This offering memorandum is confidential. By their acceptance thereof, prospective investors agree that they will not transmit, reproduce or make available to anyone this Offering Memorandum or any information contained herein. This confidential offering memorandum constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

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, "Risk Factors".

CONFIDENTIAL OFFERING MEMORANDUM

Dated July 22, 2014

Maple Leaf Short Duration 2014-II Flow-Through Limited Partnership

$10,000,000
National Class
Class A Units
FundSERV Code: CDO 141
Class F Units
FundSERV Code: CDO 142

$5,000,000
Québec Class
Class A Units
FundSERV Code: CDO 143
Class F Units
FundSERV Code: CDO 144

The Issuer:

Name:	Maple Leaf Short Duration 2014-II Flow-Through Limited Partnership, a limited partnership formed under the laws of British Columbia
Head Office:	Suite 808, 609 Granville Street, Vancouver, British Columbia V7Y 1G5
Phone Number:	(604) 684-5750; toll free 1 (866) 688-5750
E-mail Address:	info@mapleleaffunds.ca
Fax Number:	(604) 684-5748
Currently listed or quoted:	No. **The securities do not trade on any exchange or market.**
Reporting issuer:	No
SEDAR filer:	No

The Offering:

Securities Offered:	Class A and Class F National Class limited partnership units (collectively, the "**National Class Units**") and Class A and Class F Québec Class limited partnership units (collectively, the "**Québec Class Units**").
Price per Security:	$25.00 per Unit, with a minimum subscription of 200 Units ($5,000). Additional subscriptions may be made in multiples of 40 Units ($1,000).
Minimum/Maximum Offering:	Maximum Offering – National Class Units: $10,000,000 (400,000 National Class Units). Maximum Offering – Québec Class Units: $5,000,000 (200,000 Québec Class Units). Minimum Offering: $250,000 (10,000 National Class Units and/or Québec Class Units).
Portfolios:	Each Class of limited partnership units (collectively, the "**Units**") is a separate non-redeemable investment fund for securities laws purposes and will have its own investment portfolio and investment objectives.
National Portfolios:	The investment portfolios comprising the Class A and Class F National Class Units (together, the "**National Portfolios**") are intended for investors in all provinces and territories of Canada.
Québec Portfolios:	The investment portfolios comprising the Class A and Class F Québec Class Units (together, the "**Québec Portfolios**") are most suitable for investors who are resident in the Province of Québec or are otherwise liable to pay income tax in Québec.
Investment Objectives – National Portfolios:	The investment objective of each of the National Portfolios is to provide holders of National Class Units ("**National Class Limited Partners**") with an up to 100% tax deductible investment in a diversified portfolio of Flow-Through Shares of Resource Companies incurring Eligible Expenditures across Canada with a view to maximizing the tax benefits of an investment in National Class Units and achieving capital appreciation and/or income for National Class Limited Partners.
Investment Objectives – Québec Portfolios:	The investment objective of each of the Québec Portfolios is to provide holders of Québec Class Units ("**Québec Class Limited Partners**") with up to a 143.1% tax deductible investment in a diversified portfolio of Flow-Through Shares of Resource Companies incurring Eligible Expenditures principally in the Province of Québec with a view to maximizing the tax benefits of an investment in Québec Class Units and achieving capital appreciation and/or income for Québec Class Limited Partners.
Tax Consequences:	There are important tax consequences to these securities. Subject to certain limitations, Limited Partners with sufficient income will be entitled to claim deductions from income for Canadian federal income tax purposes (and for Québec income tax purposes for certain Québec Class Limited Partners) for the 2014 taxation year and subsequent taxation years with respect to Eligible Expenditures incurred and renounced to the Partnership and allocated to them. See Item 6, "Income Tax Consequences and RRSP Eligibility". **Units cannot be purchased or held by "non-residents" as defined in the *Income Tax Act* (Canada) (the "Tax Act") nor by partnerships other than "Canadian partnerships" as defined in the Tax Act.**
Liquidity Event:	In order to provide Limited Partners with liquidity and the potential for long-term growth of capital and income, the General Partner intends (subject to market conditions) to implement a liquidity transaction on or before September 30, 2015 (a "**Liquidity Event**"). The General Partner currently intends that the Liquidity Event will be a Mutual Fund Rollover Transaction (as defined herein). The Liquidity Event will be implemented on not less than 21 days' prior notice to Limited

	Partners. See Item 2.2, "Our Business - Liquidity Event and Termination of the Partnership".
Investment Manager:	T.I.P Wealth Manager Inc. (the "**Investment Manager**") is the investment manager for the Partnership. The Investment Manager will manage the Portfolios in accordance with the Investment Guidelines
Proposed Closing Dates:	Initial closing targeted for June 30, 2014. Other closings may subsequently take place on such dates as the General Partner may determine.
Selling Agents:	Yes. The Partnership will pay fees to Agents. See Item 7.
Management Fees:	2% of average Net Asset Value

Payment Methods and Subscription Form Delivery Instructions

Subscription Documents and Cheques and Bank Drafts: All ***Original*** subscription documents and cheques and bank drafts must be delivered directly to the General Partner or through an Agent, Distributor or Securities Dealer for delivery to the General Partner at the following address:

Maple Leaf Funds
Attention: Subscription Processing Department
P.O. Box 10357, Suite 808, 609 Granville Street
Vancouver, BC V7Y 1G5

Payment Methods	**National Class and Quebec Class**
A. Funds can be transferred via FundSERV from your brokerage account at a securities dealer	Instruct your broker to purchase applicable units of ● Class A National Class CDO 141 ● Class F National Class CDO 142 ● Class A Québec Class CDO 143 or ● Class F Québec Class CDO 144.
B. Certified cheque or bank draft	**Payable to:** Maple Leaf 2014-II LP **Couriered to:** Maple Leaf Funds Attention: Subscription Processing Department P.O. Box 10357, Suite 808, 609 Granville St Vancouver, BC V7Y 1G5
C. Funds can be wire transferred from your bank account to Scotiabank.	**Beneficiary Institution: Scotiabank** Transit #47696 Swift Code: NOSCCATT ABA #:026002532 Toronto Business Service Centre 40 King Street West, Toronto, Ontario **Beneficiary Customer:** 47696 0356212 Maple Leaf Short Duration 2014-II Limited Partnership (address below)

And, please deliver all Original Subscription forms to:

Maple Leaf Funds
Attention: Subscription Processing Department
P.O. Box 10357, Suite 808, 609 Granville Street, Vancouver, British Columbia V7Y 1G5
Tel: (604) 684-5750, Toll Free: 1 (866) 688-5750, Fax: (604) 684-5748 Email: subscriptions@mapleleaffunds.ca

Resale Restrictions:

You will be restricted from selling your securities for an indefinite period. However, the Partnership intends to implement a Liquidity Event (as defined herein) on or before September 30, 2015, which is anticipated to be a tax-deferred exchange of Units for redeemable shares of a mutual fund corporation. See Items 2.2 and 10.

Purchaser's Rights:

You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this offering memorandum, you have the right to sue either for damages or to cancel the agreement. See Item 11.

THIS IS A BLIND POOL OFFERING. This is a speculative offering. No market for the Units is expected to develop. An investment in the Partnership is appropriate only for Subscribers who have the capacity to absorb a loss of some or all of their investment. There is no assurance of a positive return or any return on an investment in Units. The tax benefits resulting from an investment in Units are greatest for a purchaser whose income is subject to the highest marginal income tax rate. This offering is a blind pool offering. Investors who are not willing to rely on the discretion of the Investment Manager should not purchase Units. There are certain risks which are inherent in resource exploration and investing in Resource Companies. The value of the securities held by the Portfolios, which forms the basis of each Limited Partner's interest in the Portfolios, will be affected by factors beyond the Partnership's control. The Partnership will invest in securities of junior Resource Companies, which are typically less liquid and experience more price volatility than securities issued by larger companies. There can be no assurance a Liquidity Event will be implemented or implemented on a tax-deferred basis, and if a Liquidity Event is not implemented Limited Partners may receive illiquid shares upon dissolution of the Partnership. If a Mutual Fund Rollover Transaction is implemented, Limited Partners will receive Mutual Fund Shares which are also subject to various risks, including the potential holdings of illiquid securities in the Mutual Fund. Lack of Flow-Through Share investment opportunities may result in uncommitted funds in the Partnership, which will result in Limited Partners being unable to claim anticipated tax deductions or credits. Resource Companies may fail to renounce, effective in 2014 or at all, Eligible Expenditures as agreed and any amounts renounced may not qualify as CEE or Qualifying CDE. Limited Partners may lose their limited liability in certain circumstances. 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 Portfolios which will reduce the Net Asset Value of Units of those Portfolios. 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 that propose to finance the subscription price of Units should consult their own tax advisors to ensure that any such borrowing or financing is not treated as a limited recourse financing under the *Income Tax Act* (Canada) which would adversely affect the tax benefits of an investment in the Partnership. The Partnership and the General Partner are newly established with no previous operating history and only nominal assets. Prospective Subscribers should consult their own professional advisors to assess the income tax, legal and other aspects of their investment. An investment in Units is subject to a number of additional risks. See Item 8, "Risk Factors".

If Available Funds of the Québec Portfolios are not invested in the Province of Québec as contemplated, the potential tax benefits to a Québec Class Limited Partner who is an individual resident in the Province of Québec or otherwise liable to pay income tax in Québec will be reduced. The tax benefits resulting from an investment in Québec Class Units are greatest for a Québec Class Limited Partner who is an individual and whose income is subject to the highest marginal income tax rate and who is resident in the Province of Québec or otherwise liable to pay income tax in Québec. See Item 8, "Risk Factors".

The federal tax shelter identification number in respect of the Partnership is TS 081950. The Québec tax shelter identification number in respect of the Partnership is QAF-14-01541. The identification number issued for this tax shelter must be included in any income tax return filed by the investor. Issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of the investor to claim any tax benefits associated with the tax shelter. Le numéro d'identification attribué à cet abri fiscal doit figurer dans toute déclaration d'impôt sur le revenu produite par l'investisseur. L'attribution de ce numéro n'est qu'une formalité

administrative et ne confirme aucunement le droit de l'investisseur aux avantages fiscaux découlant de cet abri fiscal.

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SCHEDULE OF EVENTS

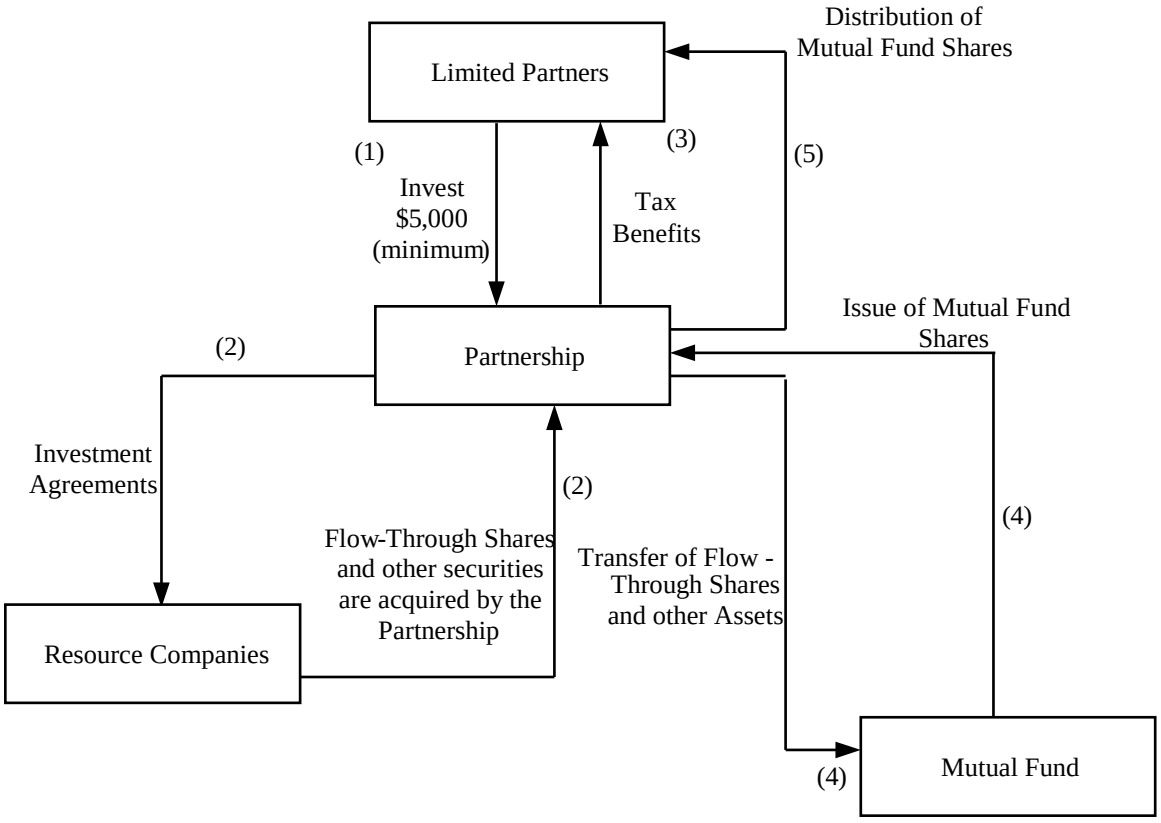
Approximate Date	Event
June 30, 2014	Initial Closing – Subscribers purchase Units and pay the full purchase price of $25.00 per Unit. Subsequent closings may be held on dates determined by the General Partner.
March 2015	Limited Partners receive 2014 T5013 federal tax receipt.
On or prior to September 30, 2015	General Partner intends (subject to market conditions) to implement a Liquidity Event.
Within 60 days of completion	Mutual Fund Shares distributed following the transfer of the Partnership's assets to the Mutual Fund, if a Mutual Fund Rollover Transaction is implemented.

FORWARD LOOKING STATEMENTS

Certain statements in this Offering Memorandum as they relate to the Partnership and the General Partner are "forward looking statements". Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "does not expect", "is expected", "anticipates", "does not anticipate", "plans", "estimates", "believes", "does not believe" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. These include, but are not limited to, the risks of the business of the Partnership. See Item 8, "Risk Factors". Accordingly, investors are cautioned against placing undue reliance on these forward-looking statements. None of the Partnership, the General Partner, the Investment Manager or the Agents undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required to do so by applicable laws.

OVERVIEW OF THE INVESTMENT STRUCTURE

The following diagram illustrates: (i) the structure of an investment in Units; (ii) the relationship among the Partnership and the Resource Companies; and (iii) a possible Liquidity Event structure. The numbers 1 through 5 below indicate the chronological order of an investment in Units, acquisition of Flow-Through Shares of Resource Companies, the flow of tax deductions to Limited Partners and a possible Liquidity Event.



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(1) Subscribers invest in National Class Units and/or Québec Class Units. The subscription price for the Units is payable in full at Closing.

(2) The Partnership enters into Investment Agreements.

(3) Subscribers must be Limited Partners on December 31, 2014 to obtain tax deductions in respect of such year.

(4) The Partnership intends to implement a Liquidity Event (which the General Partner currently intends will be a Mutual Fund Rollover Transaction) on or before September 30, 2015, subject to market conditions.

(5) If a Mutual Fund Rollover Transaction is implemented, the Partnership will be dissolved and the Limited Partners will receive their *pro rata* portion of the Mutual Fund Shares. The Mutual Fund Shares will be redeemable at the option of the former Limited Partners.

SELECTED FINANCIAL ASPECTS

An investment in Units will have a number of tax implications for a prospective Subscriber. The following presentation has been prepared by the General Partner to assist prospective Subscribers in evaluating the income tax consequences to them of acquiring, holding and disposing of Class A National Class Units and Class A Québec Class Units and are not based upon an independent legal or accounting opinion. The presentation is intended to illustrate certain income tax implications to Subscribers who are Canadian resident individuals (other than trusts) who have purchased $5,000 of Units (200 Units) in the Partnership and who continue to hold their Units in the Partnership as of December 31, 2014. **These illustrations are examples only and actual tax deductions may vary significantly. See Item 8, "Risk Factors". The timing of such deductions may also vary from that shown in the table**. A summary of the Canadian federal income tax considerations for a prospective Subscriber for Units is set forth under "Canadian Federal Income Tax Considerations" in Item 6. A summary of the Québec income tax considerations for a prospective subscriber for Québec Class Units is set forth under "Québec Income Tax Considerations" in Item 6. Each prospective Subscriber is urged to obtain independent professional advice as to the specific implications applicable to such a Subscriber's particular circumstances. The calculations are based on the estimates and assumptions described in the "Notes and Assumptions" set forth below, which form an integral part of the following illustration. Please note that some columns may not sum due to rounding. The actual tax savings, money at risk and break-even proceeds of disposition may be different from what is shown below. Prospective Subscribers should be aware that these calculations do not constitute forecasts, projections, contractual undertakings or guarantees and are based on estimates and assumptions that are necessarily generic and, therefore, cannot be represented to be complete or accurate in all respects.

Class A National Class Units

Example of Tax Deductions

	Minimum Offering			Maximum Offering		
	2014	**2015 & Beyond**	**Total**	**2014**	**2015 & Beyond**	**Total**
Initial Investment	$5,000	$ -	$ 5,000	$5,000	$ -	$5,000
Income Tax Credits						
Investment Tax Credits	$92	$ -	$92	$100	$ -	$100
Tax Payable on Recapture of Investment Tax Credits	$ -	($41)	($41)	$ -	($45)	($45)
Total Income Tax Credits[1,2]	$92	($41)	$51	$100	($45)	$55
Income Tax Deductions						
CEE or Qualifying CDE[1]	$4,088	$ -	$4,088	$4,463	$ -	$4,463
Other [2, 3]	$524	$1,318	$5,929	$128	$475	$602
Total Income Tax Deductions[4, 5, 6, 7, 8]	$4,611	$1,318	$5,929	$4,590	$475	$5,065

At-Risk Capital, Breakeven and Downside Protection Calculations

	Minimum Offering			Maximum Offering		
	2014	**2015 & Beyond**	**Total**	**2014**	**2015 & Beyond**	**Total**
Assumed Marginal Tax Rate: [9]	45%	45%		45%	45%	
Investment Amount:	$5,000	$ -	$5,000	$5,000	$ -	$5,000
Net Flow-Through Share and other Tax Expense (Savings) [10]	($2,167)	($552)	($2,719)	($2,166)	($168)	($2,334)
Capital Gains Tax [11]	$68	$141	$209	$0	$15	$15
Total Net Income Tax Expenses (Savings)	($2,098)	($411)	($2,510)	($2,166)	($154)	($2,320)
At-Risk Capital [12]			$2,490			$2,680
Breakeven Proceeds [13]			$3,213			$3,458
Downside Protection [14, 15]			36%			31%

Class A Québec Class Units – Tax advantages per $5,000 Investment
Assuming 100% of CEE incurred is for the 15% federal "flow-through mining Expenditure" investment tax credit (the "ITC")

Example of Tax Deductions

	Minimum Offering			Maximum Offering		
	2014	**2015 & Beyond**	**Totals**	**2014**	**2015 & Beyond**	**Total**
Initial Investment	$5,000	$ -	$ 5,000	$5,000	$ -	$5,000
ITC earned on CEE (100% of CEE incurred is eligible for the 15% ITC) [16, 17]	$613	$ -	$613	$678	$ -	$678
Tax deductions (ITC – related income inclusions)						
CEE: [17]	$4,088	$ -	$4,088	$4,523	$ -	$4,523
Other Deductions: [3]	$524	$1,318	$1,842	$120	$423	$542
	$4,611	$1,318	$5,929	$4,642	$423	$5,065
ITC income inclusion (value of ITC is included in taxable income in year 2)	$ -	($613)	($613)	$ -	($678)	($678)
Net tax deductions [4, 5, 6, 7, 8]	$4,611	$705	$5,316	$4,642	($256)	$4,386

Federal and Québec Tax Advantages for an Individual Québec Investor Assuming 75% of Available Funds of the Québec Class is Invested in CEE incurred in Québec

	Minimum Offering			Maximum Offering		
	2014	**2015 & Beyond**	**Total**	**2014**	**2015 & Beyond**	**Total**
Investment	$5,000		$5,000	$5,000		$5,000
Income tax savings from deductions [17, 18, 19, 20]						
Federal	($1,117)	($319)	($1,436)	($1,124)	($102)	($1,227)
Québec*	($1,582) / ($1,306)	($339) / ($339)	($1,922) / ($1,645)	($1,632) / ($1,326)	($109) / ($109)	($1,741) / $(1,435)
Capital Gains [11]	$47	$96	$142	$0	$10	$10
Federal ITC (net of tax)	($465)	$ -	($465)	($514)	$ -	($514)
Money at Risk* **(12)**			$1,320 / $1,597			$1,528 / $1,834
Breakeven Proceeds* **(21)**			$1,559 / $1,886			$1,805 / $2,166
Downside Protection* **(14, 15)**			69% / 62%			64% / 57%
Minimum Equivalent Deduction as a Percentage of Original Investment **(14, 22)**			143.1%			128.4%

* – The dollar amounts and percentages after the slashes represent the estimated calculation that would arise if certain amendments to the Québec Tax Act in the 2014-2015 Québec Budget (the "**Proposed Amendments**") released June 4, 2014 are enacted as proposed. The Proposed Amendments are discussed in further detail in note 18 below and in "Income Tax Consequences and RRSP Eligibility – Quebec Income Tax Considerations".

Notes and Assumptions:

(1) The calculations assume that the Offering expenses are $25,000 in the case of the minimum Offering and $250,000 in the case of the maximum Offering (see Item 1, "Use of Available Funds"), that the operating and administration expenses are $52,083 in the case of the minimum Offering and $354,238 in the case of the maximum Offering over the lifetime of the Partnership, and that all Available Funds ($204,375 in the case of the minimum Offering and $8,925,000 in the case of the maximum Offering; See Item 1, "Use of Available Funds") are invested in Flow-Through Shares of Resource Companies that, in turn, expend such amounts on Eligible Expenditures which are renounced to the Partnership with an effective date in 2014 and allocated to a Limited Partner and deducted by him or her in 2014. For purposes of calculating the General Partners' Fee, the calculations assume the General Partner elects to recieve 100% of the General Partner's Fee as Mutual Fund Shares upon completion of a Liquidity Event and that the average Net Asset Values of each of the Portfolios is equal to the respective Available Funds.

(2) It is assumed that 15% of Available Funds of the National Class will be used to acquire Flow-Through Shares of Resource Companies in 2014 that will entitle a Limited Partner to the 15% non-refundable "flow-through mining expenditure" investment tax credit available to him or her in respect of certain "grass roots" mining CEE incurred by a Resource Company in 2014 and renounced under Investment Agreements entered into in 2014. It is assumed that the Limited Partner will be subject to tax on the recapture of the investment tax credit in 2015. See Item 6, "Income Tax Consequences and RRSP Eligibility".

The 15% investment tax credit reduces federal tax otherwise payable by an individual Limited Partner other than a trust. As described below, certain Canadian provinces also provide investment tax credits. These credits generally

parallel the federal credits for flow-through mining expenditures renounced to taxpayers residing in the province where the resource exploration occurs. Limited Partners resident, or subject to tax, in a province that provides such an investment tax credit may claim the credit in combination with the federal investment tax credit. However, the use of a provincial investment tax credit will generally reduce the amount of expenses eligible for the federal investment tax credit and the Limited Partner's "cumulative CEE" pool. Provincial investment tax credits have not been incorporated into this illustration.

An individual (other than a trust) who is a Limited Partner and is resident in the Province of Ontario at the end of a fiscal year of the Partnership may apply for a 5% focused flow-through share tax credit in respect of eligible Ontario exploration expenditures. Eligible Ontario exploration expenditures are generally flow-through mining expenditures that qualified for the federal investment tax credit and are incurred in the Province of Ontario by a "principal-business corporation" (as defined in subsection 66(15) of the Tax Act) with a permanent establishment in the Province of Ontario. In order to be eligible for the Ontario tax credit the individual must not have been a bankrupt at any time in the individual's taxation year in which the credit is claimed, unless the individual has been granted an absolute discharge from bankruptcy before the end of the year.

The British Columbia mining flow-through share tax credit program allows individuals (other than trusts), who are residents of British Columbia that invest in flow-through shares, to claim such credits where BC flow-through mining expenditures are incurred or deemed by the Tax Act to have been incurred by a corporation before 2015. Under the program, such an individual (other than a trust) may claim a non-refundable tax credit, when calculating British Columbia income tax, equal to 20% of that individual's share of any BC flow-through mining expenditures renounced to the individual and incurred in conducting certain mining exploration activity in British Columbia. BC flow-through mining expenditures are defined with reference to the definition of ''flow-through mining expenditures'' in the *Tax Act*.

The Province of Quebec provides several Quebec income tax-related incentives in relation to flow-through shares for individuals and corporations that are residents of or subject to tax in that Province. See "Income Tax Consequences and RRSP Eligibility – Quebec Income Tax Considerations".

The General Partner will provide a Limited Partner with the information required by such Limited Partner to file an application for any provincial investment tax credits available to such Limited Partner.

(3) Assumes only Class A National Class Units or Class A Québec Class Units, as applicable, are issued. These amounts relate to costs incurred by the Partnership, including the Agents' fees and offering expenses (including travel, sales and marketing expenses), which are pro-rated as described in Note (4), and the estimated operating and administrative expenses. Both calculations assume that the Partnership will realize sufficient capital gains to permit it to pay any operating and administrative expenses in excess of those funded by the Operating Reserve.

(4) Subject to Note (3), Agents' fees and offering expenses are deductible for purposes of the Tax Act at a rate of 20% per annum, pro-rated for short taxation years.

(5) Assumes no portion of the subscription price for the Units will be financed with a Limited Recourse Amount. See Item 6, "Income Tax Consequences and RRSP Eligibility - Canadian Federal Income Tax Considerations".

(6) A Limited Partner may not claim tax deductions in excess of such Limited Partner's "at-risk" amount.

(7) The calculations assume that the Limited Partner is not liable for alternative minimum tax. See Item 6, "Income Tax Consequences and RRSP Eligibility".

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

(9) **For simplicity an assumed marginal tax rate of 45% has been used for the National Class.** Each Subscriber's actual tax rate will vary from the assumed marginal rate set forth above. The highest combined federal, provincial and territorial marginal tax rates in 2014 as of the date of this Offering Memorandum are set forth below. Future federal, provincial and territorial budgets may modify these rates.

Province/Territory	Highest Marginal Tax Rate
British Columbia	45.8%
Alberta	39.0%
Saskatchewan	44.0%
Manitoba	46.4%
Ontario	49.5%
Quebec	50.0%

Province/Territory	Highest Marginal Tax Rate
New Brunswick	46.8%
Nova Scotia	50.0%
Prince Edward Island	47.4%
Newfoundland and Labrador	42.3%
Yukon Territory	42.4%
Northwest Territories	43.1%
Nunavut	40.5%

(10) The tax savings are calculated by multiplying the total estimated income tax deductions for each year by the assumed marginal tax rate of 45% for that year, plus any investment tax credits. This illustration assumes that the Subscriber has sufficient income so that the illustrated tax savings are realized in the year shown.

(11) The calculations assume there are capital gains realized on the sale of assets of the Partnership in order to pay operating and administrative expenses in excess of the Operating Reserve, as described in Note (3). The calculations do not take into account capital gains tax payable upon the disposition of Units or Mutual Fund Shares by Limited Partners.

(12) At-risk Capital (money at risk) is generally calculated as the total investment plus undistributed income less all anticipated income tax savings from deductions and the amount of any distributions. See Item 6, "Income Tax Consequences and RRSP Eligibility".

(13) Breakeven proceeds of disposition represent the amount a Subscriber must receive such that, after paying capital gains tax, the Subscriber would recover his or her at-risk capital (money at risk). Capital gains tax is calculated on the assumption that the adjusted cost base of the investment is nil and that 50% of the Subscriber's gain is subject to the assumed marginal tax rate of 45%. See Item 6, "Income Tax Consequences and RRSP Eligibility".

(14) The calculations do not take into account the time value of money. Any present value calculation should take into account the timing of cash flows, the Subscriber's present and future tax position and any change in the market value of the Portfolios, none of which can presently be estimated accurately by the General Partner.

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

(16) For the Québec Portfolio, the calculations assume that the Offering expenses are $25,000 in the case of the minimum Offering and $125,000 in the case of the maximum Offering, that the operating and administration expenses are $52,083 in the case of the minimum Offering and $177,135 in the case of the maximum Offering over the lifetime of the Partnership, and that all Available Funds ($204,375 in the case of the minimum Offering and $4,522,500 in the case of the maximum Offering; see Item 1, "Use of Available Funds") are invested in Flow-Through Shares of Resource Companies that, in turn, expend such amounts on CEE which are renounced to the Partnership with an effective date in 2014 and allocated to a Québec Limited Partner (as defined in Item 6, "Income Tax Consequences and RRSP Eligibility - Québec Income Tax Considerations") and deducted by him or her in 2014.

(17) The calculations assume that 75% of Available Funds of the Québec Class will be invested in Flow-Through Shares issued by Resource Companies incurring CEE 100% in the Province of Québec. It is assumed that in 2014, 100% of the Available Funds expended to acquire Flow-Through Shares of Resource Companies incurring Eligible Expenditures in and outside of Québec will entitle a Limited Partner to the 15% federal non-refundable "flow-through mining expenditure" investment tax credit available to him or her in respect of certain "grass roots" mining CEE incurred or deemed to be incurred by a Resource Company before 2016 and renounced under Investment Agreements entered into before April 2015. It is assumed that the Limited Partner will be subject to tax on the recapture of the investment tax credit in 2015 (except for Québec provincial tax purposes). The investment tax credit is described in further detail in Note (2).

(18) The calculations assume that 75% of Available Funds will be invested in Flow-Through Shares issued by Resource Companies incurring CEE 100% in the Province of Québec (the "Québec Eligible Funds"), and a Québec Limited Partner will be entitled under current legislation to an additional 50% deduction in respect of his or her share of such CEE in computing the Québec Limited Partner's income for Québec income tax purposes. However, under the Proposed Amendments, this additional deduction will be reduced to 20% in respect of certain oil or gas exploration expenses and certain surface mining exploration expenses, and to 10% in respect of certain other mining exploration expenses. For the purposes of our calculations of the results under the Proposed Amendments, we have assumed that 50% of the Québec Eligible Funds are entitled to the 20% additional deduction and that 50% are entitled to the 10% additional deduction.

It is assumed that a Québec Limited Partner's investment income exceeds his or her investment expenses for a given year. For these purposes, investment expenses include certain deductible interest and losses of the Partnership

allocated to such Limited Partner and 50% of CEE (other than CEE incurred in Québec) renounced to the Partnership and allocated to and deducted for Québec tax purposes by such Limited Partner. If such a Québec Limited Partner's investment expenses for a given year were to exceed the Limited Partner's investment income for that year, the excess would not be deductible in the year for Québec tax purposes but may be deducted against investment income earned in any of the three previous taxation years and any subsequent taxation year to the extent investment income exceeds investment expenses for such other year.

(19) The calculations assume a federal marginal tax rate of 24.22% for Québec residents and a Québec provincial marginal tax rate of 25.75% for the Québec Class. The tax savings are calculated by multiplying the total estimated income tax deductions for each year by the assumed marginal tax rate for that year. The illustration assumes that the Subscriber has sufficient income so that the illustrated tax savings are realized in the year shown.

(20) The table does not take into account capital gains tax payable on disposition of Units or Mutual Fund Shares.

(21) In calculating the capital gains tax and break-even proceeds of disposition for Québec provincial tax purposes, it is assumed that the individual Québec Limited Partner has a sufficient amount in his or her Expenditure Account (as defined Item 6, "Income Tax Consequences and RRSP Eligibility - Québec Income Tax Considerations") to enable the individual Québec Limited Partner to claim an exemption under the Québec Tax Act for the full taxable capital gain related to investments made in Québec realized on the disposition of the individual Québec Limited Partner's initial investment.

(22) The Minimum Equivalent Deduction is calculated as the sum of (i) the net income tax deduction (federal and Québec, as applicable) and (ii) the investment tax credit earned on CEE divided by the marginal tax rate (federal and Québec, as applicable). It represents the value of the tax deductions that would provide the same tax savings for the noted investment amount expressed as a percentage of the original investment of $5,000. The Minimum Equivalent Deduction does not take into account recapture of the investment tax credit (note 17), any additional deductions from Québec income tax provided to certain Québec Limited Partners (note 18), or capital gains tax realized on the Partnership's sale of assets (see note 11).

GLOSSARY

The following terms used in this Offering Memorandum have the meanings set out below:

"**Affiliate**" has the meaning ascribed to that term in the *Securities Act* (Ontario).

"**Agents**" means, collectively, persons who introduce the Partnership to potential subscribers of Units pursuant to the Offering in accordance with applicable securities laws.

"**Agents' fees**" means the fees payable to Agents. See Item 7, "Compensation Paid to Sellers and Finders".

"**arm's length**" has the meaning ascribed to that term in the Tax Act.

"**Available Funds**" means:

(a) in respect of the National Portfolios, the Class A National Class Available Funds and/or the Class F National Class Available Funds, as applicable;

(b) in respect of the Québec Portfolios, the Class A Québec Class Available Funds and/or the Class F Québec Class Available Funds, as applicable; and

(c) in respect of the Partnership, the aggregate Available Funds of all of the National Portfolios and the Québec Portfolios.

"**Business Day**" means a day, other than a Saturday, Sunday or holiday, when banks in the City of Vancouver, British Columbia are generally open for the transaction of banking business.

"**CDE**" or "**Canadian Development Expense**" means Canadian development expense, as defined in subsection 66.2(5) of the Tax Act, which includes certain expenses incurred for the purpose of developing petroleum or natural gas deposits in Canada (including certain drilling expenses).

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

(a) expenses incurred in a year in drilling an oil or gas well if such drilling resulted in the discovery that a natural underground reservoir contains petroleum or natural gas where before the time of the discovery, no person or partnership had discovered that the reservoir contained either petroleum or natural gas and the discovery occurred at any time before six months after the end of the year;

(b) expenses incurred in a year in drilling an oil and gas well if the well is abandoned in the year or within six months after the end of the year without ever having produced;

(c) certain expenses incurred for the purpose of determining the existence, location, extent or quality of an accumulation of petroleum or natural gas or a mineral resource in Canada; and

(d) CRCE.

"**Class**" means any of the four classes of Units, being the Class A National Class Units, Class F National Class Units, Class A Québec Class Units or the Class F Québec Class Units, and "**Classes**" means all of them.

"**Class A National Class Available Funds**" means the Gross Proceeds of the issue of Class A National Class Units, less the amount of the Agents' fees, other Offering expenses and the Operating Reserve attributable to that Class.

"**Class A National Class Portfolio**" means the portfolio of investments held on behalf of holders of Class A National Class Units.

"**Class A National Class Unit**" means a unit of the Partnership with an undivided interest in the Class A National Class Portfolio entitling the holder of record thereof to the rights, restrictions, privileges and obligations provided in the Partnership Agreement.

"**Class A Québec Class Available Funds**" means the Gross Proceeds of the issue of Class A Québec Class Units, less the amount of Agents' fees, other Offering expenses and the Operating Reserve attributable to that Class.

"**Class A Québec Class Portfolio**" means the portfolio of investments held on behalf of the holders of Class A Québec Class Units.

"**Class A Québec Class Unit**" means a unit of the Partnership with an undivided interest in the Class A Québec Class Portfolio entitling the holder of record thereof to the rights, restrictions, privileges and obligations provided in the Partnership Agreement.

"**Class F National Class Available Funds**" means the Gross Proceeds of the issue of Class F National Class Units, less the amount of Offering expenses and the Operating Reserve attributable to that Class.

"**Class F National Class Portfolio**" means the portfolio of investments held on behalf of holders of Class F National Class Units.

"**Class F National Class Unit**" means a unit of the Partnership with an undivided interest in the Class F National Class Portfolio entitling the holder of record thereof to the rights, restrictions, privileges and obligations provided in the Partnership Agreement.

"**Class F Québec Class Available Funds**" means the Gross Proceeds of the issue of Class F Québec Class Units, less the amount of Offering expenses and the Operating Reserve attributable to that Class.

"**Class F Québec Class Portfolio**" means the portfolio of investments held on behalf of holders of Class F Québec Class Units.

"**Class F Québec Class Unit**" means a unit of the Partnership with an undivided interest in the Class F Québec Class Portfolio entitling the holder of record thereof to the rights, restrictions, privileges and obligations provided in the Partnership Agreement.

"**Closing**" means the completion of the purchase and sale of any Units.

"**Closing Date**" means the date of the initial Closing, expected to be on June 30, 2014 or such other date as the General Partner may determine, and includes the date of any subsequent Closing, if applicable, provided that the final Closing shall take place not later than December 31, 2014.

"**CRA**" means Canada Revenue Agency.

"**CRCE**" means Canadian renewable and conservation expense, as defined in subsection 66.1(6) of the Tax Act.

"**Eligible Expenditures**" means CEE and Qualifying CDE.

"**Extraordinary Resolution**" means a resolution passed by two-thirds or more of the votes cast, either in person or by proxy, at a duly convened meeting of the Limited Partners holding Units of a Class to approve any item as required by the Partnership Agreement, or, alternatively, a written resolution signed by Limited Partners holding two-thirds or more of the Units of the Class outstanding and entitled to vote on such a resolution at a meeting.

"**Financial Institution**" means a financial institution as defined in subsection 142.2(1) of the Tax Act.

"**Flow-Through Shares**" means securities of Resource Companies which qualify as flow-through shares, as defined in subsection 66(15) of the Tax Act, and in respect of which Resource Companies agree to renounce to the

Partnership Eligible Expenditures, and includes rights entitling the Partnership to acquire flow-through shares, as defined in subsection 66(15) of the Tax Act, which rights qualify as flow-through shares for the purposes of the Tax Act.

"**General Partner**" means Maple Leaf Short Duration 2014-II Flow-Through Management Corp.

"**General Partner's Fee**" means the fee which the General Partner will receive from the Partnership pursuant to the Partnership Agreement equal to one-twelfth of 2.0% of the Net Asset Value of each of the Portfolios, calculated and paid monthly in arrears, from the date of the initial Closing until the Termination Date. If a Liquidity Event is consummated prior to the Termination Date, the Net Asset Value of each of the Portfolios from the date of completion of the Liquidity Event will be deemed to be the applicable Net Asset Value as of the Business Date immediately preceding the date of completion of the Liquidity Event. See Item 3.1 – "Compensation and Securities Held – Compensation of the General Partner".

"**Gross Proceeds**" means $25.00 in respect of the sale of a Unit.

"**High Quality Money Market Instruments**" means money market instruments which are accorded the highest rating category by Standard & Poor's, a division of The McGraw-Hill Companies (A-1) or by DBRS Limited (R-1(high)), banker's acceptances and government guaranteed obligations all with a term of one year or less, and interest-bearing deposits with Canadian banks, trust companies or other like institutions in the business of providing commercial loans, operating loans or lines of credit to companies.

"**Illiquid Investments**" means investments which may not be readily disposed of in a marketplace where such investments are normally purchased and sold and public quotations in common use and in respect thereof are available. Examples of Illiquid Investments include limited partnership interests that are not listed on a stock exchange and securities of private companies, but do not include Flow-Through Shares of publicly listed issuers with resale restrictions which expire on or before June 30, 2016, unlisted Warrants or Special Warrants, or Flow-Through Shares or other securities of a special purpose private company or partnership formed to undertake a specific resource property exploration or development program, the securities of which are convertible, commencing no later than two years plus one day following the date of acquisition of such securities by the Partnership, into shares of a listed Resource Company whose market capitalization is at least $30 million.

"**Initial Limited Partner**" means Hugh Cartwright.

"**Investment Agreements**" means agreements pursuant to which the Partnership will subscribe for Flow-Through Shares (including Flow-Through Shares issued as part of a unit) or Special Warrants or agreements by the Partnership to otherwise invest in or purchase securities of a Resource Company, including a trade made through the facilities of a stock exchange or other market, and:

(a) in respect of Flow-Through Shares not offered as part of a unit or in respect of Special Warrants entitling the holder to acquire Flow-Through Shares only, the Resource Company will covenant and agree to use 100% of the purchase price paid to it to incur, and renounce to the Partnership, with an effective date of not later than December 31, 2014, CEE or Qualifying CDE; or

(b) in respect of Flow-Through Shares comprised in units, the Resource Company will covenant and agree:

(i) that the purchase price is reasonably allocable, and will be allocated by the Resource Company, such that no less than 99% of the purchase price is allocated to the price for the Flow-Through Share comprised in such units; and

(ii) to use 100% of the purchase price so allocated for the Flow-Through Shares comprised in such units to incur, and renounce to the Partnership, with an effective date of not later than December 31, 2014, CEE or Qualifying CDE; or

(c) in respect of Special Warrants entitling the holder to acquire Flow-Through Shares and other securities, the Resource Company will covenant and agree:

(i) that the purchase price is reasonably allocable, and will be allocated by the Resource Company, such that no less than 99% of the purchase price is allocated to the price for the right to acquire Flow-Through Shares comprised in such Special Warrants; and

(ii) to use 100% of the purchase price so allocated for the right to acquire Flow-Through Shares comprised in such Special Warrants to incur, and renounce to the Partnership, with an effective date of not later than December 31, 2014, CEE or Qualifying CDE.

"**Investment Guidelines**" means the Partnership's investment policies and restrictions contained in the Partnership Agreement. See Item 2.2, "Our Business - Investment Guidelines and Restrictions".

"**Investment Manager**" means the investment advisor appointed by the Partnership and the General Partner to provide advice on the Partnership's investment in Flow-Through Shares and to manage the Portfolios, the initial investment advisor being T.I.P. Wealth Manager Inc.

"**Investment Manager Agreement**" means the agreement to be dated on or before the initial Closing Date, among the Partnership, the General Partner, the Manager and the Investment Manager.

"**Investment Strategy**" means the investment strategy of the Partnership as described herein. See Item 2.2," Our Business - Investment Strategy".

"**Limited Partner**" means each person who is admitted to the Partnership as a limited partner pursuant to the Offering from time to time and, where the context requires, a National Class Limited Partner or a Québec Class Limited Partner.

"**Limited Recourse Amount**" means a limited recourse amount as defined in section 143.2 of the Tax Act, which provides currently that a limited recourse amount means the unpaid principal amount of any indebtedness for which recourse is limited, either immediately or in the future and either absolutely or contingently, and the unpaid principal of an indebtedness is deemed to be a limited recourse amount unless it complies with the following rules:

(a) *bona fide* arrangements, evidenced in writing, are made, at the time the indebtedness arises, for repayment of the indebtedness and all interest thereon within a reasonable period not exceeding ten years; and

(b) interest is payable, at least annually, at a rate equal to or greater than the lesser of the prescribed rate of interest under the Tax Act in effect at the time the indebtedness arose, and the prescribed rate of interest applicable from time to time under the Tax Act during the term of the indebtedness, and such interest is paid by the debtor in respect of the indebtedness not later than 60 days after the end of each taxation year of the debtor.

"**Liquidity Event**" means a transaction the General Partner intends to implement on or before September 30, 2015 in order to provide liquidity and the prospect for long-term growth of capital and for income for Limited Partners which the General Partner intends will be a Mutual Fund Rollover Transaction but which may be on such other terms as the General Partner may propose for the approval of Limited Partners. If the General Partner is of the opinion that due to then prevailing market conditions it would not be in the best interests of the Partnership or the Limited Partners to implement a Liquidity Event on or before September 30, 2015, it may continue to operate the Partnership until such time as the General Partner determines that market conditions are favourable for a Liquidity Event, provided the Liquidity Event, if any, must take place before March 31, 2016.

"**Management Agreement**" means the agreement to be dated on or before the initial Closing Date among the Partnership, the General Partner and the Manager whereby the Manager agrees to perform the management duties in respect of each Portfolio and the Partnership.

"**Manager**" means CADO Investment Fund Management Inc.

"**Maple Leaf Income Class**" means the Maple Leaf Income Class of securities of Maple Leaf Corporate Funds Ltd., a mutual fund corporation established under the laws of Canada.

"**Mutual Fund**" means a mutual fund corporation as defined in section 131 of the Tax Act or a class of shares of such a mutual fund corporation that may be established, recommended or referred to by the Manager or an Affiliate of the Manager to provide a Liquidity Event. Currently it is anticipated that the Mutual Fund will be the Maple Leaf Income Class.

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

"**Mutual Fund Shares**" means shares of the Mutual Fund which are redeemable at the option of the holder thereof.

"**National Class Available Funds**" means the Class A National Class Available Funds and/or Class F National Class Available Funds, as applicable.

"**National Class Limited Partners**" means holders of National Class Units.

"**National Class Unit**" means a Class A National Class Unit and/or a Class F National Class Unit, and "**National Class Units**" means, collectively, the Class A National Units and the Class F National Class Units.

"**National Portfolios**" means the Class A National Class Portfolio and/or Class F National Class Portfolio, as applicable.

"**National Portfolio Net Asset Values**" means the National Portfolio Net Asset Values as calculated under "Calculation of Net Asset Value".

"**Net Asset Value**" means the net asset value of the Units of the Partnership, as determined under the heading "Calculation of Net Asset Value".

"**Net Asset Value per National Class Unit**" means the Net Asset Value per Class A National Class Unit and/or Net Asset Value per Class F National Class Unit, as applicable.

"**Net Asset Value per Class A National Class Unit**" means the amount obtained by dividing the National Class Portfolio Net Asset Value in respect of the Class A National Class Units as of a particular Valuation Date by the total number of Class A National Class Units outstanding on that date.

"**Net Asset Value per Class A Québec Class Unit**" means the amount obtained by dividing the Québec Class Portfolio Net Asset Value in respect of the Class A Québec Class Units as of a particular Valuation Date by the total number of Class A Québec Class Units outstanding on that date.

"**Net Asset Value per Class F National Class Unit**" means the amount obtained by dividing the National Class Portfolio Net Asset Value in respect of the Class F National Class Units as of a particular Valuation Date by the total number of Class F National Class Units outstanding on that date.

"**Net Asset Value per Class F Québec Class Unit**" means the amount obtained by dividing the Québec Class Portfolio Net Asset Value in respect of the Class F Québec Class Units as of a particular Valuation Date by the total number of Class F Québec Class Units outstanding on that date.

"**Net Asset Value per Québec Class Unit**" means the Net Asset Value per Class A Québec Class Unit and/or Net Asset Value per Class F Québec Class Unit, as applicable.

"**Net Asset Value per Unit**" means the Net Asset Value per National Class Unit and/or the Net Asset Value per Québec Class Unit, as the context requires.

"**NYSE**" means the New York Stock Exchange.

"**Offering**" means the offering of Units by the Partnership pursuant to this Offering Memorandum.

"**Operating Reserve**" means an amount equal to 2.25% of the Gross Proceeds in respect of each of the Portfolios, which will be set aside to pay the ongoing fees (including the General Partner's Fee), interest costs and operating and administrative costs of the Partnership. The Operating Reserve will be funded out of the Gross Proceeds from the sale of Units.

"**Ordinary Resolution**" means a resolution passed by more than 50% of the votes cast, either in person or by proxy, at a duly convened meeting of the Limited Partners of a Class to approve any item required by the Partnership Agreement or, alternatively, a written resolution signed by Limited Partners holding more than 50% of the Units of the Class outstanding and entitled to vote on such resolution at a meeting.

"**Partners**" means the Limited Partners and the General Partner.

"**Partnership**" means Maple Leaf Short Duration 2014-II Flow-Through Limited Partnership.

"**Partnership Agreement**" means the limited partnership agreement dated as of March 25, 2014 between the General Partner, the Initial Limited Partner, and each person who becomes a Limited Partner thereafter together with all amendments, supplements, restatements and replacements thereof from time to time.

"**Performance Bonus**" means the performance bonus in respect of each Class payable to the General Partner by the Partnership which will be equal to 20% of the product of: (a) the number of Units of that Class outstanding on the Performance Bonus Date; and (b) the amount by which the Net Asset Value per Unit of that Class on the Performance Bonus Date (prior to giving effect to the Performance Bonus) plus the aggregate value of all distributions per Unit of that Class during the Performance Bonus Term exceeds $25.00.

"**Performance Bonus Date**" means the Business Day immediately prior to the last day of the Performance Bonus Term.

"**Performance Bonus Term**" means the period commencing on the date of the Closing and ending on the earlier of:

(a) the Business Day prior to the date on which the Partnership's assets are transferred to a Mutual Fund pursuant to a Mutual Fund Rollover Transaction; and

(b) the Business Day immediately prior to the earlier of (A) the date on which the Partnership distributes its assets to the Limited Partners other than pursuant to a Mutual Fund Rollover Transaction; and (B) the day of dissolution or termination of the Partnership.

"**Portfolios**" means the National Portfolios and the Québec Portfolios.

"**Promoters**" means Maple Leaf Short Duration Holdings Ltd. and the General Partner (individually, a "**Promoter**").

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

"**Qualifying CDE**" means CDE which may be renounced by a Resource Company under the Tax Act as CEE, but which excludes any CDE which is deemed to qualify as CEE of a Resource Company under subsection 66.1(9) of the Tax Act.

"**Québec Class Available Funds**" means the Class A Québec Class Available Funds and/or the Class F Québec Class Available Funds, as applicable.

"**Québec Class Limited Partners**" means holders of Québec Class Units.

"**Québec Class Portfolios**" means the Class A Québec Class Portfolio and/or Class F Québec Class Portfolio as applicable.

"**Québec Class Unit**" means a Class A Québec Class Unit and/or a Class F Québec Class Unit, and "**Québec Class Units**" means collectively, the Class A Québec Class Units and the Class F Québec Class Units.

"**Québec Portfolio Net Asset Values**" means the Québec Portfolio Net Asset Values as calculated under "Calculation of Net Asset Value".

"**Québec Tax Act**" means the Taxation Act (Québec), as amended from time to time.

"**Registrar and Transfer Agent**" means the registrar and transfer agent of the Partnership appointed by the General Partner, the initial registrar and transfer agent being Valiant.

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

"**Resource Company**" means a corporation which represents to the Partnership that:

(a) it is a "principal-business corporation" as defined in subsection 66(15) of the Tax Act, which includes corporations whose principal business is oil and gas exploration, development and/or production, mining exploration, development, and/or production or participation in certain renewable energy projects that will give rise to incurring CRCE; and

(b) it intends (either by itself or through a Related Corporation) to incur Eligible Expenditures in Canada.

"**Special Warrant**" means a special warrant of a Resource Company which entitles the holder to acquire, for payment of no additional consideration, a Flow-Through Share of a listed Resource Company or a unit of securities which includes a Flow-Through Share of a listed Resource Company.

"**Subscriber**" means a person who subscribes for Units.

"**Subscription Agreement**" means the subscription agreement to be completed by all subscribers for Units pursuant to the Offering, in the form prescribed by the General Partner.

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

"**Termination Date**" means June 30, 2016, unless the Partnership's operations are continued in accordance with the Partnership Agreement.

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

"**TSXV**" means the TSX Venture Exchange.

"**Units**" means the National Class Units and the Québec Class Units.

"**Valiant**" means Valiant Trust Company.

"**Valuation Date**" means the last Business Day of each week.

"**Warrants**" means warrants exercisable to purchase shares or other securities of a Resource Company (which shares or other securities may or may not be Flow-Through Shares).

"**$**" means Canadian dollars.

Item 1 USE OF AVAILABLE FUNDS

1.1 Funds.

This is a blind pool offering. The Gross Proceeds will be $15,000,000 if the maximum Offering of both the National Class and Québec Class Units is completed, and $250,000 if the minimum Offering is completed. The Partnership will use the Available Funds to invest in Flow Through Shares of Resource Companies. The Operating Reserve will be used to fund the ongoing estimated general administrative and operating expenses of the Partnership.

The following table sets out the Operating Reserve and the Available Funds in connection with each of the maximum and minimum Offering.

	Maximum Offering – National Class Units	**Maximum Offering – Québec Class Units**	**Minimum Offering [3]**
Gross Proceeds to the Partnership:	$10,000,000	$5,000,000	$250,000
Agents' fees	$(600,000)	$(240,000)	$(15,000)
Offering expenses [1]	$(250,000)	$(125,000)	$(25,000)
Net proceeds	$9,150,000	$4,635,000	$210,000
Operating Reserve[2]	$(225,000)	$(112.500)	$(5,625)
Current Working Capital (or Working Capital Deficiency) as at April 22, 2014	Nil	Nil	Nil
Available Funds	$8,925,000	$4,522,500	$204,375

(1) Assumes only Class A Units are sold. Expenses of the Offering include, but are not limited to, legal, accounting and audit, travel, marketing and sales expenses. If only Class F Units were sold, the Net Proceeds and Available Funds would be $9,750,000 and $9,525,000, respectively, in the case of the maximum Offering of National Class Units, $4,875,000 and $4,762,500, respectively, in the case of the maximum Offering of Québec Class Units, and $225,000 and $219,375, respectively, in the case of the minimum Offering.

(2) An amount equal to 2.25% of the Gross Proceeds be set aside from the proceeds from the sale of each Class of Units, as an Operating Reserve to fund the fees and ongoing estimated general administrative and operating expenses of the Partnership.

(3) A minimum of 10,000 National Class Units and/or Québec Class Units must be sold under the Offering.

1.2 Use of Available Funds.

The Partnership intends to invest all the Available Funds of each Class in Flow-Through Shares of Resource Companies pursuant to Investment Agreements between the Partnership, on behalf of a Class, and Resource Companies which will obligate such Resource Companies to incur and renounce Eligible Expenditures in an amount equal to the purchase price of the Flow-Through Shares. In each case, the principal business of the Resource Companies will be: (i) mineral exploration, development and production; (ii) oil and gas exploration, development

and production; or (iii) participation in renewable energy and energy-efficient projects that incur certain start-up phase costs, with the relative weightings between sectors being dependent on prevailing market conditions. Pursuant to the terms of the Investment Agreements, Eligible Expenditures will be renounced to the Partnership with an effective date no later than December 31, 2014. The Investment Agreements entered into by the Partnership during 2014 may permit a Resource Company to incur Eligible Expenditures in 2015, provided that the Resource Company agrees to renounce such Eligible Expenditures to the Partnership with an effective date of December 31, 2014. Any Resource Company will be liable to the Partnership if it fails to satisfy such obligations. Following the Partnership's investment in Flow-Through Shares, Limited Partners who have sufficient income, subject to certain limitations, will be entitled to claim certain deductions from income with respect to Eligible Expenditures incurred and renounced to the Partnership and then allocated to the Limited Partners. See Item 6, "Income Tax Consequences and RRSP Eligibility".

The Investment Manager will actively manage the Portfolios with the objective of achieving capital appreciation and/or income for the Partnership after the initial investment period. This may involve the sale of Flow-Through Shares and other securities initially acquired and the reinvestment of the net proceeds from such dispositions (after consideration being given to applicable distributions to Limited Partners) in securities of other Resource Companies. Such reinvestment may include, but is not limited to, investment in additional Flow-Through Shares.

The Gross Proceeds from the issue of the Units will be paid to the Partnership at Closing and deposited in its bank account on behalf of the applicable Portfolio by the General Partner and managed by the Investment Manager. Pending the investment of Available Funds in Flow-Through Shares and other securities, if any, of Resource Companies, all such Available Funds will be invested in High Quality Money Market Instruments. Interest earned by the Partnership from time to time on Available Funds will accrue to the benefit of the applicable Portfolio.

The Agents' fees will be allocated between the Portfolios based on aggregate subscriptions for Units of each Class. Other than fees and expenses directly attributable to a particular Portfolio, ongoing fees and expenses will be allocated between the Portfolios based on the Net Asset Value of each Class at the end of the month preceding the date such expenses are paid. The Available Funds will be allocated between the Portfolios based on aggregate subscriptions for Units of each Class.

Available Funds of a Class that have not been invested in Flow-Through Shares and other securities, if any, of Resource Companies by December 31, 2014, other than funds required to finance the operations of the Partnership, will be returned by April 30, 2015 on a pro rata basis to Limited Partners of record holding Units of that Class as at December 31, 2014, without interest or deduction.

The Partnership will hold Unit subscription proceeds received from Subscribers prior to the Closing until subscriptions for the minimum Offering are received and other Closing conditions of the Offering have been satisfied.

1.3 Reallocation.

The Partnership only intends to use the Available Funds as set forth above, and may not be reallocated.

Item 2 BUSINESS OF MAPLE LEAF SHORT DURATION 2014-II FLOW-THROUGH LIMITED PARTNERSHIP

2.1 Structure.

(a) The Partnership

The Partnership was formed under the laws of the Province of British Columbia under the name "Maple Leaf Short Duration 2014-II Flow-Through Limited Partnership" pursuant to the Partnership Agreement between the General Partner and the Initial Limited Partner, and became a limited partnership effective March 25, 2014, the date of filing of its Certificate of Limited Partnership. Certain provisions of the Partnership Agreement are summarized in this Offering Memorandum. See Item 4.1, "Capital Structure".

The Partnership has four classes of Units – the Class A and Class F National Class Units and the Class A and Class F Québec Class Units. Each Class is a separate non-redeemable investment fund for securities law purposes and will have its own investment portfolio and investment objectives. The National Portfolios are intended for investors in all provinces and territories of Canada. The Québec Portfolios are most suitable for investors who are resident in the Province of Québec or are otherwise liable to pay income tax in Québec. The Class A and Class F Units are identical to each other, except the fees applicable to each Class. See Item 7, "Compensation Paid to Sellers and Finders".

None of the National Portfolios or the Québec Portfolios is considered a mutual fund under applicable Canadian securities legislation.

The registered office of the Partnership is 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia, V7X 1T2. The head office of the Partnership is Suite 808 - 609 Granville Street, Vancouver, British Columbia, V7Y 1G5.

(b) The General Partner

The General Partner was incorporated under the provisions of the *Canada Business Corporations Act* on March 20, 2014. The General Partner is a wholly owned subsidiary of Maple Leaf Short Duration Holdings Ltd. The registered office of the General Partner is 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia, V7X 1T2. The head office of the General Partner is Suite 808 - 609 Granville Street, Vancouver, British Columbia, V7Y 1G5.

During the existence of the Partnership, the General Partner's sole business activity will be to act as the general partner of the Partnership.

The General Partner has co-ordinated the formation, organization and registration of the Partnership, and has developed (with the assistance of the Investment Manager) the Investment Guidelines of the Partnership. Under the Partnership Agreement, as the general partner of the Partnership, the General Partner is responsible for: (i) developing and implementing all aspects of the Partnership's communications, marketing and distribution strategies; and (ii) monitoring the Portfolios to ensure compliance with the Investment Guidelines.

The General Partner has exclusive authority, responsibility and obligation to administer, manage, conduct, control and operate the business and affairs of the Partnership and has all power and authority, for and on behalf of and in the name of the Partnership, to do any act, take any proceeding, make any decision and execute and deliver any instrument, deed, agreement or document necessary or appropriate for or incidental to carrying on the business of the Partnership. The authority and power so vested in the General Partner is broad and includes all authority necessary or incidental to carry out the objects, purposes and business of the Partnership. The General Partner may contract with any third party to carry out the duties of the General Partner under the Partnership Agreement and may delegate to such third party any power and authority of the General Partner under the Partnership Agreement where in the discretion of the General Partner it would be in the best interests of the Partnership to do so, but no such contract or delegation will relieve the General Partner of any of its obligations under the Partnership Agreement.

Pursuant to the terms of the Management Agreement, the General Partner has delegated its responsibilities to direct the business and affairs of the Partnership to the Manager.

Subject to market conditions, the General Partner intends to implement or propose to implement a Liquidity Event on or before September 30, 2015. See Item 2.2, "Our Business - Liquidity Event and Termination of the Partnership".

The General Partner will not co-mingle any of its own funds with those of the Partnership.

2.2 Our Business.

Investment Objectives

National Portfolios

The investment objective of each of the National Portfolios is to provide National Class Limited Partners with an up to 100% tax deductible investment in a diversified portfolio of Flow-Through Shares of Resource Companies incurring Eligible Expenditures across Canada, with a view to maximizing the tax benefits of an investment in National Class Units and achieving capital appreciation and/or income for National Class Limited Partners.

Québec Portfolios

The investment objective of each of the Québec Portfolios is to provide Québec Class Limited Partners with up to a 143.1% tax deductible investment in a diversified portfolio of Flow-Through Shares of Resource Companies incurring Eligible Expenditures principally in the Province of Québec, with a view to maximizing the tax benefits of investing in Québec Class Units and achieving capital appreciation and/or income for Québec Class Limited Partners.

Investment Strategy

The Partnership Agreement provides that the Partnership's investment strategy (the "**Investment Strategy**") is to invest the Available Funds on a separate basis for each Portfolio in such a way that it maximizes returns and tax deductions in respect of Eligible Expenditures for Limited Partners. The Partnership intends to achieve this through fundamental and quantitative research, both at the company and industry level and by purchasing and actively managing a diversified portfolio of Flow-Through Shares of Resource Companies that:

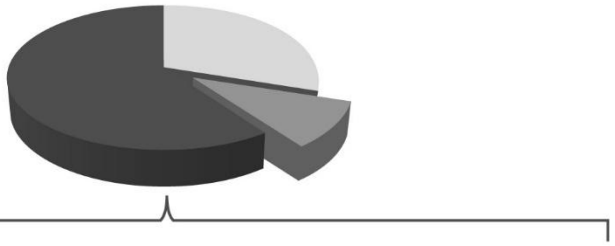
- are publicly traded on a North American stock exchange;
- have proven, experienced and successful management teams;
- have strong exploration programs or exploration, development and/or production programs in place;
- have shares that represent good value and the potential for capital appreciation and/or income potential; and
- meet certain other criteria set out in the Investment Guidelines.

The Available Funds of the Québec Portfolios are intended to be invested primarily in the Province of Québec. Under normal market conditions, the Québec Portfolios are expected to invest approximately 60% to 75% of their Available Funds in Flow-Through Shares issued by Resource Companies incurring Eligible Expenditures primarily in the Province of Québec. Until the Québec Portfolios are fully invested, all investment opportunities in the Province of Québec will be allocated to the Québec Portfolios to the extent the Manager, with the advice of the Investment Manager, believes it is appropriate to do so. All other investment opportunities will be allocated between the Portfolios based on aggregate subscriptions for Units of each Class to the extent the Manager, with the advice of

the Investment Manager, believes it is appropriate to do so. There is no specific geographic focus within Canada for the investment of the Available Funds of the National Portfolios.

The Investment Manager will actively manage the Portfolios with the objective of achieving capital appreciation and/or income for the Partnership. This may involve the sale of Flow-Through Shares and other securities initially acquired and the reinvestment of the net proceeds from such dispositions (after consideration being given to applicable distributions to Limited Partners) in securities of other Resource Companies. Such reinvestment may include, but is not limited to, investment in additional Flow-Through Shares.

The graph set out below indicates the Investment Manager's ideal portfolio mix for each Portfolio:



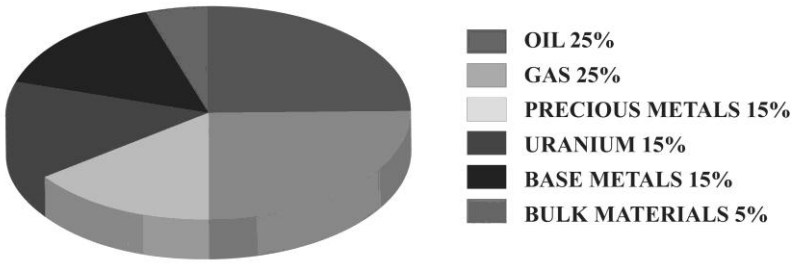
60%
Core Position Criteria
- Proven Management
- Recognized Leader in its Field
- Good Growth Prospect Strong Balance Sheet

30%
Growth Opportunity Criteria
- Take-Over Candidate
- Undervalued Asset Base
- Cyclically Depressed
- Under New Management

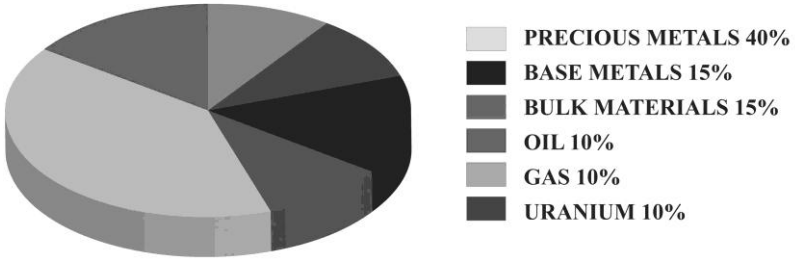
10%
High Risk/High Reward Criteria
- Companies that fit most of the above criteria by have been hampered by factors such as political risks, early stage exploration, etc.

Subject to availability and market conditions at the time, the following graph indicates the Investment Manager's expected portfolio composition by sector for each Portfolio:

NATIONAL PORTFOLIO ASSET ALLOCATION



QUEBEC PORTFOLIO ASSET ALLOCATION



It is anticipated that the Portfolios will include a significant number of junior Resource Companies. Each Portfolio will invest its Available Funds in Flow-Through Shares of Resource Companies which are listed on a stock exchange and at least 15% (in the case of the National Class) and 10% (in the case of the Quebec Class) of the Available Funds in Flow-Through Shares of Resource Companies which are listed and posted for trading on the TSX. The Investment Manager intends, whenever possible, to negotiate for the inclusion of incentives such as Warrants along with the Flow-Through Shares to be purchased by the Partnership.

Each Class will invest in Flow-Through Shares of Resource Companies pursuant to Investment Agreements between the Partnership, on behalf of a Class, and Resource Companies which will obligate such Resource Companies to incur and renounce Eligible Expenditures in an amount equal to the purchase price of the Flow-Through Shares. In each case, the principal business of the Resource Companies will be: (i) mineral exploration, development and production; (ii) oil and gas exploration, development and production; or (iii) participation in renewable energy and energy-efficient projects that incur certain start-up phase costs, with the relative weightings between sectors being dependent on prevailing market conditions. Pursuant to the terms of the Investment Agreements, Eligible Expenditures will be renounced to the Partnership with an effective date no later than December 31, 2014. The Investment Agreements entered into by the Partnership during 2014 may permit a Resource Company to incur Eligible Expenditures in 2015, provided that the Resource Company agrees to renounce such Eligible Expenditures to the Partnership with an effective date of December 31, 2014. Any Resource Company will be liable to the Partnership if it fails to satisfy such obligations. Following the Partnership's investment in Flow-Through Shares, Limited Partners who have sufficient income, subject to certain limitations, will be entitled to claim certain deductions from income with respect to Eligible Expenditures incurred and renounced to the Partnership and then allocated to the Limited Partners. See Item 6, "Income Tax Consequences and RRSP Eligibility".

As the Partnership may invest in Flow-Through Shares and other securities, if any, of certain Resource Companies pursuant to exemptions from the prospectus and registration requirements of applicable securities legislation, such Flow-Through Shares and other securities, if any, of such Resource Companies generally will be subject to resale restrictions. It is expected that the resale restrictions applicable to the Flow-Through Shares and other securities, if any, of the Resource Companies purchased by the Partnership will expire after a four-month "hold period". The General Partner may, in its sole discretion, require that the principal shareholders of Resource Companies agree, subject to applicable law, to exchange free-trading shares for the restricted Flow-Through Shares or other securities, if any, of Resource Companies within a Portfolio. Other Flow-Through Shares or other securities, if any, of Resource Companies purchased by the Partnership may be qualified by a prospectus or other disclosure document of the Resources Issuer filed with the applicable securities regulatory authorities and will not be subject to any resale restrictions. The Partnership will not purchase Illiquid Investments.

As of the date hereof, the Partnership has not entered into Investment Agreements to invest in Flow Through Shares or any other securities or selected any Resource Companies in which to invest.

Any interest earned on Available Funds not disbursed or invested by the Partnership and any dividends received on Flow-Through Shares and other securities, if any, of Resource Companies purchased by the Partnership will accrue to the benefit of the Partnership. Interest and dividends earned may be used, in the discretion of the General Partner, to purchase more Flow-Through Shares and other securities, if any, of Resource Companies, for the purchase of High-Quality Money Market Instruments, to pay administrative costs and expenses of the Partnership, to repay indebtedness, including indebtedness that is a Limited Recourse Amount, of the Partnership or for distribution to Limited Partners if the General Partner is satisfied that the Partnership can otherwise meet its obligations.

If the Partnership is unable to enter into Investment Agreements by December 31, 2014 for the full amount of Available Funds from this Offering, the General Partner will cause to be returned to each Limited Partner by April 30, 2015 such Limited Partner's share of the uncommitted amount, except to the extent that such funds are required to finance the operations of the Partnership. In certain circumstances committed funds equal to the tax payable as a consequence of the failure to renounce may be returned to the Partnership by Resource Companies. Any funds committed by the Partnership to purchase Flow-Through Shares that are returned to the Partnership prior to January 1, 2015 may be used to invest in Flow-Through Shares and other securities, if any, of other Resource Companies prior to January 1, 2015.

As well, the Partnership may borrow and sell short free-trading shares of Resource Companies when an appropriate selling opportunity arises in order to "lock-in" the resale price of Flow-Through Shares or other securities, if any, of Resource Companies held in a Portfolio.

Net income of each Portfolio for each fiscal year and on dissolution shall be allocated, with respect to net income, as to 0.01% to the General Partner and the balance divided *pro rata* among the Limited Partners of record holding Units of the applicable Class on December 31 of such fiscal year or on dissolution and, with respect to net loss, as to 100% divided *pro rata* among the Limited Partners holding Units of the applicable Class of record on December 31 of such fiscal year and on dissolution. See Item 4.1 "Capital - Details of the Partnership Agreement – Allocation of Income and Loss".

Investment Guidelines and Restrictions

The Partnership Agreement provides that the activities of the Partnership and the transactions in securities comprising each Portfolio will be conducted in accordance with the following Investment Guidelines.

For the purposes of the Investment Guidelines listed below, all amounts and percentage limitations will initially be determined at the date of investment and any subsequent change in the applicable percentage resulting from changing values will not require the disposition of any securities from the relevant Portfolio. However, if securities in a Portfolio are disposed of, and at the time of disposition that Portfolio does not comply with the Investment Guidelines, the proceeds of disposition cannot be used to purchase securities for that Portfolio other than High Quality Money Market Instruments and securities of issuers in the resource sector which will result in that Portfolio being in compliance or closer to compliance with the Investment Guidelines.

- *Resource Companies.* The Available Funds of each Portfolio will initially be invested by the Partnership in: (i) Flow-Through Shares of Resource Companies that incur Eligible Expenditures, in the case of the National Portfolios across Canada, and in the case of the Québec Portfolios primarily in the Province of Québec; (ii) units consisting of Flow-Through Shares and Warrants, provided that not more than 1% of the aggregate purchase price under the relevant Investment Agreement shall be allocated and reasonably allocable to securities which do not qualify as Flow-Through Shares; and (iii) Special Warrants which, when exercised, result in the issue of Flow-Through Shares or units consisting of Flow-Through Shares and Warrants, provided such units meet the 1% limit set forth in (ii) above.
- *Exchange Listing.* Each Portfolio will invest all of its Available Funds in securities of Resource Companies which are listed on a stock exchange, and a minimum of 15% of the Net Asset Value in the case of the National Portfolios and 10% in the case of the Québec Portfolios in securities which are listed and posted for trading on the TSX.
- *Minimum Market Cap.* The Portfolios will invest at least 50% of their Net Asset Value in securities of issuers with a market capitalization of at least $25,000,000 in the case of the National Portfolios and $10,000,000 in the case of the Québec Portfolios.
- *No Illiquid Investments.* Each Portfolio will not invest in Illiquid Investments. This restriction shall not apply to Special Warrants if they are exercisable to acquire common shares that do not constitute Illiquid Investments or units comprised of Warrants and common shares that do not constitute Illiquid Investments.
- *Diversification.* Each Portfolio will invest no more than 20% of its Net Asset Value in securities of a single issuer, and no more than 10% of its Net Asset Value in securities of a single issuer with a market capitalization of less than $25,000,000 in the case of the National Portfolios and $10,000,000 in the case of the Québec Portfolios.
- *No Control.* No Portfolio will own more than 10% of any class of securities (other than Warrants or Special Warrants) of any one issuer and securities will not be purchased by the Partnership for the purpose of exercising control over or management of an issuer.

- *Transactions.* The Partnership will not agree to enter into any transaction prior to 2015 if such transaction, either alone or in combination with any other undertakings of the Partnership or a Prohibited Person, will entitle any Limited Partner or a person or partnership which for the purposes of the Tax Act does not deal at arm's length with such Limited Partner, to receive or obtain any amount or benefit, either immediately or at any time in the future and either absolutely or contingently, that reduces the impact of any loss such Limited Partner may sustain by virtue of holding Units unless the entire quantum of such amount or benefit would be included in such Limited Partner's "at-risk amount" in respect of the Partnership on December 31, 2014 by virtue of paragraphs 96(2.2)(b) or (b.1) of the Tax Act.
- *No Other Undertaking.* The Partnership will not engage in any undertaking other than the investment of the Portfolios' assets in accordance with these Investment Guidelines.
- *No Commodities.* The Partnership will not purchase or sell commodities.
- *No Mutual Funds.* The Partnership will not purchase securities of any mutual fund, other than Mutual Fund securities issued in connection with a Liquidity Event.
- *No Guarantees.* The Partnership will not guarantee the securities or obligations of any person.
- *No Real Estate.* The Partnership will not purchase or sell real estate or interests therein.
- *No Lending.* The Partnership will not lend money, provided that the Partnership may purchase High Quality Money Market Instruments.
- *Conflict of Interest.* The Partnership will not invest in securities of any issuer that is not at arm's length to the Partnership, the Promoters, the Investment Manager, the Manager, the Maple Leaf Income Class, or any of their respective officers and directors.
- *No Mortgages.* The Partnership will not purchase mortgages.
- *Short Sales.* The Partnership may make short sales of securities for hedging purposes against existing positions held by a Portfolio.
- *No Derivatives.* The Partnership will not purchase or sell derivatives.

In addition, each Portfolio will be managed at all times in such a way as to preserve the ability to undertake a Liquidity Event.

These Investment Guidelines may be changed only by the passage of an Extraordinary Resolution.

Liquidity Event and Termination of the Partnership

In order to provide Limited Partners with liquidity and the potential for long-term growth of capital and for income, on or before September 30, 2015, the General Partner intends, if all necessary approvals are obtained, to implement a Liquidity Event. The General Partner currently intends the Liquidity Event will be a Mutual Fund Rollover Transaction. If a Mutual Fund Rollover Transaction is proposed, it will be referred to the Mutual Fund's independent review committee for review and approval. Upon receiving the approval of the Mutual Fund's independent review committee, the Partnership will transfer its assets to the Mutual Fund in exchange for Mutual Fund Shares. Within 60 days after the transfer of the assets of the Partnership to the Mutual Fund, the partnership will be dissolved and its net assets, consisting mainly of the Mutual Fund Shares, will be distributed to Limited Partners. Appropriate elections under applicable income tax legislation will be made to effect the Mutual Fund Rollover Transaction on a tax-deferred basis to the extent possible. Any assets of the Partnership that are transferred to the Mutual Fund pursuant to a Mutual Fund Rollover Transaction will be subject to and comply with the investment objectives of the particular Mutual Fund as well as applicable legislation. Assuming such transfer is completed, the Partnership will receive Mutual Fund Shares, which will be redeemable at the option of the holder based upon the redemption price next determined after receipt by the Mutual Fund of the redemption notice.

Unless dissolved earlier upon the occurrence of certain events stated in the Partnership Agreement or continued after June 30, 2016 with the approval of Limited Partners given by Extraordinary Resolution, the Partnership will

continue until the Termination Date and thereupon will terminate and the net assets of the Partnership will be distributed to the Limited Partners and the General Partner unless a Liquidity Event is implemented as described above. Prior to the Termination Date, or such other termination date as may be agreed upon, (a) the General Partner will, in its discretion, take steps to convert all or any part of the assets of the Partnership to cash; and (b) all of the net assets held in each Portfolio will be distributed *pro rata* to the Partners who hold Units of the Class in respect of which the Portfolio relates. The General Partner may, in its sole discretion and upon not less than 30 days' prior written notice to the Limited Partners, extend the date for the termination of the Partnership to a date not later than three months after the Termination Date if the Investment Manager has been unable to convert all of the portfolio assets to cash and the General Partner determines that it would be in the best interests of the Limited Partners to do so. Should the liquidation of certain securities not be possible or should the Investment Manager consider such liquidation not to be appropriate prior to the Termination Date, such securities will be distributed to partners who hold Units of the applicable Class *in specie*, on a *pro rata* basis, subject to all necessary regulatory approvals and thereafter such property will, if necessary, be partitioned. See Item 8, "Risk Factors".

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

The Manager has established the Maple Leaf Income Class, a class of securities of Maple Leaf Corporate Funds Corp., a mutual fund corporation incorporated under the laws of Canada. The Investment Manager has been appointed as investment manager for the Maple Leaf Income Class. It is anticipated that this mutual fund corporation will be the Mutual Fund that participates in a Mutual Fund Rollover Transaction, if implemented. The Maple Leaf Income Class is a "reporting issuer" or equivalent under applicable Canadian securities legislation and is subject to National Instrument 81-102 – *Mutual Funds*. For additional information, see the Mutual Fund's public documents at www.sedar.com, which documents are not and shall not be deemed to be incorporated by reference in this Offering Memorandum.

The Liquidity Event, if implemented, will be implemented on not less than 21 days' prior notice to Limited Partners. The General Partner may call a meeting of the Limited Partners to approve a Liquidity Event upon different terms but intends to do so only if such other form of Liquidity Event is substantially different from that presently intended. **There can be no assurance that the Mutual Fund Rollover Transaction or any alternative Liquidity Event will be proposed, will receive any necessary approvals (including regulatory approvals), be implemented or be implemented on a tax-deferred basis.** A requirement to obtain approvals, including regulatory approvals, may arise in the situation where the Partnership does not implement a Liquidity Event as contemplated in this Offering Memorandum, but proposes to implement an alternative form of liquidity arrangement. In the event a Liquidity Event is not completed on or before March 31, 2016, then, in the discretion of the General Partner, the Partnership may: (a) be dissolved on or about June 30, 2016, and its net assets attributed to a Class distributed *pro rata* to the Partners who hold Units of that Class; or (b) subject to the approval by Extraordinary Resolution of the Limited Partners, continue in operation with an actively managed portfolio. See Item 4.1, "Capital – Details of the Partnership Agreement - Dissolution". The General Partner will not propose or implement any Liquidity Event which adversely affects the status of the Flow-Through Shares as flow-through shares for income tax purposes (e.g., by rendering them "prescribed shares" or "prescribed rights" under the regulations to the Tax Act), whether prospectively or retrospectively. Any such dissolution and distribution will be subject to obtaining all necessary approvals and must occur on or prior to June 30, 2016, unless the Partnership's operations are continued past this date in accordance with the Partnership Agreement.

In the event that a Liquidity Event is not implemented and (a) the Partnership dissolves on or about June 30, 2016, or (b) if the Partnership continues in operation past this date in accordance with the Partnership Agreement, at the time of dissolution the net assets of the Partnership will consist primarily of cash and securities of Resource Companies. Prior to that date, the General Partner will attempt to liquidate as much of the Portfolios as possible for cash, with a view to maximizing sale proceeds. In order to provide for the possibility of the property of the Partnership which has not been converted to cash to be distributed on a tax-deferred basis, on dissolution each Limited Partner will receive an undivided interest in the property of the Partnership held in the applicable Portfolio equal to the Limited Partner's proportionate interest in the applicable Class. Immediately thereafter, the undivided

interest in the property will be partitioned and the Limited Partners who hold Units of a Class will receive securities of Resource Companies and other property in proportion to their former interest in that Class. The General Partner will then request that the transfer agent for each Resource Company provide the General Partner with individual share certificates registered in the name of each Limited Partner for each Resource Company. The share certificates registered in the names of the Limited Partners will then be transmitted to the Limited Partners.

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

Calculation of Net Asset Value

On the last business day of each week (the "**Valuation Date**"), the General Partner or a valuation agent retained by the General Partner will calculate the Net Asset Value and Net Asset Value per Unit of each Class by adding up the assets of the applicable Portfolio, subtracting the liabilities of the applicable Portfolio, and dividing by the total number of Units of that Class outstanding. The Net Asset Value per Unit of each Class will generally increase or decrease on each Valuation Date as a result of changes in the value of the securities held in the applicable Portfolio.

Valuation Policies and Procedures of the Partnership

The assets of a Portfolio include: all cash or its equivalent on hand or on deposit, including any interest accrued; all bills, notes and accounts receivable owned by the Portfolio; all shares, debt obligations, subscription rights and other securities owned or contracted for by the Portfolio; all stock and cash dividends and cash distributions on the Portfolio's securities declared payable to security holders of record on a date on or before a trading day but not yet received by the Portfolio; all interest accrued on any fixed interest bearing securities owned by the Portfolio which is included in the quoted price; and all other property of the Portfolio of every kind and nature including prepaid expenses. The liabilities of a Portfolio shall include: all bills, notes, accounts payable and bank indebtedness of which the Portfolio is an obligor; all administrative or operating expenses payable or accrued or both; all contractual obligations for the payment of money or property, including the amount of any unpaid distribution credited to Limited Partners of the applicable Class on or before a trading day; all allowances authorized or approved by the General Partner for taxes (if any) or contingencies; and all other liabilities of the Portfolio of whatsoever kind and nature, except liabilities represented by outstanding Units of the applicable Class. Liabilities of the Partnership that are not referable to a specific Portfolio will be allocated between the Portfolios based on the Net Asset Value of each Class at the end of the month preceding the date such liabilities are incurred.

The portfolio securities are valued at the close of business on each Valuation Date. The value of the portfolio securities and other assets of each Portfolio will be determined by the General Partner or by a valuation agent retained by the General Partner, as:

(a) the value of any cash or its equivalent on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, distributions, dividends or other amounts received (or declared to holders of record of securities owned by the Partnership on a date before the Valuation 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 if the General Partner or the valuation agent, as the case may be, has determined that any such deposit, bill, demand note, accounts receivable, prepaid expense, distribution, dividend or other amount received (or declared to holders of records of securities owned by the Partnership on a date before the Valuation Date as of which the Net Asset Value is being determined, and to be received) or interest accrued and not yet received is not otherwise worth the full amount thereof, the value thereof shall be deemed to be such value as the General Partner or the valuation agent, as the case may be, determines to be the fair market value thereof;

(b) the value of any security that is listed or traded upon a stock exchange (or if more than one, on the principal stock exchange for the security, as determined the General Partner or the valuation agent,

as the case may be) shall be determined by taking the latest available 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 or the valuation agent, as the case may be, such value does not reflect the value thereof and in which case the latest offer price or bid price shall be used), as at the Valuation Date on which the Net Asset Value is being determined, all as reported by any means in common use;

(c) the value of any security which is traded over-the-counter will be priced at the average of the last bid and asked prices quoted by a major dealer in such securities or as the General Partner or the valuation agent, as the case may be, determines to be the fair market value;

(d) the value of any debt securities will be valued by taking the average of the bid and ask prices on the date upon which the Net Asset Value is calculated;

(e) the value of any purchased or written clearing corporation options, options on futures or over-the-counter options, debt like securities and listed warrants shall be the current market value thereof;

(f) the value of any security or other asset for which a market quotation is not readily available will be its fair value on the Valuation Date on which the Net Asset Value is being determined as determined by the General Partner or the valuation agent, as the case may be (generally such asset will be valued at cost until there is a clear indication of an increase or decrease in value);

(g) any market price reported in currency other than Canadian dollars shall be converted into Canadian funds by applying the rate of exchange obtained from the best available sources to the General Partner or the valuation agent, as the case may be;

(h) listed securities subject to a hold period will be valued as described above with an appropriate discount as determined by the General Partner or the valuation agent, as the case may be, and investments in private companies and other assets for which no published market exists will be valued at the lesser of cost and the most recent value at which such securities have been exchanged in an arm's length transaction which approximates a trade effected in a published market, unless a different fair market value is determined to be appropriate by the General Partner or the valuation agent, as the case may be; and

(i) if the date upon which the Net Asset Value is calculated is not a business day, the Partnership's assets will be valued as of the preceding business day.

The process of valuing investments for which no published market exists is based on inherent uncertainties, and the resulting values may differ from values that would have been used had a ready market existed for the investments and may differ from the prices at which the investments may be sold.

The Net Asset Value per Unit for each Class will be calculated in accordance with the rules and policies of the Canadian Securities Administrators or in accordance with any exemption therefrom that the Partnership may obtain. The Net Asset Value per Unit for each Class determined in accordance with the principles set out above may differ from Net Asset Value per Unit for each Class determined under Canadian generally accepted accounting principles.

If an investment cannot be valued under the foregoing rules or under any other valuation rules required under securities legislation, or if any rules adopted by the General Partner or the valuation agent, as the case may be, but not set out under securities legislation are at any time considered by the General Partner or the valuation agent, as the case may be, to be inappropriate under the circumstances, then the General Partner or the valuation agent, as the case may be, shall use a valuation rule which it considers fair and reasonable in the interests of Limited Partners. For greater certainty, if at any time the foregoing rules conflict with the valuation rules adopted under securities legislation, the General Partner or the valuation agent, as the case may be, shall use the valuation rules adopted under securities legislation.

Reporting of Net Asset Value per Unit

The Net Asset Value per Unit of each Class as at each Valuation Date will be available on the internet at www.mapleleafflowthrough.com. None of the information contained on this website is or shall be deemed to be incorporated in this Offering Memorandum by reference.

2.3 Long Term Objectives.

The Partnership intends to invest all the Available Funds of each Class in diversified portfolios of Flow-Through Shares of Resource Companies in such a way that it maximizes returns and tax deductions in respect of Eligible Expenditures for Limited Partners. Immediately after each Closing the Investment Manager will analyze investment opportunities for the Available Funds raised with a view to acquiring high-quality Flow-Through Shares. Any Available Funds of a Class that have not been invested in Flow-Through Shares and other securities, if any, of Resource Companies by December 31, 2014, other than funds required to finance the operations of the Partnership, will be returned by April 30, 2015 on a pro rata basis to Limited Partners of record holding Units of that Class as at December 31, 2014, without interest or deduction.

The Investment Manager will actively manage the Portfolios with the objective of achieving capital appreciation and/or income for the Partnership. This may involve the sale of Flow-Through Shares and other securities initially acquired and the reinvestment of the net proceeds from such dispositions (after consideration being given to applicable distributions to Limited Partners) in securities of other Resource Companies. Such reinvestment may include, but is not limited to, investment in additional Flow-Through Shares.

In order to provide Limited Partners with liquidity and the potential for long-term growth of capital and income, the General Partner intends to implement a Liquidity Event on or before September 30, 2015. The General Partner presently intends the Liquidity Event will be a Mutual Fund Rollover Transaction. If the General Partner is of the opinion that due to then prevailing market conditions it would not be in the best interests of the Partnership or the Limited Partners to implement a Liquidity Event on or before September 30, 2015, it may continue to operate the Partnership until such time as the General Partner determines that market conditions are favourable for a Liquidity Event, provided the Liquidity Event, if any, must take place before March 31, 2016. The Liquidity Event will be implemented on not less than 21 days' prior notice to the Limited Partners. The General Partner may call a meeting of Limited Partners to approve a Liquidity Event upon different terms but intends to do so only if the actual terms of the other Liquidity Event are substantially different from those presently intended. If such a meeting is called, no Liquidity Event will be implemented unless a majority of Units voted at such meeting vote in favour of proceeding with the Liquidity Event. Pursuant to the Mutual Fund Rollover Transaction, Limited Partners will receive redeemable shares of a Mutual Fund on a tax-deferred basis. The Manager has established the Maple Leaf Income Class, a class of securities of Maple Leaf Corporate Funds Ltd., a mutual fund corporation established under the laws of Canada. The portfolio of the Maple Leaf Income Class is managed by the Investment Manager and it is intended that this Class will be the Mutual Fund that participates in the Mutual Fund Rollover Transaction, if implemented. In the event a Liquidity Event is not completed by March 31, 2016, then, in the discretion of the General Partner, the Partnership may: (a) be dissolved on or about June 30, 2016, and its net assets distributed *pro rata* to the Partners; or (b) subject to the approval by Extraordinary Resolution of the Limited Partners, continue in operation with an actively managed portfolio. See Item 2.2, "Our Business - Liquidity Event and Termination of the Partnership" above for further information.

2.4 Short Term Objectives and How We Intend to Achieve Them.

The following table shows how the Partnership intends to achieve its objectives until the Partnership is dissolved on or about June 30, 2016:

What the Partnership must do and how it will do it	Anticipated completion date	Partnership's cost to complete and/or use of proceeds

Invest all Available Funds of each Class in Flow-Through Shares of Resource Issuers in compliance with the investment guidelines, strategies and restrictions established by the Partnership	Prior to December 31, 2014	Available Funds of each Class raised in all Closings
Actively manage the Portfolios with the objective to achieve capital appreciation and/or income	Prior to September 30, 2015	Proceeds from dispositions of Flow-Through Shares
Implement a Liquidity Event	September 30, 2015, subject to market conditions	Operating cost
Dissolve the Partnership, if a Liquidity Event has not been completed prior to this date	June 30, 2016	Operating cost

2.5 Material Agreements.

In addition to the Partnership Agreement (described in Item 4.1, "Capital" below), the Partnership has two agreements that it considers material to its business and operations, the Management Agreement and the Investment Manager Agreement. A description of each of the agreements, and the services to be provided thereunder, is set out below.

The Management Agreement

The Manager is a subsidiary of CADO Bancorp Ltd. ("**CADO**"), a British Columbia based company that specializes in investment products focused on the Canadian natural resource sector. CADO is also a shareholder of Maple Leaf Short Duration Holdings Ltd. CADO established the Manager for the purposes of providing management and administrative services to investment funds established by Maple Leaf Short Duration Holdings Ltd. The head office of the Manager is at 808 – 609 Granville Street, Vancouver, British Columbia V7Y 1G5.

Duties and Services to be Provided by the Manager

The General Partner has retained the Manager to provide investment fund management, administrative and other services to the Partnership.

Pursuant to the Management Agreement, the Manager will manage the day-to-day operations and affairs of the Partnership, make all decisions regarding the business of the Partnership and bind the Partnership. The Manager may delegate certain of its powers to third parties where, in the discretion of the Manager, it would be in the best interests of the Partnership to do so.

The Manager's duties will include maintaining accounting records for the Partnership, authorizing the payment of operating expenses incurred on behalf of the Partnership; preparing financial statements, income tax returns and financial and accounting information as required by the Partnership, ensuring that Limited Partners are provided with financial statements and other reports as are required from time to time by applicable law; ensuring that the Partnership complies with regulatory requirements, including its continuous disclosure requirements under applicable securities laws; preparing the Partnership's reports to Limited Partners and to the Canadian securities regulators; dealing and communicating with Limited Partners; and negotiating contracts with third party providers of services, including, but not limited to, custodians, transfer agents, auditors and printers.

Details of the Management Agreement

Pursuant to the Management Agreement, the Manager will provide the services set out above under "Duties and Services to be Provided by the Manager". The Manager will not be paid a fee by the Partnership for its services, but

will be entitled to be reimbursed for costs and expenses incurred by it in connection with the provision of its services to the Partnership.

The Manager has no obligation to the Partnership other than to render services under the Management Agreement honestly and in good faith and in the best interests of the Partnership and to exercise the degree of care, diligence and skill a reasonably prudent person would exercise in comparable circumstances.

The Management Agreement provides that the Manager will not be liable in any way to the Partnership if it has satisfied the duties and the standard of care, diligence and skill set forth above. The General Partner has agreed to indemnify the Manager for all claims arising from: (a) the negligence, willful misconduct and bad faith on the part of the General Partner or other breach by the General Partner of the provisions of the Management Agreement, and (b) as a result of the Manager acting in accordance with directions received from the General Partner. The Partnership has agreed to indemnify the Manager for any losses as a result of the performance of the Manager's duties under the Management Agreement other than as a result of the negligence, willful misconduct and bad faith on the part of the Manager or material breach or default of the Manager's obligations under the Management Agreement. The Manager has agreed to indemnify the General Partner and the Partnership against any claims arising from the Manager's willful misconduct, bad faith, negligence or disregard of its duties or standard of care, diligence and skill.

The Management Agreement, unless terminated as described below, will continue until the dissolution of the Partnership. Either the Manager or the Partnership may terminate the Management Agreement upon two months' prior written notice. Either party to the Management Agreement may terminate the Management Agreement: (a) without payment to either party thereto, in the event that either party to the Management Agreement is in breach or default of the provisions thereof and, if capable of being cured, such breach or default has not been cured within 60 days after the receipt of written notice of such breach or default to the other party thereto; or (b) automatically in the event that one of the parties to the Management Agreement dissolves, winds up, makes a general assignment for the benefit of creditors, or a similar event occurs. In addition, the Partnership may terminate the Management Agreement if any of the licenses or registrations necessary for the Manager to perform its duties under the Management Agreement are no longer in full force and effect.

Officers and Directors of the Manager

The name, municipality of residence, office or position held with the Manager and principal occupation of each of the directors and senior officers of the Manager are set out below:

Name and Municipality of Residence	Office or Position	Principal Occupation
HUGH CARTWRIGHT ..... Vancouver, British Columbia	Chief Executive Officer and Director	President, Managing Partner and Director, Maple Leaf Short Duration Holdings Ltd., Maple Leaf Energy Income Programs and CADO Bancorp Ltd.
SHANE DOYLE ..... Vancouver, British Columbia	President and Director	Managing Partner and Director, Maple Leaf Short Duration Holdings Ltd. Maple Leaf Energy Income Programs and CADO Bancorp Ltd. Previously regional director for SEI Canada and director of operations for RBC Financial Group
JOHN DICKSON ..... Vancouver, British Columbia	Chief Financial Officer and Director	Chief Financial Officer, Maple Leaf Short Duration Holdings Ltd. and WCSB Holdings Corp.; Vice-President Finance, Jov Flow-Through Holdings Corp.

The Investment Manager Agreement

T.I.P. Wealth Manager Inc. has been retained by the General Partner as Investment Manager to provide investment advisory and portfolio management services to the Partnership pursuant to the Investment Manager Agreement.

Established under the federal laws of Canada in 2006, the Investment Manager provides investment advice to institutions and high net worth individuals with a particular focus on the resource sectors. The principal office of the Investment Manager is 120 Adelaide Street West, Suite 2400, Toronto, Ontario, Canada, M5H 1T1. T.I.P. is currently managing a diversified mix of hedge funds, mutual funds, labour-sponsored funds and flow through funds.

Duties and Services to be Provided by the Investment Manager

The Investment Manager has the responsibility and right to determine which securities shall be purchased, held or sold by the Partnership. The Investment Manager's responsibilities include:

- examining, evaluating and analyzing of Flow-Through Share investment opportunities;
- reviewing Resource Companies;
- educating underwriters and investment advisors on matters relating to the Partnership;
- monitoring the holdings of the Portfolios with a view to ensuring a smooth transition to the Mutual Fund (if any) and maximizing Net Asset Values in the event that a Liquidity Event is effected;
- determining how and in what manner any voting rights attached to securities held in the Portfolios shall be exercised or not exercised;
- ensuring compliance with the Investment Strategy and Investment Guidelines and other mutually agreed policies with respect to the Portfolios; and
- generally performing any other act necessary to enable it to perform its obligations under the Investment Manager Agreement.

The Investment Manager expects to utilize its extensive contacts in the Canadian resource sector as well as its contacts in the investment dealer and investment management communities to evaluate and make investment decisions on investment opportunities consistent with the Investment Strategy and the Investment Guidelines.

Details of the Investment Manager Agreement

The Investment Manager will be responsible for the provision of the foregoing services pursuant to the Investment Manager Agreement.

Under the Investment Manager Agreement, the Investment Manager has agreed to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Partnership, the Classes and the General Partner, as applicable, and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent investment advisor would exercise in the circumstances. The Investment Manager Agreement provides that Investment Manager will be indemnified for any liability, loss, damages, expenses, claims, or costs it may suffer in connection with the performance of its obligations under the Investment Manager Agreement or in connection with the affairs of the Partnership or the General Partner, except in respect of acts or omissions of Investment Manager or its directors, officers, employees or representatives done or suffered in bad faith or through negligence, wilful misconduct, wilful neglect or failure to fulfill their duties or standard of care, diligence and skill described above or comply with applicable laws.

Unless terminated as described below, the Investment Manager Agreement will continue for a term that expires on the earlier of: (a) January 15, 2018; and (b) if no Liquidity Event is completed and the operations of the Partnership

are not extended with the approval of Limited Partners, June 30, 2016 (or, if the Partnership's operations are extended, then the date of dissolution of the Partnership).

The Investment Manager may terminate the Investment Manager Agreement without payment to the General Partner or the Partnership: (a) in certain circumstances involving the bankruptcy or insolvency of the General Partner; (b) if the Partnership or General Partner is in breach or default of the provisions thereof and, if capable of being cured, such breach or default has not been cured within 20 Business Days' written notice of such breach or default to the General Partner; or (c) in the event there is a fundamental change in the Investment Strategy or Investment Guidelines of the Partnership. The General Partner may terminate the Investment Manager Agreement without payment to the Investment Manager, other than fees accrued to the date of termination, if: (a) the Investment Manager is in breach or default of any material provision thereof and, if capable of being cured, such breach or default has not been cured within 20 Business Days' written notice of such breach or default to the Investment Manager; (b) if the Investment Manager ceases to carry on business or an order is made or a resolution is passed for the winding-up, dissolution or liquidation of the Investment Manager; (c) if the Investment Manager becomes bankrupt or insolvent or a receiver is appointed for the Investment Manager; (d) if any of the licenses or registrations necessary for the Investment Manager (or its personnel) to perform its duties under the Investment Manager Agreement are no longer in full force and effect; or (e) upon 270 days' written notice. The Limited Partners may cause the General Partner to terminate the Investment Manager Agreement by passage of an Extraordinary Resolution to that effect.

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

The Investment Manager will be paid a fee by the Partnership for its services equal to 1/12 of 0.70% of the Net Asset Value of each Portfolio, calculated and paid monthly in arrears based on the Net Asset Value calculated as at the last Valuation Date of such month. In addition, the Investment Manager will be entitled to be reimbursed for costs and expenses incurred by it in connection with the provision of its services to the Partnership

Officers and Directors of the Investment Manager

The name, municipality of residence, office or position held with the Investment Manager and principal occupation during the past five years of each of the directors and principal senior officers of the Investment Manager that provide services to the Partnership are set out below:

Name and Municipality of Residence	**Position with the Investment Manager**	**Principal Occupation**
JIM HUANG ..... Toronto, Ontario	President and Director	President, T.I.P. Wealth Manager Inc.

For a description of Mr. Huang's background and experience, please see "- Officers and Directors of the General Partner" above.

Item 3 DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 Compensation and Securities Held.

The following table provides relevant information about each director, officer and promoter of the Partnership or General Partner, as the case may be, and each person who, directly or indirectly, beneficially owns or controls 10% or more of any class of voting securities of the Partnership (a "principal holder"):

Name and municipality of principal residence	Positions held 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 min. offering	Number, type and percentage of securities of the Partnership held after completion of max. offering
Hugh R. Cartwright Vancouver, British Columbia	Chairman and Director since March 20, 2014	Nil	Nil	Nil
Shane Doyle Vancouver, British Columbia	President, Chief Executive Officer and Director since March 20, 2014	Nil	Nil	Nil
Jim Huang Toronto, Ontario	Director since March 20, 2014	Nil	Nil	Nil
R. Bruce Fair Vancouver, British Columbia	Director since March 20, 2014	Nil	Nil	Nil
John Dickson Vancouver, British Columbia	Chief Financial Officer since March 20, 2014	Nil	Nil	Nil

The General Partner is a wholly-owned subsidiary of Maple Leaf Short Duration Holdings Ltd. Two of the directors and officers of the General Partner, Hugh Cartwright and Shane Doyle, are also directors and officers of Maple Leaf Short Duration Holdings Ltd. and some of the directors and officers of the General Partner are also directors and officers of the Investment Manager and the Manager. Maple Leaf Short Duration Holdings Ltd. is controlled by Hugh Cartwright, the President and a director of Maple Leaf Short Duration Holdings Ltd.

Each of the General Partner and Maple Leaf Short Duration Holdings Corp. may be considered to be a promoter of the Partnership within the meaning of securities legislation.

Compensation of the General Partner

Management Fee

As partial consideration for its services to the Partnership, the Partnership will pay to the General Partner the General Partner's Fee. In connection with a Liquidity Event, the General Partner will have the option to receive payment for all or any portion of the General Partner's Fee that remains payable at such time in the Mutual Fund Shares or other securities that form the consideration for such transaction (if any). The General Partner will be entitled, at its discretion, to share a portion of the General Partner's Fee it receives with third parties, including agents or brokers who assist in the sale of Units.

Performance Bonus

The General Partner will be entitled to a performance bonus in respect of each Class equal to 20% of the product of (a) the number of Units of that Class outstanding on the Performance Bonus Date; and (b) the amount by which the Net Asset Value per Unit of that Class on the Performance Bonus Date (prior to giving effect to the Performance Bonus) plus the total distributions per Unit of that Class over the Performance Bonus Term exceeds $25.00. The General Partner will be entitled, at its discretion, to share up to 20% of the Performance Bonus actually received with agents or brokers who assist in the sale of Units.

Expenses

The Partnership will be responsible for all expenses associated with its operation and administration, and the General Partner will be entitled to be reimbursed for all reasonable out-of-pocket expenses incurred by it in connection with the performance of its obligations to the Partnership.

Other

The General Partner is entitled to receive 0.01% of the net income of the Partnership, and the General Partner or an affiliate of the General Partner may also from time to time receive fees, commissions, rights to purchase shares of Resource Issuers or other compensation from Resource Issuers in consideration for services as agent or finder in connection with private placements of Flow-Through Shares to the Partnership.

3.2 Management Experience.

The General Partner's management group has extensive experience in the financing and management of syndicated tax-assisted investments and has significant experience and strong relationships in the oil and natural gas industry. The name, municipality of residence, office or position held with the General Partner and principal occupation of each of the directors and senior officers of the General Partner are set out below:

Name and Municipality of Residence	Position with the General Partner	Principal Occupation
HUGH R. CARTWRIGHT..... Vancouver, British Columbia	Chairman and Director	President, Managing Partner and Director, Maple Leaf Short Duration Holdings Ltd., Maple Leaf Energy Income Programs and CADO Bancorp Ltd.
SHANE DOYLE..... Vancouver, British Columbia	President, Chief Executive Officer and Director	Managing Partner and Director, Maple Leaf Short Duration Holdings Ltd. Maple Leaf Energy Income Programs and CADO Bancorp Ltd. Previously regional director for SEI Canada and director of operations for RBC Financial Group
JIM HUANG..... Toronto, Ontario	Director	President, T.I.P. Wealth Manager Inc.
R. BRUCE FAIR..... Vancouver, British Columbia	Director	President and director of Mench Capital Corp.; Executive Vice President and Director for Maple Leaf Funds
JOHN DICKSON..... Vancouver, British Columbia	Chief Financial Officer and Director	Chief Financial Officer, Maple Leaf Short Duration Holdings Ltd. and WCSB Holdings Corp.; Vice-President Finance, Jov Flow-Through Holdings Corp.

There are no committees of the board of directors of the General Partner, other than the Audit Committee, which consists of the board of directors as a whole.

The biographies of each of the directors and senior officers of the General Partner, including their principal occupations for the last five years, are set out below.

The officers of the General Partner will not be fulltime employees of the General Partner, but will devote such time as is necessary to the business and offices of the General Partner.

Hugh Cartwright, B.Comm - Chairman and Director

Mr. Cartwright is the President, Managing Partner and a director of Maple Leaf Short Duration Holdings Ltd., a Promoter of the Offering and the parent company of the General Partner. As well, Mr. Cartwright is the Chief Executive Officer and a director of Qwest Bancorp Ltd., a British Columbia-based merchant banking company with over 20 years of experience in investment banking, structured finance, syndication and fund administration. Mr. Cartwright is also the former Chief Executive Officer and director of Trilogy Bancorp Ltd., a British Columbia-based asset and administrative management company.

Mr. Cartwright was also a founder and from November 1998 to February 2006 was a director of Qwest Energy Corp. ("**Qwest Energy**"), a company which structured, managed and syndicated tax-assisted investments in the oil and gas industry. Qwest Energy and its subsidiaries were, from 1999 to 2005, involved in the management of energy investments, including in-house accounting, financial reporting, investor relations and tax reporting.

Mr. Cartwright was also a founder and former Chief Executive Officer and a director of Qwest Energy Investment Management Corp. from May 2003 to February 2006 and the general partner of each of Qwest Energy RSP/Flow-Through Limited Partnership, Qwest Energy IV Flow-Through Limited Partnership, Qwest Energy 2004 Flow-Through Limited Partnership, Qwest Energy 2005 Flow-Through Limited Partnership, Qwest Energy 2005-II Flow-Through Limited Partnership and Qwest Energy 2005-III Flow-Through Limited Partnership. In addition, Mr. Cartwright was the founder, Chief Executive Officer and a director of each of Qwest Energy RSP/Flow-Through Financial Corp., Qwest Energy 2004 Financial Corp. and Qwest Energy 2005 Financial Corp.

Mr. Cartwright is a founder, officer and/or director of the Opus Cranberries Limited Partnerships, Western Royal Ginseng Management Corp., Western Royal Ginseng I Corp., Western Royal Ginseng II Corp., Western Royal Ginseng III Corp., Pacific Canadian Ginseng Ltd., Pacific Canadian Ginseng I Ltd., Pacific Canadian Ginseng II Ltd., Ponderosa Ginseng Farms Ltd. and Qwest Emerging Technologies (VCC) Fund Ltd. as well as a director and officer of Imperial Ginseng Products Ltd. and Knightswood Financial Corp. ("**Knightswood**") (both publicly traded companies listed on the TSXV). He was also the founder and former Chairman and director of Qwest Emerging Biotech (VCC) Fund Ltd.

In addition, Mr. Cartwright is or has formerly been the Director and/or Officer the general partners of each of Fairway Energy (06) Flow-Through Limited Partnership, Fairway Energy (07) Flow-Through Limited Partnership, Jov Diversified Flow-Through 2007 Limited Partnership, Jov Diversified Flow-Through 2008 Limited Partnership, Jov Diversified Flow-Through 2008-II Limited Partnership, Jov Diversified 2009 Flow-Through Limited Partnership, Jov Diversified Québec 2009 Flow-Through Limited Partnership, Maple Leaf Short Duration 2010 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2012 Flow-Through Limited Partnership, Maple Leaf Short Duration 2013 Flow-Through Limited Partnership, Maple Leaf Short Duration 2013-II Flow-Through Limited Partnership, and Maple Leaf Short Duration 2014 Flow-Through Limited Partnership. Mr. Cartwright also is or has formerly been a director and/or officer of the general partners of WCSB GORR Oil & Gas Income Participation 2008-I Limited Partnership, WCSB Oil & Gas Royalty Income 2008-II Limited Partnership, WCSB Oil & Gas Royalty Income 2009 Limited Partnership, WCSB Oil & Gas Royalty Income 2010 Limited Partnership, WCSB Oil & Gas Royalty Income 2010-II Limited Partnership, Maple Leaf 2011 Energy Income Limited Partnership, Maple Leaf 2012 Energy Income Limited Partnership, Maple Leaf 2012-II Energy Income Limited Partnership, and Maple Leaf 2013 Oil & Gas Income Limited Partnership.

Mr. Cartwright graduated from the University of Calgary with a Bachelor of Commerce degree and specialized in finance.

Shane Doyle, B.A., MBA – President, Chief Executive Officer and Director

Mr. Doyle is a Managing Partner and a director of Maple Leaf Short Duration Holdings Ltd., a Promoter and the parent company of the General Partner. Prior to joining Fairway Energy, Mr. Doyle was, from September 2004 to October 2006 the Regional Director for SEI Investments Canada Company ("**SEI**"), an institutional investment management firm. Mr. Doyle's responsibilities at SEI included business development and client relationship management with institutional investors. Prior to SEI, Mr. Doyle was from January 2004, to August 2004 Director of Sales and Marketing at Trez Capital Corporation, a mortgage investment company. Mr. Doyle's responsibilities at Trez Capital Corporation included corporate finance advisory and business development services. Prior to Trez Capital Corporation, Mr. Doyle was, from March 2001 to December 2003 a Director of Sales for Qwest Energy Corporation. Prior to joining Qwest Energy Corporation Mr. Doyle was, from March 2000 to February 2001, Director of Operations RBC Financial Group. Mr. Doyle's responsibilities at RBC Financial Group included business development, relationship management and territorial oversight. Prior to joining RBC Financial Group, Mr. Doyle was, from January 1997 to February 2000, Regional Sales Manager for Western Canada for UnumProvident Corporation. Mr. Doyle's responsibilities at UnumProvident Corporation included managing a sales force of 16 employees throughout western Canada and managing all office operations.

In addition, Mr. Doyle is the Chief Executive Officer and President of Maple Leaf Charitable Giving Management Corp., the general partner of the Maple Leaf Charitable Giving Limited Partnership, and is or has been a Director and/or officer the general partners of Fairway Energy (07) Flow Through Limited Partnership, Jov Diversified Flow-Through 2007 Limited Partnership, Jov Diversified Flow-Through 2008 Limited Partnership, Jov Diversified Flow-Through 2008-II Limited Partnership, Jov Diversified 2009 Flow-Through Limited Partnership, Jov Diversified Québec 2009 Flow-Through Limited Partnership, Maple Leaf Short Duration 2010 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2012 Flow-Through Limited Partnership, Maple Leaf Short Duration 2013 Flow-Through Limited Partnership, Maple Leaf Short Duration 2013-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2014 Flow-Through Limited Partnership, WCSB GORR Oil & Gas Income Participation 2008-I Limited Partnership, WCSB Oil & Gas Royalty Income 2008-II Limited Partnership, WCSB Oil & Gas Royalty Income 2009 Limited Partnership, WCSB Oil & Gas Royalty Income 2010 Limited Partnership, WCSB Oil & Gas Royalty Income 2010-II Limited Partnership, Maple Leaf 2011 Energy Income Limited Partnership, Maple Leaf 2012 Energy Income Limited Partnership, Maple Leaf 2012-II Energy Income Limited Partnership and Maple Leaf 2013 Oil & Gas Income Limited Partnership.

Mr. Doyle graduated in 1988 from St. Mary's University in Halifax with a Masters of Business Administration.

Jim Huang, CFA, CGA - Director

Jim Huang has been the President and Portfolio Manager of the Investment Manager since its establishment and will act as portfolio manager on behalf of the Investment Manager and will be principally responsible for the investment decisions made by the Investment Manager. He has over 20 years of investment experience. He was a Vice President and Portfolio Manager at Natcan Investment Management Inc. and its predecessor Altamira Management Ltd. from November 1998 to March 2006; and from February 1996 to November 1998, he was a Senior Research Analyst/Investment Officer at Sun Life of Canada. Mr. Huang started his career with BBN James Capel Inc. and First Energy Capital Corp, both located in Calgary, Alberta. As lead or co-manager while working at Natcan/Altamira, Mr. Huang managed over $2 billion in mutual funds and institutional assets, including all of the resource and equity income products in the Altamira and National Bank mutual fund families. Altamira Energy Fund, Altamira Resource Fund, Altamira Precious and Strategic Metals Fund and AltaFund (a Canadian Equity fund focusing on Western Canada) had industry-leading performance and won awards and positive press coverage during Mr. Huang's management. In addition, Mr. Huang has experience managing the portfolios of flow-through limited partnerships, having acted as investment advisor for Maple Leaf Short Duration 2012 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2011 Flow-Through Limited Partnership, Maple Leaf Short Duration 2010 Flow-Through Limited Partnership, Jov Diversified Flow-Through 2009 Limited Partnership, Jov Diversified Québec 2009 Flow-Through Limited Partnership, Jov Diversified Flow-Through 2008-II Limited Partnership, Jov Diversified Flow-Through 2008 Limited Partnership, Jov Diversified Flow-Through 2007 Limited Partnership, Rhone 2004 Flow Through Limited Partnership, Rhone 2005 Flow-Through Limited Partnership, Alpha Energy 2006 Flow-Through Fund, First Asset

Energy & Resource Income & Growth Fund and First Asset Energy and Resource Fund, as well as other privately offered flow-through investment vehicles. Currently, Mr. Huang is the manager for the T.I.P. Opportunities Fund, a long/short North American equity hedge fund, as well as the lead manager for a number of resource funds and equity funds. Mr. Huang is also a director of the general partners of Maple Leaf Short Duration 2010 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2012 Flow-Through Limited Partnership, Maple Leaf Short Duration 2013 Flow-Through Limited Partnership, Maple Leaf Short Duration 2013-II Flow-Through Limited Partnership and Maple Leaf Short Duration 2014 Flow-Through Limited Partnership.

Mr. Huang holds the Chartered Financial Analyst designation and is a Certified General Accountant. He has a Bachelor of Commerce degree from the University of Toronto and graduated with High Distinction.

R. Bruce Fair – Director

Mr. Fair is the President of Mench Capital Corp., a financial services and capital markets consulting company, based in Vancouver, British Columbia. Mr. Fair is also a Director of the general partners of Maple Leaf 2011 Energy Income Limited Partnership, Maple Leaf 2012 Energy Income Limited Partnership, Maple Leaf 2012-II Energy Income Limited Partnership and Maple Leaf 2013 Oil & Gas Income Limited Partnership.

Mr. Fair is also Executive Vice President & Director, for Maple Leaf Funds, with nationally syndicated financial products including the Maple Leaf Short Duration Flow-Through Limited Partnerships and Maple Leaf Energy Income Limited Partnerships. Maple Leaf Funds also acts as the marketing and distribution partner for Maxam Diversified Strategies Fund and Kootenay Capital Management.

Mr. Fair previously acted as Vice President of a boutique British Columbia based merchant banking company from 1997 to 2003. Mr. Fair was a co-founder, President and a Director of Cordilleran Resources Management Group, from fall 2003 to 2009. Cordilleran is a Vancouver based company specializing in the formation, management and administration of syndicated Super Flow-Through Limited Partnerships. Mr. Fair acted as Vice-President, Marketing & Business Development for Cordilleran 2003 Resources Limited Partnership, and Cordilleran 2004 Resources Limited Partnership. Mr. Fair was President of Cordilleran Fall 2004 Resources Limited Partnership, Cordilleran 2006 Resources Limited Partnership, Cordilleran 2007 Resources Limited Partnership, Cordilleran 2007-II Limited Partnership and Cordilleran 2008 Gold & Diamonds Limited Partnership.

Mr. Fair was a Director of Richfield Ventures Corp. from November 28, 2007 to March 23, 2009. On June 1, 2011, New Gold Inc. acquired, through a plan of arrangement, all of the outstanding common shares of Richfield Ventures Corp. Mr. Fair is currently a Director of Maple Leaf Resource Corporation, an oil & gas resource focused company with offices in Vancouver and Calgary, Maple Leaf Short Duration 2013-II Flow-Through Management Corp., general partner of Maple Leaf Short Duration 2013-II Flow-Through Limited Partnership, and Maple Leaf Short Duration 2014 Flow-Through Management Corp., general partner of Maple Leaf Short Duration 2014 Flow-Through Limited Partnership. Mr. Fair is also a Director of Orsa Ventures Corp., a Vancouver based mineral development company with projects in Nevada and Oregon, and a Director of Cliffmont Resources Ltd. a Vancouver-based exploration and development company focused on precious and base metal acquisitions in Colombia.

Mr. Fair holds a Bachelor of Arts (Honours) from the University of Saskatchewan.

John Dickson, B. Comm, CGA – Chief Financial Officer and Director

As Chief Financial Officer of the General Partner, John Dickson brings over 15 years of experience in financial management, accounting and securities reporting as well as all back-office accounting and reporting duties for flow-through and direct investment limited partnerships.

Mr. Dickson is the Vice-President Finance of the general partners of Jov Diversified Flow-Through 2007 Limited Partnership, Jov Diversified Flow-Through 2008 Limited Partnership, Jov Diversified Flow-Through 2008-II Limited Partnership, Jov Diversified Québec 2009 Flow-Through Limited Partnership, Jov Diversified 2009 Flow-

Through Limited Partnership, Maple Leaf Short Duration 2010 Flow-Through Limited Partnership, Fairway Energy (06) Flow-Through Limited Partnership and Fairway Energy (07) Flow Through Limited Partnership, as well as Jov Flow-Through Holdings Corp.

In addition, Mr. Dickson is also Chief Financial of the general partners of WCSB GORR Oil & Gas Income Participation 2008-I Limited Partnership, WCSB Oil & Gas Royalty Income 2008-II Limited Partnership, WCSB Oil & Gas Royalty Income 2009 Limited Partnership, WCSB Oil & Gas Royalty Income 2010 Limited Partnership, WCSB Oil & Gas Royalty Income 2010-II Limited Partnership, Maple Leaf 2011 Energy Income Limited Partnership, Maple Leaf 2012 Energy Income Limited Partnership, Maple Leaf Short Duration 2011 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2012 Flow-Through Limited Partnership, Maple Leaf Short Duration 2013 Flow-Through Limited Partnership, Maple Leaf Short Duration 2013-II Flow-Through Limited Partnership, and Maple Leaf Short Duration 2014 Flow-Through Limited Partnership, as well as WCSB Holdings Corp., Maple Leaf Energy Income Holdings Corp. and Maple Leaf Short Duration Holdings Corp. Mr. Dickson is also the Chief Financial Officer and Director of the General Partners of Maple Leaf Charitable Giving (2007) II Limited Partnership and Maple Leaf Charitable Giving Limited Partnership.

Prior to joining the WCSB and Jov entities, Mr. Dickson was Controller of Cactus Restaurants Ltd. The Cactus Group consists of 17 corporate and franchise locations in British Columbia and Alberta.

Mr. Dickson formerly was the Controller of Qwest Bancorp Ltd., a British Columbia-based merchant banking company, Controller of Trilogy Bancorp Ltd., a British Columbia-based asset and administrative management company, and Controller of several flow-through limited partnerships including Qwest Energy (2001) limited partnership, Qwest Energy II Limited Partnership, Qwest Energy IV Flow-Thorough Limited Partnership, and Qwest Energy 2004 Flow-Thorough Limited Partnership.

Mr. Dickson is a Certified General Accountant and has earned a Bachelor of Administration degree from Lakehead University in Ontario, Canada.

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 at April 22, 2014	Number outstanding after min. offering[(1)]	Number outstanding after max. offering
Partnership Units – National Class	400,000	1 (to be redeemed at initial Closing)	10,000 (assuming no Quebec Class Units issued)	400,000
Partnership Units – Quebec Class	200,000	1 (to be redeemed at initial Closing)	10,000 (assuming no National Class Units issued)	200,000

(1) A minimum of 10,000 National Class and/or Quebec Class Units must be issued.

Details of the Partnership Agreement

The rights and obligations of the Limited Partners and the General Partner are governed by the Partnership Agreement, the *Partnership Act* (British Columbia) and applicable legislation in each jurisdiction in which the Partnership carries on business. The statements in this Offering Memorandum concerning the Partnership Agreement summarize the material provisions of the Partnership Agreement and do not purport to be complete. Reference should be made to the Partnership Agreement which will be publicly available at www.sedar.com for the complete details of these and other provisions therein.

Subscriptions

Subscriptions will be received subject to acceptance or rejection in whole or in part by the General Partner on behalf of the Partnership and the right is reserved to close the Offering of Units at any time without notice. At each Closing, non-certificated interests representing the aggregate number of Units subscribed for at such Closing will be recorded on the register of the Partnership maintained by Valiant on the date of such Closing. No certificates representing the Units will be issued.

Limited Partners

A Subscriber whose subscription for Units has been accepted by the General Partner will become a Limited Partner upon the entering of his or her name on the register of Limited Partners and the General Partner executing the Partnership Agreement on behalf of the Subscriber. Limited Partners will not be permitted to take part in the management or control of the business of the Partnership or exercise power in connection with the business of the Partnership.

Units

The interests of the Limited Partners in the Partnership will be divided into an unlimited number of Units, of which a maximum of 400,000 National Class Units and 200,000 Québec Class Units and a minimum of 10,000 National Class Units and/or Québec Class Units will be issued pursuant to the Offering. Each issued and outstanding Unit of a Class shall be equal to each other Unit of that Class with respect to all rights, benefits, obligations and limitations provided for in the Partnership Agreement and all other matters, including the right to distributions from the Partnership and no Unit of a Class shall have any preference, priority or right in any circumstances over any other Unit of that Class. At all meetings of the Limited Partners, each Limited Partner will be entitled to one vote for each Unit held in respect of each matter for which the Units of that Class are entitled to vote. Each Limited Partner will contribute to the capital of the Partnership $25.00 for each Unit purchased. There are no restrictions as to the

maximum number of Units that a Limited Partner may hold in the Partnership, subject to limitations on the number of Units that may be held by Financial Institutions and provisions relating to take-over bids. The minimum purchase for each Limited Partner is 200 Units. Additional purchases may be made in single Unit multiples of $25.00. Fractional Units will not be issued.

The Initial Limited Partner has contributed the sum of $50.00 to the capital of the Partnership. The Initial Units issued to the Initial Limited Partner will be redeemed, and such capital contribution repaid, on the Closing Date. The General Partner has contributed the sum of $20.00 to the capital of the Partnership. The General Partner is not required to subscribe for any Units or otherwise contribute further capital to the Partnership.

Financing Acquisition of Units

Under the terms of the Partnership Agreement, each Limited Partner represents and warrants that no portion of the subscription price for his or her Units has been financed with any borrowing that is a Limited Recourse Amount. Under the Tax Act, if a Limited Partner finances the acquisition of his or her Units with a Limited Recourse Amount, the expenses incurred by the Partnership may be reduced. The Partnership Agreement provides that where the expenses incurred by the Partnership are so reduced and such reduction results in the reduction of a loss to the Partnership, the General Partner will reduce the amount of that loss which would otherwise be allocated to that Limited Partner by the amount of such reduction, before allocation of that loss to the other Limited Partners. **Subscribers who propose to borrow or otherwise finance the subscription price of Units should consult their own tax and professional advisors to ensure that any such borrowing or financing will not be a Limited Recourse Amount**.

Transfer of Units

There is no market through which the Units may be sold and none is expected to develop. The Units will not be listed on any stock exchange. Subscribers are likely to find it difficult or impossible to sell their Units. Under the Partnership Agreement, Units may be transferred by a Limited Partner subject to the following conditions: (a) the Limited Partner must deliver to the Registrar and Transfer Agent, a form of transfer and power of attorney, substantially in the form annexed to the Partnership Agreement, duly completed and executed by the Limited Partner, as transferor, and the transferee and other necessary documentation duly executed, together with such evidence of the genuineness of the endorsement, execution and authorization thereof and of such other matters as may reasonably be required by the Registrar and Transfer Agent; (b) the transferee will not become a Limited Partner in respect of the Unit transferred to him or her until the prescribed information has been entered on the register of Limited Partners; (c) no transfer of a Unit shall cause the dissolution of the Partnership; (d) no transfer of a fractional part of a Unit shall be recognized; (e) any transfer of a Unit is at the expense of the transferee (but the Partnership will be responsible for all costs in relation to the preparation of any amendment to the Partnership's register and similar documents in jurisdictions other than British Columbia); and (f) no transfer of Units will be accepted by the Registrar and Transfer Agent after notice of dissolution of the Partnership is given to the Limited Partners. All transfers of Units are subject to the approval of the General Partner.

A transferee of Units, by executing the transfer form, agrees to become bound by and subject to the Partnership Agreement as a Limited Partner as if the transferee had personally executed the Partnership Agreement and to grant the power of attorney provided for in the Partnership Agreement. The form of transfer includes representations, warranties and covenants on the part of the transferee that the transferee is not a "non-resident" for purposes of the Tax Act and is not a "non-Canadian" for purposes of the Investment Canada Act, that no interest in the transferee is a "tax shelter investment", as defined in the Tax Act, that the transferee is not a partnership (other than a "Canadian partnership" as defined in the Tax Act), that he or she is not a Financial Institution unless such transferee has provided written notice to the contrary prior to the date of acceptance of the transferee's subscription, that, in a written notice provided to the General Partner on or before the date of acceptance of the subscription, the transferee identifies all Resource Companies with which the transferee does not deal at arm's length (and, where the transferee is a Resource Company, acknowledges that the transferee is a Resource Company), that the acquisition of Units by the transferee was not, and will not be, financed through indebtedness which is a Limited Recourse Amount and that he or she will continue to comply with these representations, warranties and covenants during the time that the Units are held by him or her. If the General Partner reasonably believes the transferee has financed the acquisition of Units with indebtedness that is a Limited Recourse Amount, it will reject the transfer. The General Partner has

the right to reject the transfer of Units, in whole or in part, to a transferee who it believes to be a "non-resident" (or a partnership that is not a "Canadian partnership") for the purposes of the Tax Act, a "non-Canadian" for the purposes of the Investment Canada Act, a transferee an interest in which is a "tax shelter investment" for purposes of the Tax Act, or a Financial Institution. In addition, the General Partner may reject any transfer: (a) if in the opinion of counsel to the Partnership such transfer would result in the violation of any applicable securities laws; or (b) if the General Partner believes that the representations and warranties provided by the transferee in the required form of transfer are untrue. A transferor of Units will remain liable to reimburse the Partnership for any amounts distributed to such transferor by the Partnership which may be necessary to restore the capital of the Partnership to the amount existing immediately prior to such distribution, if the distribution resulted in a reduction of the capital of the Partnership and the incapacity of the Partnership to pay its debts as they became due.

Under certain circumstances, the General Partner may require Limited Partners that are "non-residents" of Canada (or a partnership that is not a "Canadian partnership") for the purposes of the Tax Act ("**Non-Resident Limited Partners**") to transfer their Units to persons who are not "non-residents" of Canada. If a Non-Resident Limited Partner does not sell their Units as required, the General Partner has the right pursuant to the Partnership Agreement either to purchase such Units for cancellation for and on behalf of the Partnership or sell, on behalf of the Partnership, such Units to a person who is qualified to hold Units, in either case at their Net Asset Value as determined by the Investment Manager.

The Partnership Agreement provides that if the General Partner becomes aware that the beneficial owners of 45% or more of the Units of a Class then outstanding are, or may be, Financial Institutions or that such a situation is imminent, among other rights set forth in the Partnership Agreement, the General Partner has the right to refuse to issue Units of that Class or register a transfer of Units of that Class to any person unless that person provides a declaration that it is not a Financial Institution.

Functions and Powers of the General Partner

Pursuant to the Partnership Agreement the General Partner has agreed, among other things: (a) to deliver certain tax shelter information forms, annual reports and financial statements to the Limited Partners; (b) to engage such counsel, auditors and other professionals or other consultants as the General Partner considers advisable in order to perform its duties under the Partnership Agreement and to monitor the performance of such advisors; (c) to execute and file with any governmental body any documents necessary or appropriate to be filed in connection with the business of the Partnership or in connection with the Partnership Agreement; (d) to raise capital on behalf of the Partnership by offering Units for sale; (e) develop and implement all aspects of the Partnership's communications, marketing and distribution strategy; (f) to assist the Investment Manager, where required, to implement investment decisions; (g) to invest Available Funds in Flow-Through Shares and other securities, if any, of Resource Companies in accordance with the Investment Strategy and the Investment Guidelines; (h) execute and file with any governmental body or stock exchange, any document necessary or appropriate to be filed in connection with such investment; (i) pending the investment of the Available Funds in Resource Companies, to invest, or cause to be invested, all Available Funds in High-Quality Money Market Instruments; (j) monitor the Portfolios to ensure compliance with the Investment Guidelines; (k) to distribute property of the Partnership in accordance with the provisions of the Partnership Agreement; (l) make on behalf of the Partnership and each Limited Partner, in respect of each such Limited Partner's interest in the Partnership, any and all elections, determinations or designations under the Tax Act or any other taxation or other legislation or laws of like import of Canada or any province or jurisdiction; and (m) file, on behalf of the Partnership and each Limited Partner, in respect of such Limited Partner's interest in the Partnership, any information return required to be filed in respect of the activities of the Partnership under the Tax Act or any other taxation or other legislation or laws of like import of Canada or any province or jurisdiction.

Generally, the General Partner is required to exercise its powers and discharge its duties honestly, in good faith, and in the best interests of the Limited Partners, the Partnership and each Class and shall, in discharging its duties, exercise the degree of care, diligence and skill that a reasonably prudent and qualified manager would exercise in discharging its duties in similar circumstances. During the existence of the Partnership, the officers of the General Partner will devote such time and effort to the business of the Partnership as may be necessary to promote adequately the interests of the Partnership and the mutual interests of the Limited Partners. Prior to the dissolution

of the Partnership, the General Partner shall not engage in any business other than acting as the General Partner of the Partnership.

Pursuant to the terms of the Management Agreement, the General Partner has delegated its responsibilities to manage and direct the business and affairs of the Partnership to the Manager. See Item 2.5 "- Material Agreements".

Fees and Expenses

The Partnership Agreement provides for the payment of certain fees and the reimbursement of certain expenses, all of which are set out above under "Compensation of the General Partner" in Item 3.1.

Resignation, Replacement or Removal of General Partner

The General Partner may resign as the general partner of the Partnership at any time upon giving at least 180 days' written notice to the Limited Partners, provided the General Partner nominates a qualified successor whose admission to the Partnership as a general partner is ratified by the Limited Partners by Ordinary Resolution within such period. Such resignation will be effective upon the earlier of: (i) 180 days after such notice is given, if a meeting of Limited Partners is called to ratify the admission to the Partnership as a general partner of a qualified successor; and (ii) the date such admission is ratified by the Limited Partners by Ordinary Resolution. The General Partner will be deemed to have resigned upon bankruptcy or dissolution and in certain other circumstances if a new general partner is appointed by the Limited Partners by Ordinary Resolution within 180 days' notice of such event. The General Partner is not entitled to resign as general partner of the Partnership if the effect of its resignation would be to dissolve the Partnership.

The General Partner may be removed at any time if: (a) the General Partner has committed fraud or wilful misconduct in the performance of, or wilful disregard or breach of, any material obligation or duty of the General Partner under the Partnership Agreement; (b) its removal as general partner has been approved by an Extraordinary Resolution; and (c) a qualified successor has been admitted to the Partnership as the general partner and has been appointed as the general partner of the Partnership by Ordinary Resolution of the Limited Partners, provided that the General Partner shall not be removed in respect of a curable breach of an obligation or duty of the General Partner under the Partnership Agreement unless it has received written notice thereof from a Limited Partner and has failed to remedy such breach within 30 days of receipt of such notice. It is a condition precedent to the resignation or removal of the General Partner that the Partnership shall pay all amounts payable by the Partnership to the General Partner pursuant to the Partnership Agreement accrued to the date of resignation or removal.

The remuneration of any new general partner will be determined by Ordinary Resolution of the Limited Partners. Upon any resignation, replacement or removal of a general partner, the general partner ceasing to so act is required to transfer title of any assets of the Partnership in its name to the new general partner.

Allocation of Income and Loss

Net income of each Portfolio for each fiscal year and on dissolution of the Partnership shall be allocated, with respect to net income, as to 0.01% to the General Partner and the balance divided *pro rata* among the Limited Partners of record holding Units of the applicable Class on December 31 of such fiscal year or on dissolution and, with respect to net loss, as to 100% divided *pro rata* among the Limited Partners of record holding Units of the applicable Class on December 31 of such fiscal year and on dissolution.

Allocation of Eligible Expenditures

The Partnership will allocate all Eligible Expenditures renounced to it by Resource Companies with an effective date in a particular fiscal year *pro rata* to the Limited Partners of record holding Units of the applicable Class at the end of that fiscal year (subject to adjustment in certain events), and will make such filings in respect of such allocations as are required by the Tax Act.

Distributions

The General Partner may make or cause to be made distributions in respect of any one or more Classes on or about April 30 of each year beginning in 2015 to Limited Partners of record of the Partnership on the preceding December 31. Such distributions, if any, will be of an amount per Unit that is approximately equal to 50% of the amount estimated by the General Partner that a typical Limited Partner holding Units of a Class will be required to include in such Limited Partner's income for tax purposes in respect of each Unit of that Class held, after taking into account amounts previously distributed by that Class and deductions available for tax purposes to Limited Partners arising from participation in the Partnership. Such distributions will not be made to the extent that the General Partner determines, in its sole discretion, that it would be disadvantageous for the Partnership to make such distributions (including in circumstances where the Partnership lacks available cash). Subject to any distributions made by the Partnership, any cash balance (excluding amounts paid for fees and expenses) arising from a sale of Flow-Through Shares or other securities from a Portfolio shall be reinvested in that Portfolio in accordance with the Investment Guidelines.

On dissolution, the Partnership shall distribute to the Limited Partners, all remaining cash of the Portfolio of the Class in which they hold Units and of any other assets of the Partnership *in specie*.

Limited Liability of Limited Partners

The Partnership was formed in order for Limited Partners to benefit from liability limited to the extent of their capital contributions to the Partnership and their pro rata share of the undistributed income of the Partnership. Under the Partnership Agreement, Limited Partners may lose the protection of limited liability: (a) to the extent that the principles of Canadian law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one province but operating, owning property or incurring obligations in another province; or (b) by taking part in the management or control of the business of the Partnership; or (c) as a result of false or misleading statements in public filings made pursuant to the *Partnership Act* (British Columbia). The General Partner will cause the Partnership to be registered as an extra-provincial limited partnership in the jurisdictions in which it operates, owns property, incurs obligations, or otherwise carries on business, to keep such registrations up to date and to otherwise comply with the relevant legislation of such jurisdictions. To ensure, to the greatest extent possible, the limited liability of the Limited Partners with respect to activities carried on by the Partnership in any jurisdiction where limitation of liability may not be recognized, the General Partner will cause the Partnership to operate in such a manner as the General Partner, on the advice of counsel, deems appropriate. Each Limited Partner will indemnify and hold harmless from the Partnership, the General Partner and each other Limited Partner from and against all losses, liabilities, expenses and damages suffered or incurred by the Partnership, the General Partner or the other Limited Partners by reason of misrepresentation or breach of any of the warranties or covenants of such Limited Partner as set out in the Partnership Agreement.

Liability of General Partner and Indemnification of Limited Partners

The General Partner has agreed to indemnify and hold harmless each Limited Partner from any and all losses, liabilities, expenses and damages suffered by such Limited Partner where the liability of such Limited Partner is not limited, provided that such loss of limited liability was caused by an act or omission of the General Partner or by the negligence or wilful misconduct in the performance of, or wilful disregard or breach of, the obligations or duties of the General Partner under the Partnership Agreement. Item 4.1, "Capital - Limited Liability of Limited Partners". The General Partner has also agreed to indemnify and hold harmless the Partnership and each Limited Partner from and against any costs, damages, liabilities, expenses or losses suffered or incurred by the Partnership and/or the Limited Partner, as the case may be, resulting from or arising out of negligence or wilful misconduct in the performance of, or wilful disregard or breach of, the obligations or duties of the General Partner under the Partnership Agreement. The General Partner currently has and will have minimal financial resources and assets and, accordingly, such indemnities of the General Partner will have only nominal value.

The General Partner has unlimited liability for the debts, liabilities and obligations of the Partnership. The General Partner will not be liable to the Limited Partners for any mistakes or errors in judgment, or for any act or omission believed by it in good faith to be within the scope of the authority conferred upon it by the Partnership Agreement

(other than an act or omission which is in contravention of the Partnership Agreement or which results from or arises out of the General Partner's negligence or wilful misconduct in the performance of, or wilful disregard or breach of, a material obligation or duty of the General Partner under the Partnership Agreement) or for any loss or damage to any of the property of the Partnership attributable to an event beyond the control of the General Partner or its Affiliates.

In any action, suit or other proceeding commenced by a Limited Partner against the General Partner, other than a claim for indemnity pursuant to the Partnership Agreement, the Partnership shall bear the reasonable expenses of the General Partner in any such action, suit or other proceedings in which or in relation to which the General Partner is adjudged, not to be in breach of any duty or responsibility imposed upon it hereunder; otherwise, such costs will be borne by the General Partner.

Liquidity Event

In order to provide Limited Partners with enhanced liquidity and the potential for long-term growth of capital and for income, the General Partner intends, on or before September 30, 2015 to implement a transaction to improve liquidity, which the General Partner presently intends will be a Mutual Fund Rollover Transaction. If the General Partner is of the opinion that due to then prevailing market conditions it would not be in the best interests of the Partnership or the Limited Partners to implement a Liquidity Event on or before September 30, 2015, it may continue to operate the Partnership until such time as the General Partner determines that market conditions are favourable for a Liquidity Event, provided the Liquidity Event, if any, must take place before March 31, 2016. The Mutual Fund Rollover Transaction or other Liquidity Event will be implemented on not less than 21 days' prior notice to Limited Partners. The General Partner may call a meeting of Limited Partners to approve a Liquidity Event upon different terms, but does not intend to call such a meeting unless the terms of the other Liquidity Event are substantially different from those presently intended. **There can be no assurance that the Mutual Fund Rollover Transaction or any alternative Liquidity Event will be proposed, receive any necessary approvals (including regulatory approvals) or be implemented whether or not on an income tax deferred basis**. In the event a Liquidity Event is not completed by March 31, 2016, then, at the discretion of the General Partner, the Partnership may: (a) be dissolved on or about June 30, 2016 and its net assets distributed pro rata to the Partners, or (b) subject to the approval by Extraordinary Resolution of the Limited Partners, continue in operation with an actively managed portfolio.

The terms of any Liquidity Event will provide for the receipt of all necessary regulatory approvals, if any. The completion of any such transaction may also be subject to the receipt of exemptions, if any, under National Instrument 81-102 – *Mutual Funds* ("**NI 81-102**") to the extent that the assets of the Partnership being transferred to the Mutual Fund may conflict with the investment restrictions or other provisions of NI 81-102. There can be no assurances that any such transaction will receive the necessary regulatory approvals.

The Partnership Agreement provides that the General Partner will be irrevocably authorized to transfer the assets of the Partnership to a Mutual Fund and implement the dissolution of the Partnership in connection with any Liquidity Event and to file all elections under applicable income tax legislation in respect of any Liquidity Event or the dissolution of the Partnership.

Power of Attorney

The Partnership Agreement includes a power of attorney coupled with an interest, the effect of which is to constitute it an irrevocable power of attorney. This power of attorney authorizes the General Partner on behalf of the Limited Partners, among other things, to execute the Partnership Agreement, any amendments to the Partnership Agreement, and all instruments necessary to reflect the dissolution of the Partnership and distribution and partition of assets distributed to partners on dissolution, as well as any elections, determinations or designations under the Tax Act or taxation legislation of any province or territory with respect to the affairs of the Partnership or a Limited Partner's interest in the Partnership, including elections under subsections 85(2) and 98(3) of the Tax Act and the corresponding provisions of applicable provincial and territorial legislation in respect of the dissolution of the Partnership. **By subscribing for Units, each Subscriber acknowledges and agrees that he or she has given such power of attorney and will ratify any and all actions taken by the General Partner pursuant to such power of attorney.**

4.2 Prior Sales

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price Per Security	Total Funds Received
March 25, 2014	Initial Class A National Class Unit	1	$25	$25
March 25, 2014	Initial Class A Quebec Class Unit	1	$25	$25

Item 5 SECURITIES OFFERED

5.1 Terms of Securities.

The interests of the Limited Partners in the Partnership will be divided into an unlimited number of Units, of which a maximum of 400,000 National Class Units and 200,000 Québec Class Units and a minimum of 10,000 National Class Units and/or Québec Class Units will be issued pursuant to the Offering. Each issued and outstanding Unit of a Class shall be equal to each other Unit of that Class with respect to all rights, benefits, obligations and limitations provided for in the Partnership Agreement and all other matters, including the right to distributions from the Partnership and no Unit of a Class shall have any preference, priority or right in any circumstances over any other Unit of that Class. At all meetings of the Limited Partners, each Limited Partner will be entitled to one vote for each Unit held in respect of all matters upon which holders of Units of that Class are entitled to vote. Each Limited Partner will contribute to the capital of the Partnership $25.00 for each Unit purchased. There are no restrictions as to the maximum number of Units that a Limited Partner may hold in the Partnership, subject to limitations on the number of Units that may be held by Financial Institutions and provisions relating to take-over bids. The minimum purchase for each Limited Partner is 200 Units. Additional purchases may be made in single Unit multiples of $25.00. Fractional Units will not be issued. The Units constitute securities for the purposes of the *Securities Transfer Act* (Ontario) and similar legislation in other jurisdictions. See Item 4.1, "Capital - Summary of the Partnership Agreement".

Under certain circumstances, the General Partner may require Non-Resident Limited Partners to transfer their Units to persons who are not "non-residents" of Canada.

In addition, the Partnership Agreement provides that if the General Partner becomes aware that the beneficial owners of 45% or more of the Units then outstanding are, or may be, Financial Institutions or that such a situation is imminent, among other rights set forth in the Partnership Agreement, the General Partner has the right to refuse to issue Units or register a transfer of Units to any person unless that person provides a declaration that it is not a Financial Institution.

The General Partner may make distributions in respect of any one or more Classes on or about April 30 of each year beginning in 2015, to Limited Partners of record of the Partnership on the preceding December 31. Such distributions, if any, will be of an amount per Unit that is approximately equal to 50% of the amount estimated by the General Partner that a typical Limited Partner holding Units of a Class will be required to include in such Limited Partner's income for tax purposes in respect of each Unit of that Class held, after taking into account amounts previously distributed by that Class and deductions available for tax purposes to Limited Partners arising from participation in the Partnership. Such distributions will not be made to the extent that the General Partner determines, in its sole discretion, that it would be disadvantageous for the Partnership to make such distributions (including in circumstances where the Partnership lacks available cash). Subject to any distributions made by the Partnership, any cash balance (excluding amounts paid for fees and expenses) arising from a sale of Flow-Through Shares or other securities from a Portfolio shall be reinvested in that Portfolio in accordance with the Investment Guidelines.

Upon the dissolution of the Partnership (but subject to the terms of a Liquidity Event, if any), the General Partner shall, after payment or provision for the payment of the debts and liabilities of the Partnership and liquidation expenses, distribute to each Partner an undivided interest in each asset of the Partnership held in the Portfolio of the Class in which they hold Units which has not been sold for cash in proportion to the number of Units of that Class owned by the Limited Partner.

Pursuant to the Partnership Agreement, each Subscriber, among other things:

(i) consents to the disclosure of certain information to, and its collection and use by, the General Partner and its service providers, including such Subscriber's full name, residential address or address for service, social insurance number or the corporation account number, as the case may be, for the purpose of administering such Subscriber's subscription for Units;

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

(iii) makes the representations and warranties and covenants set out in the Partnership Agreement, including, among other things, that (a) such Subscriber is not a "non-resident" of Canada for the purposes of the Tax Act or a "non-Canadian" within the meaning of the Investment Canada Act; (b) the acquisition of Units by such Subscriber has not been financed with borrowings for which recourse is, or is deemed to be, limited within the meaning of the Tax Act; (c) unless such Subscriber has provided written notice to the contrary to the General Partner prior to the date of becoming a Limited Partner, such Subscriber is not a "financial institution" within the meaning of the Tax Act; (d) no interest in such Subscriber is a "tax shelter investment" as defined in the Tax Act; (e) such Subscriber is not a partnership (except a "Canadian partnership" as defined in the Tax Act); and (f) such Subscriber will maintain such status as set out in (a) to (e) above during such time as Units are held by such Subscriber;

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

(v) irrevocably authorizes the General Partner to transfer the assets of the Partnership to an open-end mutual fund corporation and implement the dissolution of the Partnership in connection with any Liquidity Event or otherwise; and

(vi) irrevocably authorizes the General Partner to file on behalf of the Subscriber all elections under applicable income tax legislation in respect of any such Liquidity Event or the dissolution of the Partnership.

Please also refer to Item 4.1, "Capital" for a description of the Partnership Agreement, which governs the terms of the Units.

5.2 Subscription Procedure.

The Units are offered for sale during the period (the "**Offering Period**"), which is intended to end on or before December 31, 2014. The offering price of the Units is $25 per Unit payable on execution of the Subscription Agreement, with a minimum subscription of 200 Units per investor. The Offering is being made to all residents of Canada.

Payment of the purchase price may be made either by direct debit from the Subscriber's brokerage account or by certified cheque or bank draft made payable to the Partnership. Prior to each Closing, all certified cheques and bank drafts will be held by the Partnership. No certified cheques or bank drafts will be cashed prior to the relevant Closing.

The General Partner has the right to accept or reject any subscription and will promptly notify each prospective Subscriber of any such rejection. All subscription proceeds of a rejected subscription will be returned, without interest or deduction, to the rejected Subscriber.

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 to the General Partner on behalf of the Partnership a completed and signed Subscription Agreement in the form accompanying this Offering Memorandum, prepared in accordance with the instructions on the cover of the Subscription Agreement, together with a cheque, bank draft or wire transfer for the total subscription price of the Units you wish to purchase, payable to "Maple Leaf Short Duration 2014-II Flow-Through Limited Partnership". **Please read the instructions on the cover of the Subscription Agreement carefully to ensure it is properly completed.**

The Partnership will hold your subscription funds in trust until midnight on the second business day after the day on which we received your signed Subscription Agreement. Subscription proceeds will be held by the General Partner pending closing. If the Offering is not completed because the Minimum Offering has not been met by December 31, 2014 (or any postponed or extended final Closing Date), all subscription funds will be returned to Subscribers without interest or deduction as soon as possible, unless the Closing Date has been extended.

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 Valiant to act as the registrar and transfer agent of the Units.

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.

(a) All Subscribers (except those resident in Ontario):

Offering Memorandum Exemption

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 the Risk Acknowledgment on Form 45-106F4 attached as Appendix I to the Subscription Agreement that accompanies this Offering Memorandum. All jurisdictions of Canada where the offering memorandum exemption is available, except British Columbia, New Brunswick, Nova Scotia and Newfoundland and Labrador, impose eligibility criteria on persons or companies investing under the offering memorandum exemption. In these jurisdictions, **if** the Subscriber's aggregate subscription price is more than $10,000, then the Subscriber must be an "eligible investor".

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,

(f) an accredited investor,

(g) a person described in section 2.5 of NI 45-106 [Family, friends and business associates], or

(h) 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.

In British Columbia, Nova Scotia, New Brunswick 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 section 2.9 of NI 45-106 is not available in Ontario.

(b) All Subscribers (including those resident in Ontario):

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, but need not sign the Risk Acknowledgment on Form 45-106F4.

2. $150,000 Minimum Purchase Exemption

Section 2.10 of NI 45-106 allows a purchaser 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.

Item 6 INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY

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

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

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Borden Ladner Gervais LLP, counsel to the Partnership and the General Partner, the following is a fair and adequate summary of the principal Canadian federal income tax consequences for a corporate or an individual Limited Partner acquiring, holding and disposing of Units purchased pursuant to this Offering. This summary only applies to Limited Partners who are and remain, at all relevant times, resident in Canada for purposes of the Tax Act and who will hold their Units as capital property. Units generally will be considered to be capital property to a Limited Partner unless such Limited Partner holds Units in the course of carrying on a business or has acquired the Units as an adventure or concern in the nature of trade. This summary assumes that Flow-Through Shares of Resource Companies to be acquired by the Partnership will be capital property to the Partnership. It is also assumed that all partners of the Partnership are resident in Canada at all relevant times and that Units that represent more than 50% of the fair market value of all interests in the Partnership are not held by Financial Institutions at all relevant times. This summary does not apply to a Limited Partner that makes a functional currency reporting election pursuant to the Tax Act. Where the phrase "his or her" is used in this summary in relation to Limited Partners, it refers to Limited Partners who are either individuals or corporations.

Unless stated otherwise, this summary assumes that recourse for any financing for the acquisition of Units by a Limited Partner is not limited and is not deemed to be limited for the purposes of the Tax Act. (See "– Limitation on Deductibility of Expenses or Losses of the Partnership" below). **Limited Partners who intend to borrow to finance the purchase of Units should consult their own tax advisors**.

This summary also assumes that a Limited Partner will at all relevant times deal at arm's length, for the purposes of the Tax Act, with the Partnership and with each of the Resource Companies with which the Partnership has entered into an Investment Agreement. This summary is not applicable to Limited Partners that are partnerships, trusts, Financial Institutions, or "principal-business corporations" for the purposes of subsection 66(15) of the Tax Act or whose business includes trading or dealing in rights, licenses or privileges to explore for, drill for or take petroleum, natural gas or other related hydrocarbons or an interest in which is a "tax shelter investment" for purposes of section 143.2 of the Tax Act.

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

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

This is only a general summary and a prospective Subscriber should not consider it to be legal or tax advice. Prospective Subscribers should obtain independent advice from a tax advisor who is knowledgeable in the area of income tax law and review the tax related risk factors. A prospective Subscriber that proposes to use

borrowed funds to acquire Units should consult his or her own tax advisors before doing so. See "- Limitation on Deductibility of Expenses or Losses of the Partnership" below.

This summary is based upon the facts set out in this Offering Memorandum, a certificate received by counsel from the General Partner as to certain factual matters, the current provisions of the Tax Act including the regulations (the "**Regulations**") thereunder and counsels' understanding of the current administrative policies of the CRA that are publicly available. The summary also takes into account all specific proposals to amend the Tax Act and Regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof but not withdrawn or stale-dated (the "**Tax Proposals**") and assumes that they will be enacted substantially as proposed, although no assurance in this regard can be given. This summary does not otherwise take into account or anticipate any changes in laws whether by judicial, governmental or legislative decision or action (which may apply retroactively without notice and/or without "grandfathering" or other relief) nor does it take into account provincial, territorial or foreign income tax legislation or considerations. There is no certainty that any Tax Proposals will be enacted in the form proposed, if at all.

Status of the Partnership

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

Provided investments in the Partnership are not listed or traded on a stock exchange or other public market, the Partnership will not be a specified investment flow-through (SIFT) partnership for the purposes of the Tax Act.

Eligibility for Investment

The Units are not "qualified investments" for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans nor tax-free savings accounts for purposes of the Tax Act and, to avoid adverse consequences under the Tax Act, the Units should not be purchased by or held in such plans or accounts.

Taxation of the Partnership

Computation of Income

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

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

The costs associated with the organization of the Partnership will not be fully deductible by the Partnership in determining its income for the fiscal period in which they are incurred. Organization expenses incurred by the

Partnership 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. Agents' fees and expenses of issue (to the extent that they are reasonable in amount) will generally be deductible by the Partnership as to 20% in the year the expense is deemed incurred, and as to 20% in each of the four subsequent years, prorated for short taxation years. The Partnership will not be entitled to deduct any amount in respect of such expenses in the fiscal year ending on its dissolution. After dissolution of the Partnership, Limited Partners will be entitled to deduct, at the same rate, their pro rata share of any such expenses that were not deductible by the Partnership. The adjusted cost base of a Limited Partner's Units will be reduced on dissolution of the Partnership by his or her share of such expenses.

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

Eligible Expenditures

Provided that certain conditions in the Tax Act are complied with, the Partnership will be deemed to have incurred, on the effective date of renunciation, Eligible Expenditures that have been renounced (directly or indirectly through other partnerships) to the Partnership by a Resource Company pursuant to an Investment Agreement entered into by the Partnership and the Resource Company. See "Investment Strategy" under Item 2 above.

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

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

Provided that certain conditions are met, the issuer of the Flow-Through Shares will be entitled to renounce to the Partnership, effective December 31 of the year in which its Investment Agreement was entered into, Eligible Expenditures incurred by it on or before December 31 (and renounced during the first three months) of the subsequent calendar year. Any such Eligible Expenditures properly so renounced by the issuer to the Partnership effective December 31 of the year in which the agreement was entered into may be allocated by the Partnership to Limited Partners, also effective on December 31 of that year. The General Partner has advised counsel that it will cause the Partnership to ensure that if an Investment Agreement entered into during 2014 permits a Resource Company to incur Eligible Expenditures at any time up to December 31, 2015, the Resource Company will agree to renounce such Eligible Expenditures to the Partnership with an effective date no later than December 31, 2014.

To the extent Resource Companies do not incur the requisite amount of Eligible Expenditures on or before December 31, 2015, the Eligible Expenditures renounced to the Partnership, and consequently the Eligible Expenditures allocated to the Limited Partners, will be adjusted downwards effective in the prior year. However, none of the Limited Partners will be charged interest before May 1, 2016 by the CRA on any unpaid tax resulting from such reduction in allocated Eligible Expenditures.

Taxation of Limited Partners

A Limited Partner who continues to be a Limited Partner at the end of a particular fiscal period of the Partnership will be entitled to include in the computation of his or her cumulative CEE account, his or her share of the Eligible Expenditures renounced to the Partnership effective in that fiscal period allocated to him or her on a pro rata basis based on the number of Units held by such Limited Partner at the end of the applicable fiscal period, or in the event of the dissolution of the Partnership, on the date of dissolution. In the computation of income for purposes of the Tax Act from all sources for a taxation year, an individual or a corporation may deduct up to 100% of the balance of his or her cumulative CEE account. Certain restrictions apply in respect of the deduction of cumulative CEE following an acquisition of control of, or certain corporate reorganizations involving, a corporate Limited Partner.

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

A 15% non-refundable investment tax credit is available for individuals, other than trusts, in respect of CEE incurred or deemed to have been incurred before 2016 for Investment Agreements entered into before April 1, 2015, relating to "grass roots" mineral exploration renounced to individuals either directly or through a partnership. The amount of such tax credit used to reduce tax otherwise payable in a particular taxation year by a Limited Partner who is an individual will reduce the undeducted balance of a Limited Partner's cumulative CEE account in the year after the particular year.

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

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

Limitation on Deductibility of Expenses or Losses of the Partnership

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

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

The Tax Act contains additional rules that restrict the deductibility of certain amounts by persons who acquire a "tax shelter investment" for purposes of the Tax Act. The Units are "tax shelter investments" and have been registered with the CRA under the "tax shelter" registration rules. See "- Tax Shelter" below. If any Limited Partner has funded the acquisition of his or her Units with a financing the unpaid principal amount of which is a Limited Recourse Amount or has the right to receive certain amounts where such rights were granted for the purpose of reducing the impact of any loss that a Limited Partner may sustain by virtue of acquiring, holding or disposing of an interest in Units, the Eligible Expenditures or other expenses renounced to or incurred by the Partnership may be reduced by the amount of such financing to the extent that the financing can reasonably be considered to relate to such amounts. The Partnership Agreement provides that where Eligible Expenditures of the Partnership are so reduced the amount of Eligible Expenditures that would otherwise be allocated by the Partnership to the Limited

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

Prospective Limited Partners that propose to finance the acquisition of Units should consult their own tax advisors.

Income Tax Withholdings and Instalments

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

Limited Partners who are required to pay income tax on an instalment basis may, depending on the method used for calculating their instalments, take into account their share of the Eligible Expenditures renounced to, and any income or loss of, the Partnership in determining their instalment remittances.

Disposition of Units in the Partnership

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

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

A Limited Partner that is a Canadian-controlled private corporation (as defined in the Tax Act) may be liable to pay an additional refundable tax of 6 2/3% in respect of certain investment income including an amount in respect of taxable capital gains.

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

Dissolution of the Partnership

Generally, the liquidation of the Partnership and the distribution of its assets to Limited Partners will constitute a disposition by the Partnership of such assets for proceeds equal to their fair market value and a disposition by Limited Partners of their Units for an equivalent amount. In the event a Liquidity Event is not implemented the Partnership will be dissolved, unless the Limited Partners approve the continuation of the operations of the Partnership with an actively managed portfolio. Following a dissolution of the Partnership, certain costs incurred by the Partnership in marketing the Units, including expenses of issue and the Agents' fees that were deductible by the Partnership at a rate of 20% per annum, subject to proration for a short taxation year will, to the extent they remain undeducted by the Partnership at the time of its dissolution, be deductible by the Limited Partners (based on their proportionate interest in the Partnership), on the same basis as they were deductible by the Partnership. A Limited Partner's adjusted cost base in his or her Units will be reduced by the aggregate of such undeducted expenses allocated to the Limited Partner.

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

In circumstances where Limited Partners receive a proportionate undivided interest in each asset of the Partnership on the dissolution of the Partnership, and certain other requirements of the Tax Act are met, the Partnership is deemed to have disposed of its property at its cost amount and the Limited Partners are deemed to have disposed of their Units for the greater of the adjusted cost base of their Units and the aggregate of the adjusted cost bases of the undivided interests distributed to the Limited Partners plus the amount of any money distributed to the Limited Partners. This may be followed by a partition of such assets such that Limited Partners each receive a divided interest therein, which partition may or may not result in a disposition by Limited Partners for purposes of the Tax Act. Provided that under the relevant law shares may be partitioned, it is the CRA's position that shares may be partitioned on a tax deferred basis.

Transfer of Partnership Assets to a Mutual Fund Corporation

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

Alternative Minimum Tax on Individuals

Under the Tax Act, income tax payable by an individual and certain trusts is the greater of an alternative minimum tax and the tax otherwise determined. In calculating taxable income for the purpose of computing the alternative minimum tax, certain deductions and credits otherwise available are disallowed and certain amounts not otherwise included, such as 80% of net capital gains, are included. The disallowed items include deductions claimed by the individual in respect of his or her share of Eligible Expenditures renounced to the Partnership in a particular fiscal period thereof to the extent such deductions exceed his or her share of the Partnership's income. In computing adjusted taxable income for alternative minimum tax purposes, an exemption of $40,000 is allowed to a taxpayer who is an individual, other than most *inter vivos* trusts. The federal rate of minimum tax is 15%. Whether and to what extent the tax liability of a particular Limited Partner will be increased as a result of the application of the alternative minimum tax rules will depend on the amount of his or her income, the sources from which it is derived, and the nature and amounts of any deductions he or she claims.

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

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

Tax Shelter

The federal tax shelter identification number in respect of the Partnership is TS 081950. The Québec tax shelter identification number in respect of the Partnership is QAF-14-01541. The identification number issued for this tax shelter is to be included in any income tax return filed by the investor. Issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of any investor to claim any tax benefits associated with the tax shelter. Le numéro d'identification attribué à cet abri fiscal doit figurer dans toute déclaration d'impôt sur le revenu produite par l'investisseur. L'attribution de ce numéro n'est qu'une formalité administrative et ne confirme aucunement le droit de l'investisseur aux avantages fiscaux découlant de cet abri fiscal.

QUÉBEC INCOME TAX CONSIDERATIONS

In the opinion of Borden Ladner Gervais LLP, counsel to the Partnership and the General Partner, subject to the qualifications and assumptions under "Canadian Federal Income Tax Considerations" above, the following is a fair and adequate summary of certain Québec income tax considerations for a Québec Class Limited Partner that is resident or subject to tax in the Province of Québec (a "**Québec Limited Partner**") in addition to the Canadian federal income tax considerations summarized above.

This summary is based on the current provisions of the Québec Tax Act and the regulations adopted thereunder, all amendments thereto proposed by the Minister of Finance (Québec) prior to the date hereof, and counsels' understanding of the current administrative policies of the Agence du Revenu du Québec (the "**ARQ**") that are publicly available. This summary does not otherwise take into account or anticipate any changes in laws whether by judicial, governmental or legislative decision or action. There is no certainty that the proposed amendments will be enacted in the form proposed, if at all.

This is a general summary only and a prospective subscriber should not consider it to be legal or tax advice. Prospective purchasers of Québec Class Units should obtain independent advice from a tax advisor who is knowledgeable in the area of Québec as well as Canadian federal income tax law.

Subject to limitations described below and under "Canadian Federal Income Tax Considerations", in computing income for Québec income tax purposes for a taxation year, a Québec Limited Partner generally may deduct up to 100% of the balance in the Québec Limited Partner's "cumulative Canadian exploration expense" (as defined under the Québec Tax Act) account at the end of the year.

In computing income for Québec tax purposes for a taxation year, a Québec Limited Partner who is an individual may be entitled to an additional deduction of 25% in respect of his or her share of certain mining-related CEE and of 50% of certain oil and gas-related CEE incurred in the Province of Québec by a "qualified corporation" (as defined in the Québec Tax Act). Also, such a Québec Limited Partner may be entitled to another additional deduction of 25% in respect of his or her share of certain surface mining exploration expenses incurred in the Province of Québec by such a qualified corporation. Accordingly, provided applicable conditions under the Québec Tax Act are satisfied, a Québec Limited Partner who is an individual at the end of the applicable fiscal year of the Partnership may be entitled to deduct for Québec income tax purposes up to 150% of his or her share of certain CEE incurred in the Province of Québec and renounced to the Partnership by a Resource Company that is a qualified corporation.

On June 4, 2014, the Minister of Finance (Québec) tabled the 2014-2015 Québec Budget where it was announced that Québec specific tax incentives related to Flow-Through Shares will be reduced by up to 30% for shares issued after the Budget date.

Accordingly, a Québec Limited Partner who is an individual, in addition to the 100% of the balance in the Québec Limited Partner's "cumulative Canadian exploration expense", will benefit from the following reduced tax incentives:

- In the case of certain mining exploration expenses incurred in Québec:
    - An initial additional deduction of 10%,
    - A second additional deduction of 10% for certain surface mining exploration expenses;
- In the case of certain oil or gas exploration expenses incurred in Québec, additional deductions totalling 20%.

Therefore, in these circumstances the deduction a Québec Limited Partner who is an individual may claim will be equal to 110% or 120%, as the case may be for qualifying mining, oil or gas exploration expenses incurred in Québec.

In computing income for Québec tax purposes, a Québec Limited Partner that is a corporation may be entitled to an additional deduction of 25% in respect of certain CEE incurred in the "northern exploration zone" in the Province of Québec by a qualified corporation. Accordingly, provided applicable conditions under the Québec Tax Act are satisfied, a Québec Limited Partner that is a corporation may be entitled to deduct up to 125% of certain exploration expenses incurred in the Province of Québec and renounced to the Partnership by a qualified Resource Company.

Under the Québec Tax Act, if the principal purpose for the allocation of CEE under the Partnership Agreement may reasonably be considered to reduce tax that might otherwise be payable under the Québec Tax Act and such allocation were unreasonable having regard to all the circumstances, the CEE may be reallocated. Based on the information contained in this Offering Memorandum, counsel is of the view that there should be no such reallocation of the Partnership's CEE as the allocation of CEE provided by the Partnership Agreement is not unreasonable and its principal purpose should not be considered to reduce tax otherwise payable under the Québec Tax Act. Any such reallocation of CEE could reduce deductions from income claimed by Québec Limited Partners.

The Québec Tax Act deems the cost to the Partnership of any Flow-Through Shares which it acquires to be nil and, therefore, the amount of the capital gain realized by the Partnership on a disposition of Flow-Through Shares will generally equal the proceeds of disposition of the Flow-Through Shares, net of any reasonable costs of disposition. Provided that certain conditions are met, the Québec Tax Act provides for a mechanism to exempt part of the taxable capital gain realized by or attributable to an individual Québec Limited Partner (other than a trust) on the disposition of a resource property as defined in the Québec Tax Act (a "**Resource Property**"). For these purposes, a Resource Property includes a Flow-Through Share, an interest in a partnership that acquires a Flow-Through Share, as well as property substituted for such Flow-Through Share or interest in a partnership that is received on certain transfers of such property by the individual or the partnership to a corporation in exchange for shares and in respect of which an election is made under the Québec Tax Act. This exemption is based on an historical expenditure account ("**Expenditure Account**") comprising one-half of the CEE incurred in the Province of Québec that gives rise to the first additional 25% deduction for individuals under current legislation described above.

Upon the sale of a Resource Property, a Québec Limited Partner may claim a deduction in computing the Québec Limited Partner's income in respect of a portion of the taxable capital gain realized which is attributable to the excess of the price paid to acquire the Flow-Through Shares over their cost (of nil). In general, the amount of the deduction may not exceed the lesser of (i) such portion of the taxable capital gain realized, and (ii) the amount of the Expenditure Account at the time, subject to certain other limits provided under the Québec Tax Act. Any amount so claimed will reduce the balance of the Expenditure Account of the Québec Limited Partner, while any new deduction in respect of CEE incurred in the province of Québec claimed by the Québec Limited Partner will increase it. The portion of the taxable capital gain represented by the increase in value of the Resource Property over the price paid to acquire the Resource Property will continue to be taxable and the amount accrued in the Expenditure Account may not reduce this gain. To the extent that the Québec Limited Partner has an amount sufficient in his or her Expenditure Account at the time, gains realized by such Québec Limited Partner on the

disposition of any Mutual Fund Shares acquired under a Mutual Fund Rollover Transaction, if any, may qualify for such capital gains exemption.

The Québec Tax Act provides that where an individual taxpayer incurs in a given taxation year "investment expenses" (as defined in the Québec Tax Act) in excess of "investment income" (as defined in the Québec Tax Act) earned for that year, such excess shall be included in his or her income, resulting in an offset of the deduction otherwise available for such excess investment expenses. For these purposes, investment income includes taxable capital gains not eligible for a lifetime capital gains exemption. Also for these purposes, investment expenses will include certain deductible interest and losses of the Partnership allocated to an individual that is a Québec Limited Partner and 50% of CEE (other than CEE incurred in Québec) renounced to the Partnership and allocated to and deducted for Québec tax purposes by such Québec Limited Partner. Accordingly, up to 50% of CEE (other than CEE incurred in Québec) renounced to the Partnership and allocated to and deducted for Québec tax purposes by such Québec Limited Partner may be included in the Québec Limited Partner's income for Québec tax purposes if such Québec Limited Partner has no or insufficient investment income. The portion of the investment expenses (if any) which have been included in the taxpayer's income in a taxation year may be deducted against investment income earned in any of the three previous taxation years and any subsequent taxation year to the extent investment income exceeds investment expenses for such other year.

An individual taxpayer's "cumulative Canadian exploration expense" for Québec tax purposes does not need to be reduced by the amount of the federal investment tax credit claimed for a preceding year.

An alternative minimum tax under the Québec Tax Act may apply to an individual that is a Québec Limited Partner, under which a basic exemption of $40,000 is available, but the net capital gains inclusion rate is 75% and the Québec alternative minimum tax rate is 16% (rather than 80% and 15%, respectively, at the federal level).

Item 7 COMPENSATION PAID TO SELLERS AND FINDERS

Class A Units

The Partnership will pay fees (the "**Agents' fees**") to Agents or, where permitted, non-registrants equal to 6% of the subscription proceeds obtained by such persons or from subscribers for Class A Units introduced to the Partnership by such persons (the "**Raised Proceeds**"), as well as an annual servicing fee equal to 1% of the aggregate Net Asset Value (calculated and paid quarterly) attributable to the Class A Units purchased by such subscribers, payable until the date of a Liquidity Event or termination of the Partnership, whichever occurs first. In certain circumstances the Partnership may reimburse Agents for their due diligence costs and provide other forms of consideration in respect of sales of Class A Units, such amounts not to exceed 1% of the Raised Proceeds. In addition, the General Partner is entitled, at its discretion, to share up to 20% of its Performance Bonus, if any, with Agents and, where permitted, non-registrants who participate in sales of Class A Units. Wholesalers who raise subscription proceeds will be paid cash fees by the Partnership out of the proceeds from sales of Class A Units pursuant to the Offering. In addition, if the Liquidity Event is a Mutual Fund Rollover Transaction, the Manager may pay dealers who sell Class A Units a portion of the management fees the Manager receives from the Mutual Fund.

Class F Units

No Agents' fees or other consideration will be paid in connection with sales of Class F National Class Units or Class F Québec Class Units.

Item 8 RISK FACTORS

This is a speculative offering. There is no market through which the Units may be sold and no market is expected to develop. As a result, Subscribers may not be able to resell Units purchased under this Offering Memorandum. An investment in the Units is appropriate only for Subscribers who have the capacity to absorb a loss of some or all of their investment. There is no assurance of a positive return on a Limited Partner's original investment.

This is a blind pool offering. The Partnership has not entered into any Investment Agreements with Resource Companies and will not enter into any such agreements until after the Closing Date.

In addition, the purchase of Units involves significant risks, including, but not limited to, the following:

Risk Factors Common to National Class Units and Québec Class Units

Investment Risk

Reliance on the Investment Manager. Limited Partners must rely entirely on the discretion of the Investment Manager, with respect to the terms of the Investment Agreements to be entered into with Resource Companies. Limited Partners must also rely entirely on the discretion of the Investment Manager in determining the composition of each Portfolio and whether to dispose of securities (including Flow-Through Shares) comprising each Portfolio and reinvestment of the proceeds from such dispositions. Flow-Through Shares generally will be issued to the Partnership at prices greater than the market prices of comparable ordinary common shares not qualifying as Flow-Through Shares, and Limited Partners must rely entirely on the discretion of the Investment Manager in negotiating the pricing of those securities. Limited Partners must rely entirely on the knowledge and expertise of the Investment Manager. The board of directors of the Investment Manager, and, therefore, management of the Investment Manager, may be changed at any time. Those who are not willing to rely on the discretion and judgment of the Investment Manager should not subscribe for Units.

Sector Risks

The business activities of issuers in the resource industry are speculative and may be adversely affected by factors outside the control of those issuers. Resource exploration involves a high degree of risk that even the combination of experience and knowledge of the Resource Companies may not be able to avoid. Resource Companies may not hold or discover commercial quantities of precious metals, minerals, oil or gas and their profitability may be affected by adverse fluctuations in commodity prices, demand for commodities, general economic conditions and cycles, unanticipated depletion of reserves or resources, native land claims, liability for environmental damage, protection of agricultural lands, competition, imposition of tariffs, duties or other taxes and government regulation, as applicable. Though they may, at times, have an effect on the share price of Resource Companies, the effect of these factors cannot be accurately predicted.

Marketability of Underlying Securities. The value of Units will vary in accordance with the value of the securities acquired by the Partnership. The value of securities owned by the Partnership will be affected by such factors as subscriber demand, resale restrictions, general market trends or regulatory restrictions. Fluctuations in the market values of such securities may occur for a number of reasons beyond the control of the General Partner or the Partnership.

The Portfolios Will Include Securities of Junior Issuers. A significant portion of each Portfolio's Available Funds may be invested in securities of junior Resource Companies, although at least 50% of the Net Asset Value (at the time of investment) of each Portfolio will be invested in Resource Companies with a market capitalization of at least $25,000,000 in the case of the National Portfolios and $10,000,000 in the case of the Québec Portfolios and at least 15% of the Net Asset Value (at the time of investment) of the National Portfolios and 10% of the Québec Portfolios will be invested in Resource Companies listed and posted for trading on the TSX. Securities of junior issuers may involve greater risks than investments in larger, more established companies. Generally speaking, the markets for securities of junior issuers are less liquid than the markets for securities of larger issuers, and therefore the liquidity of a significant portion of each Portfolio is likely to be limited. This may limit the ability of the Portfolios to realize

profits and/or minimize losses, which may in turn adversely affect the Net Asset Value of the Portfolios and the return on investment in Units. Also, if a Liquidity Event is implemented, in order to fund redemptions, the Mutual Fund may have to liquidate its shareholdings in more liquid, large and medium sized companies as a result of illiquidity of some or all of that portion of the Portfolios comprised of securities of junior issuers.

Premium Pricing, Resale and Other Restrictions Pertaining to Flow-Through Shares. Flow-Through Shares may be purchased by the Partnership at prices greater than the market prices of ordinary common shares of the Resource Companies issuing such Flow-Through Shares. Flow-Through Shares and other securities, if any, of Resource Companies may be purchased by the Partnership on a private placement basis, and will be subject to resale restrictions. These resale restrictions will generally last for four months. The Investment Manager will manage the Portfolios, and this may involve the sale and reinvestment of the proceeds of sale of some or all of the Flow-Through Shares and other securities pursuant to certain statutory exemptions. The existence of resale restrictions may hamper the ability of the Investment Manager to take advantage of opportunities for profit taking, or limitation of losses, which might be available in the absence of resale restrictions, and this in turn may reduce the amount of capital appreciation or magnify the capital loss in the Portfolios.

Short Sales. The Partnership may short sell and maintain short positions in securities for the purpose of hedging securities held in the Portfolios that are subject to resale restrictions. These short sales may expose the Partnership to losses if the value of the securities sold short increases.

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.

Resale Restrictions May be an Issue if a Liquidity Event is not Implemented. There are no assurances that any Liquidity Event will be proposed, receive any 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 June 30, 2016, unless its operations are extended as described herein.

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

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

Mutual Fund Shares. In the event that a Mutual Fund Rollover Transaction is proposed, accepted and completed, Limited Partners will 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 public companies. For investment vehicles that invest in issuers engaged in the oil and gas industry and mineral exploration, development and production, these include risks similar to the risks described under "Issuer Risk – Sector Specific Risks".

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

Flow-Through Shares and Available Funds. There can be no assurance that the Partnership will commit all Available Funds for investment in Flow-Through Shares of Resource Companies by December 31, 2014. Any Available Funds not committed to Resource Companies on or before December 31, 2014 will be returned to Limited Partners holding Units of the relevant Class of record on such date, except to the extent that such funds are required to finance the operations of the Partnership. If uncommitted funds are returned in this manner, Limited Partners holding Units of the Class that returned funds will not be entitled to claim anticipated deductions or credits in respect of those funds for income tax purposes.

Eligible Expenditures. There can be no assurance that Resource Companies will honour their obligation to incur and renounce Eligible Expenditures, that amounts renounced will qualify as CEE or Qualifying CDE or that the Partnership will be able to recover any losses suffered as a result of such a breach of such obligation by a Resource Company.

Available Capital. If the Gross Proceeds are significantly less than the maximum Offering, the expenses of the Offering and the ongoing administrative expenses and interest expense payable by the Partnership may result in a substantial reduction or even elimination of the returns which would otherwise be available to the Partnership.

The ability of the Investment Manager to negotiate favourable Investment Agreements on behalf of the Partnership is, in part, influenced by the total amount of capital available for investment in Flow-Through Shares. Accordingly, if the Gross Proceeds are significantly less than the maximum Offering, the ability of the Investment Manager to negotiate and enter into favourable Investment Agreements on behalf of the Partnership may be impaired and therefore the Investment Strategy of the Partnership may not be fully met.

Liability of Limited Partners. Limited Partners may lose their limited liability in certain circumstances, including by taking part in the control or management of the business of the Partnership. 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 or territory 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 of capital and share of undistributed net income of the Partnership in the event of judgment on a claim in an amount exceeding the sum of the net assets of the General Partner and the net assets of the Partnership. While the General Partner has agreed to indemnify the Limited Partners in certain circumstances, the General Partner has only nominal assets, and it is unlikely that the General Partner will have sufficient assets to satisfy any claims pursuant to such indemnity.

Limited Partners remain liable to return to the Partnership such part of any amount distributed to them plus interest as may be necessary to restore the capital of 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.

Liability for Unpaid Obligations. If the assets of a Portfolio are not sufficient to satisfy the liabilities of that Portfolio, the excess liabilities will be satisfied from assets of the other Portfolios which will reduce the Net Asset Value of the other Portfolios.

Tax-Related Risks. The tax benefits resulting from an investment in the Partnership are greatest for an individual Subscriber whose income is subject to the highest marginal income tax rate. Regardless of any tax benefits that may be obtained, a decision to purchase Units should be based primarily on an appraisal of the merits of the investment and on a Subscriber's ability to bear a loss of his or her investment. Subscribers acquiring Units with a view to obtaining tax advantages should obtain independent tax advice from a tax advisor who is knowledgeable in the area of income tax law.

The tax consequences of acquiring, holding or disposing of Units or the Flow-Through Shares issued to the Partnership may be fundamentally altered by changes in federal or provincial income tax legislation.

All of the Available Funds may not be invested in Flow-Through Shares. There is a further risk that expenditures incurred by a Resource Company may not qualify as Eligible Expenditures or that Eligible Expenditures incurred will be reduced by other events including failure to comply with the provisions of Investment Agreements or of applicable income tax legislation. There is no guarantee that Resource Companies will comply with the provisions of the Investment Agreement, or with the provisions of applicable income tax legislation with respect to the nature of expenses renounced to the Partnership. The Partnership may also fail to comply with applicable legislation. There is no assurance that Resource Companies will incur all Eligible Expenditures before January 1, 2016 or renounce Eligible Expenditures equal to the price paid to them effective on or before December 31, 2014, or at all. These factors may reduce or eliminate the return on a Limited Partner's investment in the Units.

If Eligible Expenditures renounced within the first three months of 2015 effective December 31, 2014 are not in fact incurred in 2015, the Partnership's, and consequently, the Limited Partners', Eligible Expenditures may be reassessed by CRA effective as of December 31, 2014 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 reduction for any period before May 2016.

The alternative minimum tax could limit tax benefits available to Limited Partners who are individuals or certain trusts.

Limited Partners will receive the tax benefits associated with Eligible Expenditures in the years in which the Partnership invests in Flow-Through Shares and will benefit to the extent that any gains on the disposition of Flow Through Shares by the Partnership are capital gains rather than income for tax purposes. However, the sale of Flow Through Shares by the Partnership will trigger larger tax liabilities in the year any gain is recognized than would be the case upon the sale of common shares that do not constitute Flow-Through Shares because the cost of the Flow-Through Shares is deemed to be nil for purposes of the Tax Act. There is a risk that Limited Partners will receive allocations of income and/or capital gains for a year without receiving distributions from the Partnership in that year sufficient to pay any tax they may owe as a result of being a Limited Partner during that year. To reduce this risk, in respect of each year the Partnership may distribute 50% of the amount that a Limited Partner will be required to include in income in respect of a Unit for that year.

Where a Resource Company has a "prohibited relationship" as defined in the Tax Act with an investor that is a trust, partnership or corporation, the Resource Company may not renounce Qualifying CDE to such an investor. Briefly, a Resource Company has a prohibited relationship with a trust or a partnership if the Resource Company or a corporation related to the Resource Company is a beneficiary of the trust or is a member of the partnership. A Resource Company has a prohibited relationship with a corporation if the Resource Company and the corporation are related.

A Resource Company may not renounce Eligible Expenditures incurred by it after December 31, 2014 with an effective date of December 31, 2014 to a Subscriber with which it does not deal at arm's length at any time during 2015. **A prospective Subscriber who does not deal at arm's length with a corporation whose principal business is oil and gas exploration, development and/or production or mineral exploration, development and/or production that may issue flow-through shares, as defined in subsection 66(15) of the Tax Act should consult their independent tax advisor before acquiring Units. Subscribers are required to identify all Resource Companies with which he or she does not deal at arm's length to the General Partner in writing prior to the acceptance of the subscription. The Partnership will be deemed to not deal at arm's length with a Resource Company if any of its partners do not deal at arm's length with such Resource Company.**

Each Limited Partner will represent that he or she has not acquired Units with limited-recourse borrowing for the purposes of the Tax Act, however there is no assurance that this will not occur. If a Limited Partner finances the acquisition of Units with a financing for which recourse is, or is deemed to be, limited, the Eligible Expenditures renounced to, or other expenses incurred by, the Partnership will be reduced by the amount of such financing.

Issuer Risk

Lack of Operating History. The Partnership and the General Partner are newly established entities and have no previous operating or investment history. The Partnership will, prior to the Closing Date, have only nominal assets and the General Partner will at all material times thereafter only have nominal assets. Prospective Subscribers who are not willing to rely on the business judgment of the General Partner should not subscribe for Units.

Financial Resources of the General Partner. The General Partner has unlimited liability for the obligations of the Partnership and has agreed to indemnify the Limited Partners against losses, costs or damages suffered if the Limited Partners' liabilities are not limited as provided herein, provided that such loss of liability was caused by an act or omission of the General Partner or by the negligence or wilful misconduct in the performance of, or wilful disregard or breach of, the obligations or duties of the General Partner under the Partnership Agreement. However, the amount of this protection is limited by the extent of the net assets of the General Partner and such assets will not be sufficient to fully cover any actual loss. The General Partner is expected to have only nominal assets and,

therefore, the indemnity of the General Partner will have nominal value. Limited Partners also will not be able to rely upon the General Partner to provide any additional capital or loans to the Partnership in the event of any contingency.

Conflicts of Interest. Maple Leaf Short Duration Holdings Ltd., the General Partner, the Manager, the Investment Manager, certain of their Affiliates, certain limited partnerships whose general partner is or will be a subsidiary of Maple Leaf Short Duration Holdings Ltd., and the directors and officers of Maple Leaf Short Duration Holdings Ltd., the General Partner, the Manager, and the Investment Manager are and/or may in the future be actively engaged in a wide range of investment and management activities, some of which are or will be similar to and in competition with the business of the Partnership and the General Partner, including acting in the future as directors and officers of the general partners of other issuers engaged in the same business as the Partnership. Accordingly, conflicts of interest may arise between Limited Partners and the directors, shareholders, officers, employees and any Affiliates of the General Partner, the Manager, Maple Leaf Short Duration Holdings Ltd. and the Investment Manager. None of the General Partner, the Manager, the Investment Manager, Maple Leaf Short Duration Holdings Ltd. nor any of their Affiliates are obligated to present any particular investment opportunity to the Partnership, and they may take such opportunities for their own account.

There are no assurances that conflicts of interest will not arise which cannot be resolved in a manner most favourable to Limited Partners. Persons considering a purchase of Units pursuant to this Offering must rely on the judgement and good faith of the shareholders, directors, officers and employees of the General Partner, the Manager, the Investment Manager, and Maple Leaf Short Duration Holdings Ltd. in resolving such conflicts of interest as may arise.

There is no obligation on the General Partner, the Manager, the Investment Manager, or Maple Leaf Short Duration Holdings Ltd. or their respective employees, officers and directors and shareholders to account for any profits made from other businesses that are competitive with the business of the Partnership.

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

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

Sector Specific Risks. The business activities of Resource Companies are speculative and may be adversely affected by factors outside the control of those issuers. Resource Companies may not hold or discover commercial quantities of oil or gas and their profitability may be affected by adverse fluctuations in commodity prices, demand for commodities, general economic conditions and cycles, unanticipated depletion of reserves or resources, native land claims, liability for environmental damage, competition, imposition of tariffs, duties or other tax and government regulation, as applicable.

Because the Partnership will invest in securities issued by Resource Companies engaged in the oil and gas business and mineral exploration, development and production (including junior issuers), the Net Asset Value may be more volatile than portfolios with a more diversified investment focus. Also, the Net Asset Value may fluctuate with underlying market prices for commodities produced by those sectors of the economy.

Fluctuations in Net Asset Value. The purchase price per Unit paid by a Subscriber at a Closing subsequent to the Closing Date may be less or greater than the Net Asset Value per Unit at the time of the purchase, and whether the purchase price per Unit for such Subscribers will be greater or less 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 value of the applicable Portfolio.

Risk Factors Specific to Québec Class Units

Québec-Tax Related Risk. The restrictions on the deduction of investment expenses (including certain CEE) under the Taxation Act (Québec) may limit the tax benefits available for Québec tax purposes to individual Limited Partners who are residents of Québec or liable to pay Québec taxes if such Limited Partners have insufficient investment income. Such Limited Partners should consult their own Québec tax advisers.

The tax benefits resulting from an investment in Québec Class Units are greatest for a Québec Class Limited Partner who is an individual and whose income is subject to the highest marginal income tax rate and who is resident in the Province of Québec or otherwise liable to pay income tax in Québec.

If all or part of Available Funds of the Québec Portfolios are not invested in the Province of Québec as contemplated, the potential tax benefits to a Québec Class Limited Partner who owns Québec Class Units and who is an individual resident in the Province of Québec or otherwise liable to pay income tax in Québec will be reduced.

The Québec Tax Act provides that, in certain circumstances, CEE of a partnership may be reallocated on a basis other than that provided by the partnership agreement. Any such reallocation of CEE could reduce deductions from income claimed by Québec Class Limited Partners.

Bill 43 Risk. The Québec provincial government had tabled Bill 43 which proposes to amend Québec's Mining Act to, among other things, give additional powers to municipalities to control mining activities in their territory, including requiring Resource Companies to conduct public consultations in connection with, and receive approvals from municipal governments for, their exploration and development projects. If Bill 43 had passed into legislation, Resource Companies may not have received the approvals necessary for their projects or may have experienced significant delays in obtaining such approvals and, as a result, may have failed to renounce, effective in 2014 or at all, Eligible Expenditures equal to the Available Funds invested in their Flow-Through Shares.

Bill 43 did not receive Royal Assent before the prorogation of the National Assembly and has therefore died on the order paper on March 5, 2014. It is possible this bill will be reintroduced as a new bill in the current session of the National Assembly, which should resume in September 2014. Given that, as of May 20, 2014, the new Quebec government is a majority Liberal government, it is probable that Bill 43 will undergo significant changes from the version introduced by the prior minority *Parti québécois* government.

Québec Portfolios Concentration Risk. It is intended that, under normal market conditions, approximately 60% to 75% of the Available Funds of each of the Québec Portfolios will be invested in qualified entities engaged in exploration and development in the Province of Québec. This geographic concentration enhances the exposure of the Québec Portfolios to the economy, government legislation including regulations and policies concerning taxation, land use and environmental protection and the proximity and capacity of resource markets, supply of commercial reserves, the availability of equipment, labour and related infrastructure in the Province of Québec, as well as to competition from other investment funds similar to the Partnership and other similar factors which may have a material adverse effect on the value of the Québec Portfolios.

Item 9 REPORTING OBLIGATIONS

The Partnership's fiscal year will be the calendar year. The General Partner, on behalf of the Partnership, will file and deliver to each Limited Partner, as applicable, such financial statements and other reports as are from time to time required by applicable law.

The General Partner will forward, or cause to be forwarded on a timely basis, to each Limited Partner, either directly or indirectly through intermediaries, the information necessary for the Limited Partner to complete such Limited Partner's Canadian federal and provincial income tax returns with respect to Partnership matters for the preceding year. The General Partner will make all filings required by the Tax Act and by the Quebec Tax Act with respect to tax shelters.

The General Partner, the Investment Manager and the Manager will ensure that the Partnership complies with all other reporting and administrative requirements.

The General Partner is required to keep adequate books and records reflecting the activities of each Class in accordance with normal business practices and Canadian generally accepted accounting principles. *The Partnership Act* (British Columbia) provides that any person may, on demand, examine the register of limited partners. A Limited Partner has the right to examine the books and records of the Class in which he or she holds Units at all reasonable times. Notwithstanding the foregoing, a Limited Partner will not have access to any information which in the opinion of the General Partner should be kept confidential in the interests of the Partnership and which is not required to be disclosed by applicable securities laws or other laws governing the Partnership.

Item 10 RESALE RESTRICTIONS

For trades in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Quebec, Prince Edward Island, 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 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 restriction 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.

Securities legislation in certain of the Provinces of Canada requires investors to be provided with a remedy for rescission or damages or both, in addition to any other right that they may have at law, where an Offering Memorandum and any amendment to it or any document referenced and incorporated into the Offering Memorandum or in amendments to it contains a misrepresentation. These remedies must be exercised by the investor within the time limits prescribed by the applicable securities legislation. Purchasers of these securities should refer to the applicable provisions of the securities legislation for the complete text of these rights and should consult with a legal adviser.

The applicable contractual and statutory rights are summarized below and are subject to the express provisions of the securities legislation of the applicable Province and reference is made thereto for the complete text of such Provinces. The rights of action described below are in addition to and without derogation from any right or remedy available at law to the investor and are intended to correspond to the provisions of the relevant securities legislation and are subject to the defenses contained therein.

Two-Day Cancellation Right for all Purchasers of Units

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

Rights of Action in the Event of a Misrepresentation

Applicable securities laws in the Offering Jurisdictions provide you with a remedy to cancel your agreement to buy these securities or to sue for damages if this Offering Memorandum, or any amendment thereto, contains a misrepresentation. Unless otherwise noted, in this section, a "misrepresentation" means an untrue statement or omission of a material fact that is required to be stated or that is necessary in order to make a statement in this Offering Memorandum not misleading in light of the circumstances in which it was made.

These remedies 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. In addition, these remedies, or notice with respect thereto, must be exercised or delivered, as the case may be, by you within the strict time limit prescribed in the applicable securities laws.

The applicable contractual and statutory rights are summarized below. Subscribers should refer to the applicable securities laws of their respective Offering Jurisdiction for the particulars of these rights or consult with professional advisors.

Statutory Rights of Action in the Event of a Misrepresentation for Subscribers in the Provinces of British Columbia, Alberta, Ontario, Nova Scotia, New Brunswick and Prince Edward Island

A subscriber for Units pursuant to this Offering Memorandum who is a resident in Alberta or British Columbia has, in addition to any other rights the subscriber may have at law, a right of action for damages or rescission against the Partnership if this Offering Memorandum, together with any amendments hereto, contains a misrepresentation. In British Columbia, Alberta and Ontario, a subscriber has additional statutory rights of action for damages against every director of the General Partner at the date of this Offering Memorandum and every person or company who signed this Offering Memorandum.

If this Offering Memorandum contains a misrepresentation, which was a misrepresentation at the time the Units were purchased, the subscriber will be deemed to have relied upon the misrepresentation and will, as provided below, have a right of action against the Partnership for damages or alternatively, if still the owner of any of the

Units purchased by that subscriber, for rescission, in which case, if the subscriber elects to exercise the right of rescission, the subscriber will have no right of action for damages against the Partnership, provided that:

(a) no person or company will be liable if it proves that the subscriber purchased the securities with knowledge of the misrepresentation;

(b) in the case of an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation;

(c) in no case will the amount recoverable in any action exceed the price at which the securities were purchased by the subscriber under this Offering Memorandum; and

(d) in the case of a subscriber resident in Alberta, no person or company, other than the Partnership, will be liable if such person or company is entitled to rely upon certain statutory provisions set out in subsections 204(3)(a)-(e) of the *Securities Act* (Alberta).

In British Columbia, Alberta and Ontario, no action may be commenced more than:

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

(b) in the case of any other action, other than an action for rescission, more than the earlier of (i) 180 days after the subscriber first had knowledge of the facts giving rise to the cause of action; or (ii) three years after the date of the transaction that gave rise to the cause of action.

Statutory Rights of Action in the Event of a Misrepresentation for Subscribers in the Province of Saskatchewan

In the event that this Offering Memorandum and any amendment thereto or advertising or sales literature used in connection therewith delivered to a purchaser of the securities resident in Saskatchewan contains an untrue statement of a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the securities (herein called a "**material fact**") or omits 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 (herein called a "**misrepresentation**"), a purchaser will be deemed to have relied upon that misrepresentation and will have a right of action for damages against the Partnership, the promoters and "directors" (as defined in the *Securities Act*, 1988 (Saskatchewan)) of the Partnership, every person or company whose consent has been filed with this Offering Memorandum or amendment thereto but only with respect to reports, opinions or statements that have been made by them, every person who signed this Offering Memorandum or any amendment thereto, and every person who or company that sells the securities on behalf of the Partnership under this Offering Memorandum or amendment thereto.

Alternatively, where the purchaser purchased the securities from the Partnership, the purchaser may elect to exercise a right of rescission against the Partnership.

In addition, where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the securities and the verbal statement is made either before or contemporaneously with the purchase of the securities, the purchaser has a right of action for damages against the individual who made the verbal statement.

No persons or company is liable, nor does a right of rescission exist, where the persons or company proves that the purchaser purchased the securities with knowledge of the misrepresentation. In an action for damages, no persons or company will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied on.

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

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

(b) in the case of any action, other than an action for rescission, the earlier of one year after the purchaser first had knowledge of the facts giving rise to the cause of action or six years after the date of the transaction that gave rise to the cause of action.

These rights are (i) in addition to and do not derogate from any other right the purchaser may have at law; and (ii) subject to certain defences as more particularly described in the *Securities Act*, 1988 (Saskatchewan).

Contractual Rights of Action in the Event of a Misrepresentation for Subscribers in the Provinces of Manitoba, Quebec, Newfoundland and Labrador, Nunavut, Yukon and the Northwest Territories

In Manitoba, Quebec, Newfoundland and Labrador, Nunavut, Yukon and the Northwest Territories if there is a misrepresentation in this Offering Memorandum, you have a contractual right to sue the Partnership: (a) to cancel the agreement to buy the securities; or (b) for damages.

This contractual right to sue is available to you whether or not you relied on the misrepresentation. However, in an action for damages, the amount you may recover will not exceed the price that you paid for the securities and will not include any part of the damages that the Partnership proves does not represent the depreciation in value of the securities resulting from the misrepresentation. The Partnership has a defence if it proves that 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. You must commence the action to cancel the agreement within 180 days after signing the agreement to purchase the securities. You must commence the action for damages within the earlier of 180 days after learning of the misrepresentation and three years after signing the agreement to purchase the securities.

Subscribers should consult their own legal advisers with respect to their rights and the remedies available to them.

The rights discussed above are in addition to and without derogation from any other rights or remedies, which subscribers may have at law.

Item 12 FINANCIAL STATEMENTS

Attached are audited opening balance sheets for each of the National Class and the Quebec Class.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of:

Maple Leaf Short Duration 2014-II Flow-Through Management Corp. in its capacity as general partner of Maple Leaf Short Duration 2014-II Flow-Through Limited Partnership, in respect of the National Class and the Québec Class (collectively, the "Funds").

We have audited the accompanying financial statements of Maple Leaf Short Duration 2014-II Flow-Through Limited Partnership which comprise the statement of financial position of each of the Funds as at April 22, 2014 and a summary of significant accounting policies and other explanatory information.

General Partner's Responsibility for the Financial Statements

The General Partner is responsible for the preparation and fair presentation of the financial statements in accordance with those requirements of International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the 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 statements 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds of Maple Leaf Short Duration 2014-II Flow-Through Limited Partnership as at April 22, 2014, in accordance with Canadian generally accepted accounting principles.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada — Chartered Accountants

July 22, 2014

MAPLE LEAF SHORT DURATION 2014-II FLOW-THROUGH LIMITED PARTNERSHIP

NATIONAL PORTFOLIO
STATEMENT OF FINANCIAL POSITION

As at April 22, 2014

ASSETS

Current assets	
Cash	$35

PARTNERS' CAPITAL

Net assets attributable to holders of units	
General Partner Contribution	$10
Issued and fully paid limited partnership unit	$25
	$35

See accompanying notes to the balance sheet

Approved on behalf of Maple Leaf Short Duration 2014-II Flow-Through Limited Partnership by the Board of Directors of its General Partner, Maple Leaf Short Duration 2014-II Flow-Through Management Corp.

(SIGNED) SHANE DOYLE
Director

(SIGNED) HUGH CARTWRIGHT
Director

MAPLE LEAF SHORT DURATION 2014-II FLOW-THROUGH LIMITED PARTNERSHIP

QUÉBEC PORTFOLIO

STATEMENT OF FINANCIAL POSITION

As at April 22, 2014

ASSETS

Current assets	
Cash	$35

PARTNERS' CAPITAL

Net assets attributable to holders of units	
General Partner Contribution	$10
Issued and fully paid limited partnership unit	$25
	$35

See accompanying notes to the balance sheet

Approved on behalf of Maple Leaf Short Duration 2014-II Flow-Through Limited Partnership by the Board of Directors of its General Partner, Maple Leaf Short Duration 2014-II Flow-Through Management Corp.

(SIGNED) SHANE DOYLE
Director

(SIGNED) HUGH CARTWRIGHT
Director

MAPLE LEAF SHORT DURATION 2014-II FLOW-THROUGH LIMITED PARTNERSHIP

NOTES TO STATEMENTS OF FINANCIAL POSITION

April 22, 2014

1. FORMATION OF PARTNERSHIP

Maple Leaf Short Duration 2014-II Flow-Through Limited Partnership (the "**Partnership**") was formed on March 25, 2014 as a limited partnership under the laws of the Province of British Columbia. The Partnership consists of two classes of limited partnership units, the National Class units and the Québec Class units, each of which is a separate non-redeemable investment fund for securities laws purposes with its own investment portfolio and investment objectives. The investment objective of the investment portfolio in respect of the National Class units (the "**National Portfolio**") and the investment objective of the investment portfolio in respect of the Québec Class units (the "**Québec Portfolio**" and together with the National Portfolio, the "**Portfolios**") is to provide holders of National Class units of the Partnership (the "**National Class Limited Partners**") and the Québec Class units of the Partnership (the **"Québec Class Limited Partners**"), as applicable, with a tax assisted investment in a diversified portfolio of flow-through shares and other securities, if any, of resource issuers incurring "Canadian exploration expense", certain "Canadian development expense" deemed under the Income Tax Act (Canada) to be "Canadian exploration expense" and certain "Canadian renewable and conservation expense" (as these phrases are defined in that Act (collectively, "**Eligible Expenditures**") across Canada with a view to (i) maximizing the tax benefits of an investment in the National Class units or Québec Class units, as applicable and (ii) achieving capital appreciation and/or income for the National Class Limited Partners or Québec Class Limited Partners, as applicable. There has been no activity in the Partnership between its formation on March 25 and April 22, 2014 except for the issuance of one initial limited partner unit of each Class and a capital contribution by the General Partner. Accordingly, no statement of operations or cash flows for the period has been presented.

The statements of financial position were approved and authorized for issue by the General Partner on July 22, 2014.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the statements of financial position are set out below.

Basis of preparation

The statements of financial position have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). IFRS requires management to exercise its judgement in the process of applying the Partnership's accounting policies and making certain critical accounting estimates that affect the reported amounts of assets, liabilities, income and expenses during any reporting year. Actual results could differ from those estimates. The following is a summary of significant accounting policies that will be followed by the Partnership in the preparation of its statements of financial position.

Functional currency and presentation currency

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

Issue costs

Issue costs incurred in connection with the offering will be charged to the limited partnership capital.

Cash and cash equivalents

Cash is comprised of cash on deposit and is stated at its carrying value.

Valuation of partnership units for transaction purposes

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

The general partner of the Partnership is Maple Leaf Short Duration 2014-II Flow-Through Management Corp. (the "**General Partner**") and capital of $20 cash was contributed. The General Partner is a wholly-owned subsidiary of Maple Leaf Short Duration Holdings Ltd. which is a wholly-owned subsidiary of CADO Bancorp Ltd. CADO Bancorp Ltd. is also the sole shareholder of CADO Investment Fund Management Inc., the manager of the Partnership. Under the Limited Partnership Agreement between the General Partner and each of the Limited Partners (the "**LPA**") dated March 25, 2014, 99.99% of the net income of the Partnership, 100% of the net loss of the Partnership and 100% of any Eligible Expenditures renounced to the Partnership will be allocated pro-rata to the Limited Partners. The General Partner is to be allocated 0.01% of the net income of the Partnership. Upon dissolution, Limited Partners are entitled to the assets of the Partnership.

The Partnership will pay all costs relating to the proposed offering of limited partnership units in the Partnership. The Agents for the offering will be paid a fee equal to 6% of the gross proceeds realized from the offering, and wholesalers involved in sales of Units may also be paid fees. Agents' fees and fees paid to wholesalers are treated as costs of the offering and will be charged against limited partnership capital.

The Partnership will pay for all reasonable out-of-pocket expenses incurred in connection with the operation and administration of the Partnership. These expenses will initially be paid from an operating reserve established for such purpose (the "**Operating Reserve**"). The Operating Reserve will be funded from the proceeds from the sale of units. Other than expenses directly attributable to a particular Portfolio, these expenses will be allocated pro rata between the Portfolios based on the net asset value of each Class at the end of the month preceding the date such expenses are paid.

Pursuant to the LPA, the General Partner is entitled to a fee (the "**General Partner's Fee**") equal to one-twelfth of 2.0% of the Net Asset Value of each of the Portfolios, calculated and paid monthly in arrears, from the date of the initial closing until the Termination Date (as defined in the LPA). In connection with a Liquidity Event (as defined in the LPA), the General Partner will have the option to receive payment for all or any portion of the General Partner's Fee that remains payable at such time in the mutual fund shares or other securities that form the consideration for such transaction (if any). In addition, the General Partner is entitled to a performance bonus equal to 20% of the product of: (a) the number units of that Class outstanding on Performance Bonus Date (as defined in the LPA); and (b) the amount by which the Net Asset Value per unit of that Class (prior to giving effect to the performance bonus) plus the total distributions per unit of that Class over the Performance Bonus Term exceeds $25.

At the date of formation of the Partnership, one limited partnership unit of each Class was issued for $25.00 cash.

3. PRIVATE PLACEMENT OFFERING

The Partnership is undertaking a private placement of Units in each of the provinces and territories of Canada with gross proceeds of up to $10,000,000 in National Class Units and gross proceeds of up to $5,000,000 in Quebec Class Units, with minimum aggregate gross proceeds of $250,000.

4. DISTRIBUTION POLICY

Except for the return of funds which are not expended or committed to acquire Flow-Through Shares or other shares of Resource Companies by December 31, 2014 but not required to finance the Partnership's operations, the Partnership does not expect to make cash distributions to Limited Partners holding units of a Class prior to the dissolution of the Partnership.

5. PARTNERSHIP CAPITAL

The Partnership is authorized to issue an unlimited number of units. Each unit subjects the holder thereof to the same obligations and entitles such holder to the same rights as the holder of any other unit, including the right to one vote at all meetings of the Limited Partners and to equal participation in any distribution made by the Partnership. There are no restrictions as to the maximum number of units that a Limited Partner may hold in the Partnership, subject to limitations on the number of units that may be held by ''financial institutions'' and provisions of securities legislation and regulations relating to take-over bids; however, the minimum subscription is 200 units per Subscriber.

The Partnership units meet the criteria of IAS 32, Financial Instruments: Presentation, to be classified as equity.

DATE AND CERTIFICATE

Dated July 22, 2014

This Offering Memorandum does not contain a misrepresentation.

Maple Leaf Short Duration 2014-II Flow-Through Limited Partnership,
by its general partner Maple Leaf Short Duration 2014-II Flow-Through Management Corp.

(SIGNED) SHANE DOYLE
Chief Executive Officer of the General Partner

(SIGNED) JOHN DICKSON
Chief Financial Officer
of the General Partner

On behalf of the Board of Directors of the General Partner

(SIGNED) JIM HUANG
Director

(SIGNED) HUGH CARTWRIGHT
Director