership.

23.2 Any notice, direction or request delivered personally or given by facsimile shall be deemed to be received by and given to the addressee on the day of delivery. Any notice, direction or request mailed as aforesaid shall be deemed to have been received by and given to the addressee on the third (3rd) business day following the date of mailing, except in the event of a disruption of postal service, in which event such notice, direction or request shall be delivered personally or given by facsimile. In the event of a postal disruption, each Limited Partner shall forthwith upon the commencement of the postal disruption advise the General Partner of an e-mail address to which the Limited Partner may be contacted by the General Partner during the postal disruption, failing which the Limited Partner shall be deemed to have waived notice during the duration of the postal disruption. The General Partner may change its address and the address of the Partnership for receipt of notice by giving notice of its new address or the new address of the Partnership to each Limited Partner as herein contemplated.

24. Power of Attorney

24.1 Each Limited Partner hereby grants to the General Partner, its successors and assigns, a power of attorney constituting the General Partner, with full power of substitution, as his true and lawful attorney and agent, with full power and authority, in the Limited Partner's name, place and stead, to execute (under seal or otherwise), swear to, acknowledge, deliver and record or file, as the case may be, as and where required:

(a) this Agreement, the Declaration, any amendment to this Agreement or the Declaration, or any certificates or other instruments and any amendments thereto which the General Partner deems appropriate or necessary to qualify, continue the qualification of, or keep in good standing, the Partnership in, or otherwise comply with the laws of Ontario or any other jurisdiction wherein the Partnership may carry on business or the General Partner may deem it prudent to register the Partnership, in order to maintain the limited liability of the Limited Partners and to comply with all applicable laws;

(b) any instruments which the General Partner deems appropriate to reflect any amendment, change or modification of the Partnership in accordance with the terms of this Agreement;

(c) any certificates and other instruments and amendments thereto which the General Partner deems appropriate or necessary to comply with the laws of Canada or Ontario;

(d) any conveyances and other instruments or documents which the General Partner deems appropriate or necessary to reflect the termination of the Partnership pursuant to the terms of this Agreement, and all instruments required in connection with dissolution or such termination of the Partnership;

(e) any instruments required in connection with any election made under the Tax Act or analogous fiscal legislation, as amended, modified or replaced from time to time;

(f) any documents which the General Partner deems necessary or appropriate to be filed, or which are required to be filed with any governmental body, agency or authority, in connection with the business, property, assets and undertaking of the Partnership;

(g) transfer forms and such other documents or instruments on behalf of or in the name of whomsoever as may be necessary to effect the transfer of any Units in accordance with the term of this Agreement;

(h) such other documents on behalf of and in the name of the Partnership, the General Partner and the Limited Partners as may be required to give effect to this Agreement.

The power of attorney granted hereby is irrevocable, is a power coupled with an interest, and shall survive the assignment by the Limited Partner of the whole or any part of the interest of the Limited Partner in the Partnership, and shall also survive the death, bankruptcy or incapacity of the Limited Partner, and shall extend to bind the heirs, executors, administrators, successors and assigns of each Limited Partner. Each Limited Partner agrees to be bound by any representation or action made or taken by the General Partner pursuant to this power of attorney and hereby waives any and all defences which may be available to contest, negate or disaffirm the action of the General Partner taken in good faith under this power of attorney.

25. Miscellaneous

25.1 The General Partner and the Limited Partners agree that this Agreement shall be governed by and construed in accordance with the laws of Ontario.

25.2 This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which shall be construed together as one agreement.

25.3 Any default by the General Partner constituted by its failure to do any act within a stipulated period of time shall be deemed to have been remedied if such act is done within thirty (30) days after a Limited Partner has given notice to the General Partner requiring such default to be remedied.

25.4 The General Partner and each Limited Partner hereby irrevocably waive during the term of this Agreement any rights which each may have to maintain any action for partition or sale with respect to the assets held by the Partnership or any interests therein or any other interests, whether in real or personal property, and whether corporeal or incorporeal.

25.5 Any dollar amount referred to in this Agreement shall be deemed to refer to lawful money of Canada.

25.6 Each provision of this Agreement shall be severable. If any provision hereof is illegal or invalid, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement.

25.7 The parties hereto agree to promptly execute and deliver such further and other documents and perform and cause to be performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement in every part thereof.

25.8 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the parties have signed this Agreement as of the date first above written.

GENERAL PARTNER:
MQ 2016-I LIMITED PARTNERSHIP,
By its general partner MARQUEST FT INC.

Per: ___"*Gerald Brockelsby*"_____
Gerald L Brockelsby, CEO

INITIAL LIMITED PARTNER:
MARQUEST ASSET MANAGEMENT INC.

Per: ___"*Andrew A. McKay*"_____
Andrew A. McKay, President

Schedule "A"
Investment Guidelines

(a) **Resource Companies**. The Partnership will invest all or substantially all of the Available Funds in Flow-Through Shares issued by Resource Companies, provided that the Partnership may invest in cash and cash equivalents until suitable investment opportunities arise. To the extent the Partnership disposes of Flow-Through Shares, the Partnership may reinvest the net proceeds from any such dispositions in additional shares of Resource Companies, cash and cash equivalents, government bonds and securities of entities listed on a Canadian stock exchange. Up to 10% of Available Funds may be invested in Flow-Through Shares of Resource Companies that are not reporting issuers and which, may, therefore, be subject to continuing resale restrictions.

(b) **Exchange Listing**. The Partnership will invest all or substantially all of the Available Funds in Flow-Through Shares of Resource Companies, the shares of which are listed and posted for trading on a Canadian stock exchange, including without limitation, the Toronto Stock Exchange, the TSX Venture Exchange and Canadian Securities Exchange.

(c) **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 Guidelines.

(d) **Purchasing Securities**. The Partnership will purchase securities (other than Flow-Through Shares) only through normal market facilities unless the purchase price therefor approximates or is less than the prevailing market price or is negotiated or established on an arm's length basis from the Partnership and the General Partner.

(e) **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.

(f) **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 provided that this restriction shall not apply to the purchase of securities which are paid for on an installment basis where the total purchase price and the amount of all such installments is fixed at the time the initial installment is paid.

(g) **No Material Interest**. The Partnership will not purchase securities from or sell securities to the General Partner or any of the General Partner's respective Affiliates, any officer, director or shareholder of any Affiliate of the General Partner, trust, firm or corporation managed by the General Partner or any of their respective Affiliates or any firm or corporation in which may have a material interest (which, for these purposes, means beneficial ownership of more than 10% of the voting securities of such entity) unless, with respect to any purchase or sale of securities, any such transaction is effected through normal market facilities, is not pre-arranged and the purchase price approximates the prevailing market price. The restriction will not apply to a sale of Partnership assets to a mutual fund in advance of the dissolution of the Partnership, if such a transaction should occur.

(h) **No Borrowing**. The Partnership will not engage in borrowing.

(i) **No Commodities**. The Partnership will not purchase or sell commodities.

(j) **No Guarantees**. The Partnership will not guarantee the securities or obligations of any person.

(k) **No Real Estate**. The Partnership will not purchase or sell real estate or interests therein.

(l) **No Lending**. The Partnership will not lend money. For purposes of this restriction, investments in high-quality liquid investments are not considered lending.

(m) **No Control**. The Partnership will not purchase securities of a reporting issuer for the purpose of exercising control or management over such issuer and will not purchase more than 10% of the issued and outstanding voting securities of any particular Resource Company in which it may invest.

(n) **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 its investment portfolio.

(o) **No Short Sales**. The Partnership will not make short sales of securities other than for hedging purposes against existing positions held by the Partnership.

(p) **No Mortgages**. The Partnership will not purchase mortgages.

(q) **No Mutual Funds**. The Partnership will not purchase the securities of any mutual fund, other than in connection with the Mutual Fund Rollover Transaction.

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