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*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 September 30, 2020



### Maple Leaf 2020 Flow-Through Limited Partnership

<b>\$10,000,000</b>	<b>\$10,000,000</b>
<b>National Class</b>	<b>Québec Class</b>
<b>Class A Units</b>	<b>Class A Units</b>
FundSERV Code: CDO 201	FundSERV Code: CDO 203
<b>Class F Units</b>	<b>Class F Units</b>
FundSERV Code: CDO 202	FundSERV Code: CDO 204

#### The Issuer:

Name: Maple Leaf 2020 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](mailto: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 “ <b>National Class Units</b> ”) and Class A and Class F Québec Class limited partnership units (collectively, the “ <b>Québec Class Units</b> ”).
Price per Security:	\$25.00 per Unit.
Minimum/Maximum Offering:	Maximum Offering – National Class Units: \$10,000,000 (400,000 National Class Units). Maximum Offering – Québec Class Units: \$10,000,000 (400,000 Québec Class Units). Minimum Offering: \$250,000 (10,000 National Class Units and/or Québec Class Units).  The General Partner will have the discretion, pursuant to the Over-Subscription Option (as defined herein), to increase the size of the Offering by 35% to cover over-subscriptions, if any. If the Over-Subscription Option is exercised in full, a total of 540,000 National Class Units and 540,000 Québec Class Units will be issued, for aggregate gross proceeds of \$27,000,000.
Minimum Subscription Amount:	Minimum subscription is 200 Units (\$5,000). Additional subscriptions may be made in multiples of 40 Units (\$1,000).
Payment terms:	Due in full on closing.
Proposed Closing Dates:	Initial closing targeted for October 2020, subject to the Minimum Offering being achieved. Other closings may subsequently take place on such dates as the General Partner may determine.
Portfolios:	Each Class of limited partnership units (collectively, the “ <b>Units</b> ”) 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 “ <b>National Portfolios</b> ”) 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 “ <b>Québec Portfolios</b> ”) 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 (“ <b>National Class Limited Partners</b> ”) 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 (“ <b>Québec Class Limited Partners</b> ”) with up to a 141% 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.
Income 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

2020 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 December 31, 2022 (a “**Liquidity Event**”). The General Partner currently intends that the Liquidity Event will be a Mutual Fund Rollover Transaction (as defined herein). The Mutual Fund Rollover Transaction is not subject to the approval of Limited Partners. 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”.
- Portfolio Manager:** Backer Wealth Management Inc. (the “**Portfolio Manager**”) is the investment manager for the Partnership. The Portfolio Manager will manage the Portfolios in accordance with the Investment Guidelines
- Selling Agents:** Yes. The Partnership will pay fees to Agents. See Item 7.
- Management Fee:** 2% of Gross Proceeds.

**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**

<b>Payment Methods</b>	<b>National Class and Québec Class</b>
A. Funds can be transferred via FundSERV from your brokerage account at a securities dealer	Instruct your broker to purchase applicable units of <ul style="list-style-type: none"> <li>● Class A National Class CDO 201</li> <li>● Class F National Class CDO 202</li> <li>● Class A Québec Class CDO 203 or</li> <li>● Class F Québec Class CDO 204.</li> </ul>
B. Certified cheque or bank draft	<b>Payable to:</b> Maple Leaf 2020 LP  <b>Couriered to:</b> Maple Leaf Funds Attention: Subscription Processing Department P.O. Box 10357, Suite 808, 609 Granville St Vancouver, BC V7Y 1G5

**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@mapleleafunds.ca](mailto:subscriptions@mapleleafunds.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 December 31, 2022, which is anticipated to be a tax-deferred exchange of Units for securities of a Mutual Fund (as defined herein). 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 Portfolio 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 2020 or at all, Eligible Expenditures as agreed and any amounts renounced may not qualify as CEE. Limited Partners may lose their limited liability in certain circumstances. Pursuant to an initiative of the Liberal government to phase out subsidies for the fossil fuel industry which includes a direction to the Minister of Finance to develop proposals to allow CEE deductions only in cases of unsuccessful exploration the tax benefits under the Tax Act associated with an investment in Flow-Through Shares may be reduced or eliminated. 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 089 839. The Québec tax shelter identification number in respect of the Partnership is QAF-20-01855. 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.

**Incorporation by Reference of Certain Marketing Materials:**

Certain written marketing materials delivered or made available to prospective purchasers in relation to the distribution of Units under this Offering Memorandum are incorporated by reference into this Offering Memorandum and are considered to form part of this Offering Memorandum just as if they were printed as part of it. In particular, in Alberta, Saskatchewan, Ontario, Québec, New Brunswick and Nova Scotia all OM marketing materials as defined below related to a distribution under this Offering Memorandum that are delivered or made reasonably available to prospective purchaser before the termination of the distribution are hereby incorporated by reference into this Offering Memorandum. For these purposes, "OM marketing materials" means a written communication, other than an OM standard term sheet (as defined below), intended for prospective purchasers regarding a distribution of securities under an Offering Memorandum delivered under section 2.9 of National Instrument 45-106 *Prospectus Exemptions* ("NI 45-106") that contains material facts relating to the Partnership, Units or otherwise to the offering of Units. An "OM standard term sheet" means a written communication intended for prospective purchasers regarding a distribution of Units under this Offering Memorandum delivered under section 2.9 of NI 45-106 that contains only certain prescribed information set out in NI 45-106.

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## SCHEDULE OF EVENTS

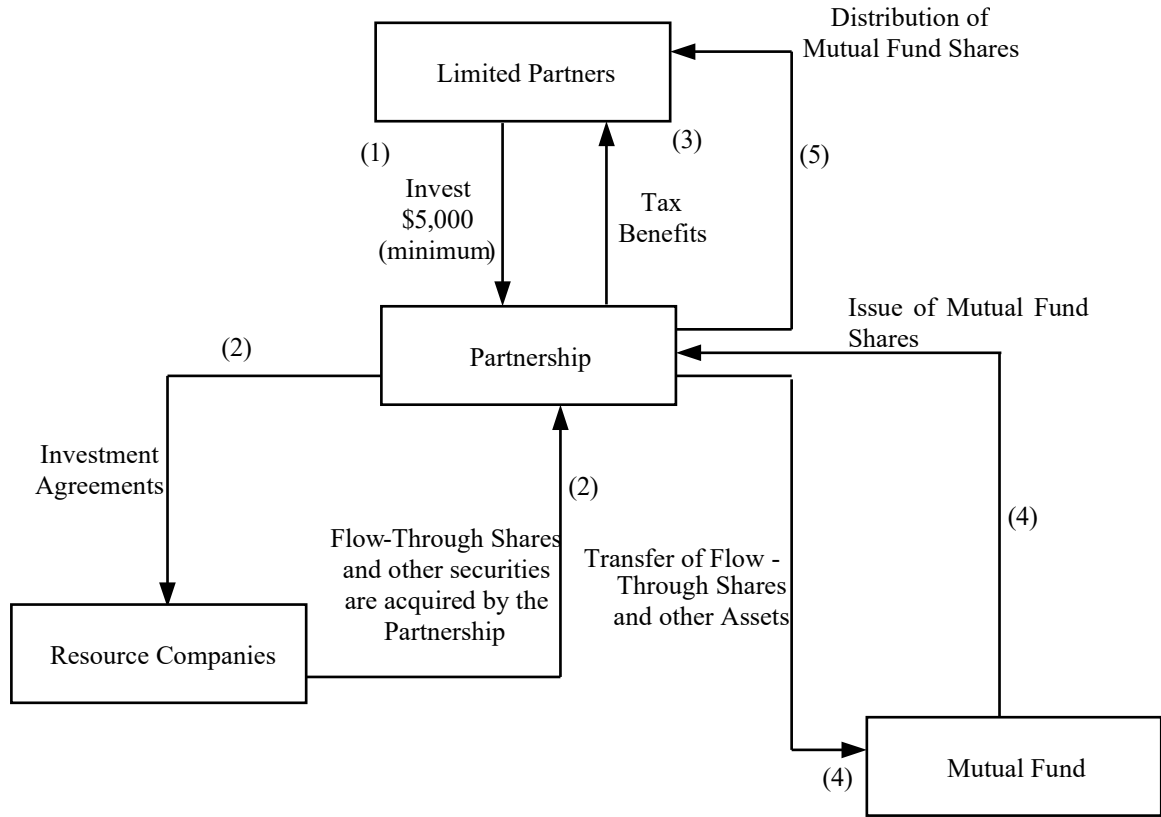
<u>Approximate Date</u>	<u>Event</u>
October 2020 .....	Initial Closing will occur once the Minimum Offering has been achieved. Subsequent closings may be held on dates determined by the General Partner.
March 2021 .....	Limited Partners receive 2020 T5013 federal tax receipt.
On or prior to December 31, 2022 .....	General Partner intends (subject to market conditions) to implement a Liquidity Event.
December 31, 2023 .....	The Partnership is dissolved and its assets distributed to Limited Partners if a Liquidity Event has not been completed by this date.

## 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 Portfolio 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.



- 
- (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, 2020 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 December 31, 2022, 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, 2020. **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		
	2020	2021 & Beyond	Total	2020	2021 & Beyond	Total
<b>Initial Investment</b>	\$5,000	\$ -	\$ 5,000	\$5,000	\$ -	\$5,000
<b>Investment Tax Credits</b>						
Investment Tax Credits	\$90	\$ -	\$90	\$98	\$ -	\$98
Tax Payable on Recapture of Investment Tax Credits	\$ -	(\$45)	(\$45)	\$ -	(\$49)	(\$49)
<b>Total</b>						
<b>Investment Tax Credits<sup>(1,2)</sup></b>	\$90	(\$45)	\$45	\$98	(\$49)	\$49
<b>Income Tax Deductions</b>						
CEE <sup>(1)</sup>	\$3,987	\$ -	\$3,987	\$4,363	\$ -	\$4,363
Other <sup>(2, 3)</sup>	\$453	\$1,489	\$1,942	\$147	\$555	\$702
<b>Total Income Tax Deductions<sup>(4, 5, 6, 7, 8)</sup></b>	\$4,440	\$1,489	\$5,929	\$4,510	\$555	\$5,065

*At-Risk Capital, Breakeven and Downside Protection Calculations*

	Minimum Offering			Maximum Offering		
	2020	2021 & Beyond	Total	2020	2021 & Beyond	Total
<b>Assumed Marginal Tax Rate:</b> <sup>(9)</sup>	50%	50%		50%	50%	
<b>Investment Amount:</b>	\$5,000	\$ -	\$5,000	\$5,000	\$ -	\$5,000
Net Flow-Through Share and other Tax Savings <sup>(10)</sup>	(\$2,310)	(\$699)	(\$3,009)	(\$2,353)	(\$228)	(\$2,581)
Capital Gains Tax <sup>(11)</sup>	\$46	\$186	\$232	\$0	\$16	\$16
Total Net Income Tax Savings	(\$2,264)	(\$513)	(\$2,777)	(\$2,353)	(\$212)	(\$2,565)
At-Risk Capital <sup>(12)</sup>			\$2,223			\$2,435
Breakeven Proceeds <sup>(13)</sup>			\$2,964			\$3,246
Downside Protection <sup>(14, 15)</sup>			41%			35%

**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**

*Example of Tax Deductions*

	Minimum Offering			Maximum Offering		
	2020	2021 & Beyond	Totals	2020	2021 & Beyond	Total
<b>Initial Investment</b>	\$5,000	\$ -	\$ 5,000	\$5,000	\$ -	\$5,000
<b>Investment Tax Credit (“ITC”) earned on CEE (100% of CEE incurred is eligible for the 15% ITC)</b> <sup>(16, 17)</sup>	\$598	\$ -	\$598	\$654	\$ -	\$654
<b>Income Tax Deductions</b>						
CEE: <sup>(17)</sup>	\$3,987	\$ -	\$3,987	\$4,363	\$ -	\$4,363
Other Deductions: <sup>(3)</sup>	\$453	\$1,489	\$1,942	\$147	\$555	\$702
	\$4,440	\$1,489	\$5,929	\$4,510	\$555	\$5,065
ITC income inclusion (value of ITC is included in taxable income in year 2)	\$ -	(\$598)	(\$598)	\$ -	(\$654)	(\$654)
Net tax deductions <sup>(4, 5, 6, 7, 8)</sup>	\$4,440	\$891	\$5,331	\$4,510	(\$99)	\$4,411

**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		
	2020	2021 & Beyond	Total	2020	2021 & Beyond	Total
<b>Investment</b>	\$5,000		\$5,000	\$5,000		\$5,000
<b>Income tax savings from deductions</b> <sup>(17, 18, 19, 20)</sup>						
Federal	(\$1,223)	(\$410)	(\$1,633)	(\$1,242)	(\$153)	(\$1,395)
Québec	(\$1,259)	(\$383)	(\$1,642)	(\$1,288)	(\$143)	(\$1,431)
<b>Capital Gains Tax</b> <sup>(11)</sup>	\$31	\$126	\$157	\$0	\$11	\$11
<b>Federal ITC (net of tax)</b>	<u>(\$433)</u>	<u>\$ -</u>	<u>(\$433)</u>	<u>(\$474)</u>	<u>\$ -</u>	<u>(\$474)</u>
Total Net Income Tax Expense (Savings)	<u>(\$2,884)</u>	<u>(\$667)</u>	<u>(\$3,551)</u>	<u>(\$3,004)</u>	<u>(\$285)</u>	<u>(\$3,289)</u>
At-Risk Capital* <sup>(12)</sup>			\$1,449			\$1,711
Breakeven Proceeds* <sup>(20)</sup>			\$1,745			\$2,061
Downside Protection* <sup>(14, 15)</sup>			65%			59%
Minimum Equivalent Deduction as a Percentage of Original Investment <sup>(14, 21)</sup>			141%			126%

**Notes and Assumptions:**

- (1) For the National Class Units, the calculations assume that only Class A National Class Units have been sold (i.e., no Québec Class Units or Class F Units are outstanding). The calculations also 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 (\$199,375 in the case of the minimum Offering and \$8,725,000 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 2020 and allocated to a Limited Partner and deducted by him or her in 2020.
- (2) It is assumed that 15% of Available Funds of the National Portfolio will be used to acquire Flow-Through Shares of Resource Companies in 2020 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 and renounced under Investment Agreements entered into before December 31, 2020. It is assumed that the Limited Partner will be subject to tax on the recapture of the investment tax credit in 2021. See Item 6, “Income Tax Consequences and RRSP Eligibility”.

The 15% investment tax credit reduces federal income tax otherwise payable by an individual Limited Partner other than a trust. As described below, certain Canadian provinces also provide investment tax credits. These credits generally parallel the federal tax credits for flow-through mining expenditures renounced to taxpayers residing in the province in respect of exploration occurring on properties located in that province. Limited Partners resident, or subject to tax, in a province that provides such an investment tax credit may claim the credit in combination with the federal investment tax credit. However, the use of a provincial investment tax credit will generally reduce the amount of expenses eligible for

the federal investment tax credit and the Limited Partner's "cumulative CEE" pool. Provincial investment tax credits have not been incorporated into this illustration.

An individual (other than a trust) who is a Limited Partner and is resident in the Province of Ontario at the end of the individual's taxation year 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 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) These amounts relate to costs incurred by the Partnership, including the Agents' fees and Offering expenses (including travel, sales and marketing expenses including taxes), the General Partner's Fee, and certain estimated operating and administrative expenses (see Note (1) above).

Both calculations assume that the Partnership will realize sufficient capital gains to permit it to pay operating and administrative expenses in excess of those funded by the Operating Reserve. No portion of such fees or expenses incurred by the Partnership in respect of the National Portfolio will be paid through funds borrowed by the Partnership.

- (4) Subject to Note (3), Agents' fees and Offering expenses are deductible for the purposes of the Tax Act at a rate of 20% per annum.
- (5) Assumes no portion of the subscription price for the Units will be financed with 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 - Canadian Federal Income Tax Considerations".
- (8) The amount of tax deductions, income or proceeds of disposition in respect of a particular Subscriber will likely be different from those depicted above.
- (9) **For simplicity an assumed marginal tax rate of 50% has been used for the National Portfolio.** 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 2020 as expected based on current legislation and proposed amendments to the legislation as of the date of this Offering Memorandum are set forth below. Future federal, provincial and territorial budgets may modify these rates.

<u>Province/Territory</u>	<u>Highest Marginal Tax Rate</u>
British Columbia	49.8%
Alberta	48.0%
Saskatchewan	47.5%
Manitoba	50.4%
Ontario	53.5%
Québec	53.3%
New Brunswick	53.3%
Nova Scotia	54.0%
Prince Edward Island	51.4%
Newfoundland and Labrador	51.3%
Yukon Territory	48.0%
Northwest Territories	47.1%
Nunavut	44.5%

- (10) The tax savings are calculated by multiplying the total estimated income tax deductions for each year by the assumed marginal tax rate of 50% for that year, plus any investment tax credits. This illustration assumes that the 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 table does 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 50%. 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 only Class A Québec Class Units have been sold (i.e. no National Class or Class F Units are outstanding), the Offering expenses are \$25,000 in the case of the minimum Offering and \$250,000 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 (\$199,375 in the case of the minimum Offering and \$8,725,000 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 CEE which are renounced to the Partnership with an effective date in 2020 and allocated to a Québec Class Limited Partner (as defined in Item 6, “Income Tax Consequences and RRSP Eligibility - Québec Income Tax Considerations”) and deducted by him or her in 2020. No portion of fees or expenses incurred by the Partnership in respect of the Québec Portfolio will be paid through funds borrowed by the Partnership.
- (17) It is assumed that in 2020, 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 by a Resource Company in 2020 and renounced under Investment Agreements entered into before December 2020. It is assumed that the Limited Partner will be subject to tax on the amount of the investment tax credit in 2021 (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 Class Limited Partner will be entitled to an additional 10% deduction in respect of certain CEE and an another additional 10% deduction in respect of certain oil and gas or surface mining exploration expenses incurred in the Province of Québec. For the purposes of our calculations of the results, 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 Class 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 Class 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 27.56% for Québec residents and a Québec provincial marginal tax rate of 25.75% for the Québec Portfolio. 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) In calculating the capital gains tax and break-even proceeds of disposition for Québec provincial tax purposes, it is assumed that the individual Québec Class 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 Class 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 Class Limited Partner’s initial investment.
- (21) The minimum equivalent deduction is calculated as the sum of (i) the net income tax deduction (federal and Québec, as applicable) and (ii) the ITC 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.

## 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.

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

“**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, the General Partner’s Fee, 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, the General Partner’s Fee, 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 the General Partner’s Fee, 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 the General Partner’s Fee, 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 in October, 2020 or such other date as the General Partner may determine (subject to the Minimum Offering having been achieved), and includes the date of any subsequent Closing, if applicable, provided that the final Closing shall take place not later than December 31, 2020.

“**Computershare**” means Computershare Investor Services Inc.

“**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.

“**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 Share**” means a “flow-through share”, as defined in subsection 66(15) of the Tax Act.

“**General Partner**” means Maple Leaf 2020 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 2.0% of the Gross Proceeds from the sale of Units, payable on the Closing of the sale of such Units. 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 December 31, 2023, 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 Agreement”** means an agreement between the Partnership and a Resource Company for the issue of Flow-Through Shares of the Resource Company to the Partnership that is an agreement described in the definition of “flow-through share” in subsection 66(15) of the Tax Act.

**“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 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 the Tax Act.

**“Liquidity Event”** means a transaction the General Partner intends to implement on or before December 31, 2022 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 determine (subject to the approval of Limited Partners in certain circumstances). If the General Partner is of the opinion that due to then prevailing market conditions it would not be in the best interests of the Partnership or the Limited Partners to implement a Liquidity Event on or before December 31, 2022, 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 December 31, 2023.

**“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 Resource Class”** means the Maple Leaf Resource 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 by the Manager, its Affiliates or a third party fund manager, or recommended or referred to by the Manager or an Affiliate of the Manager to provide a Liquidity Event and that is managed by the Manager or an Affiliate. Currently it is anticipated that the Mutual Fund will be the Maple Leaf Resource Class.

**“Mutual Fund Rollover Transaction”** means an exchange transaction pursuant to which the Partnership will transfer the assets held in the Portfolios 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 without trailing commissions 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, 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.

“**Over-Subscription Option**” means the discretion of the General Partner to increase the size of the Offering by 35% to cover over-subscriptions, if any. If the Over-Subscription Option is exercised in full, a total of 540,000 National Class Units and 540,000 Quebec Class Units will be issued, for aggregate gross proceeds of \$27,000,000.

“**Partners**” means the Limited Partners and the General Partner.

“**Partnership**” means Maple Leaf 2020 Flow-Through Limited Partnership.

“**Partnership Agreement**” means the limited partnership agreement dated as of January 30, 2020 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.

“**Portfolio 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 Backer Wealth Management Inc.

“**Portfolio 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 Portfolio Manager.

“**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).

“**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 Computershare.

“**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; 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 December 31, 2023, 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.

“**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 \$20,000,000 if the maximum Offering of both the National Class and Québec Class Units is completed (prior to the exercise of the Over-Subscription Option, if applicable), 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.

	<b>Maximum Offering – National Class Units<sup>(4)</sup></b>	<b>Maximum Offering – Québec Class Units<sup>(4)</sup></b>	<b>Minimum Offering<sup>(3)</sup></b>
Gross Proceeds to the Partnership:	\$10,000,000	\$10,000,000	\$250,000
Agents' fees.....	\$(600,000)	\$(600,000)	\$(15,000)
General Partner's Fee.....	\$(200,000)	\$(200,000)	\$(5,000)
Offering expenses <sup>(1)</sup> .....	\$(250,000)	\$(250,000)	\$(25,000)
Net proceeds.....	<u>\$8,950,000</u>	<u>\$8,950,000</u>	<u>\$205,000</u>
Operating Reserve <sup>(2)</sup> .....	\$(225,000)	\$(225,000)	\$(5,625)
Current Working Capital (or Working Capital Deficiency) as at September 19, 2020	<u>Nil</u>	<u>Nil</u>	<u>Nil</u>
Available Funds.....	<u>\$8,725,000</u>	<u>\$8,725,000</u>	<u>\$199,375</u>

(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 are sold, the Net Proceeds and Available Funds would be \$9,550,000 and \$9,325,000, respectively, in the case of the maximum Offering of National Class Units, \$9,550,000 and \$9,325,000, respectively, in the case of the maximum Offering of Québec Class Units, and \$220,000 and \$214,375, 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.

(4) Assumes no Units are issued pursuant to the exercise of the Over-Subscription Option. If the Over-Subscription Option were exercised in full, a total of 540,000 National Class Units and 540,000 Québec Class Units will be issued, for aggregate gross proceeds of \$27,000,000, and the Available Funds will be \$11,778,750 for the National Class and \$11,778,750 for the Québec Class.

### 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) renewable energy and energy-efficient

projects that may incur certain start-up phase costs; or (iii) to a lesser extent (if at all) oil and gas exploration, development and production, 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, 2020. The Investment Agreements entered into by the Partnership during 2020 may permit a Resource Company to incur Eligible Expenditures in 2021, provided that the Resource Company agrees to renounce such Eligible Expenditures to the Partnership with an effective date of December 31, 2020. 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 Portfolio 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 Portfolio 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, 2020, other than funds required to finance the operations of the Partnership, will be returned by April 30, 2021 on a *pro rata* basis to Limited Partners of record holding Units of that Class as at December 31, 2020, 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 2020 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 2020 Flow-Through Limited Partnership” pursuant to the Partnership Agreement between the General Partner and the Initial Limited Partner, and became a limited partnership effective January 31, 2020, 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 January 23, 2020. 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 Portfolio 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 December 31, 2022. 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 141% 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.

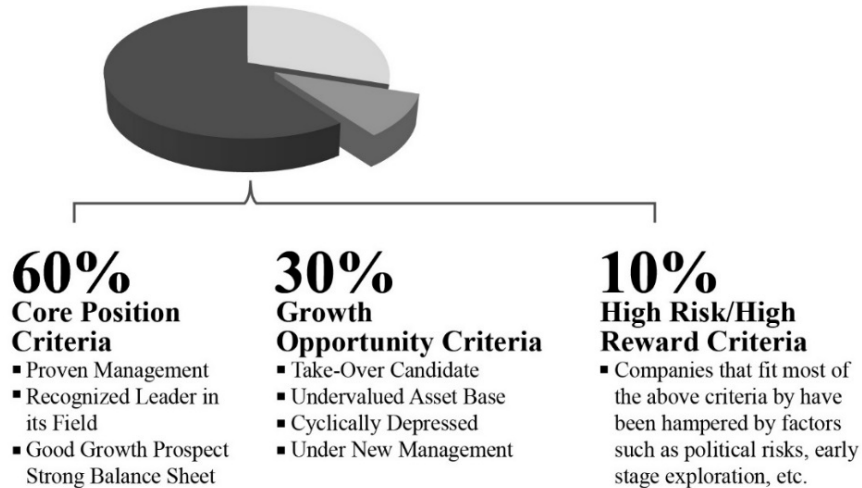
The Available Funds of the Québec Portfolios are intended to be invested primarily in the Province of Québec. Under normal market conditions, the Québec Portfolios are expected to invest approximately 60% to 75% of their Available Funds in Flow-Through Shares issued by Resource Companies incurring Eligible 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 Portfolio 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 Portfolio 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 Portfolio 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



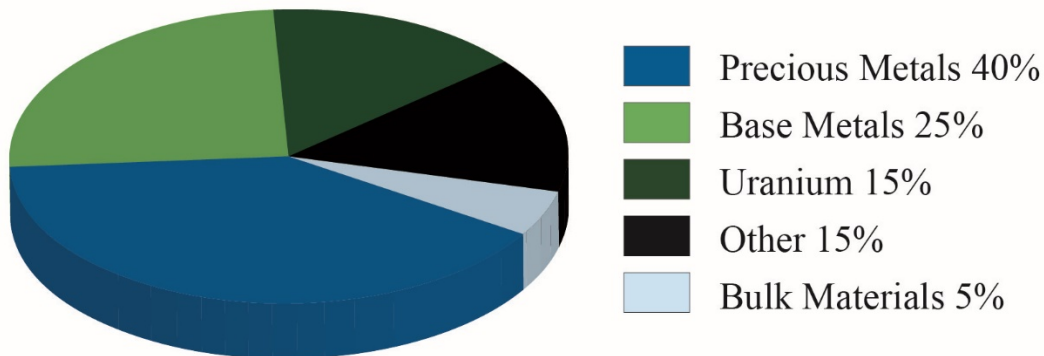
and the reinvestment of the net proceeds from such dispositions (after consideration being given to applicable distributions to Limited Partners) in securities of other Resource Companies. Such reinvestment may include, but is not limited to, investment in additional Flow-Through Shares.

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



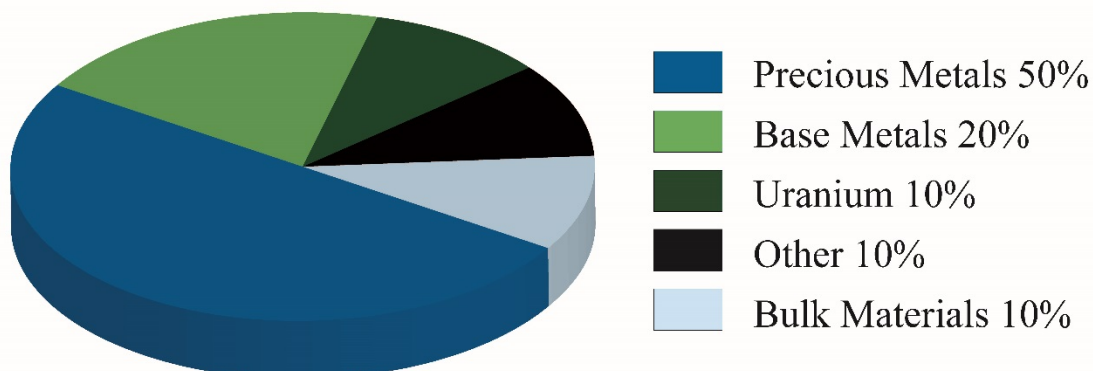
Subject to availability and market conditions at the time, the following graph indicates the Portfolio Manager’s expected portfolio composition by sector for each Portfolio:

### NATIONAL PORTFOLIO TARGETED ASSET ALLOCATION\*



\*subject to availability and market conditions at time of investment.

### QUÉBEC PORTFOLIO TARGETED ASSET ALLOCATION\*



\*subject to availability and market conditions at time of investment.

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 Québec Class) of the Available Funds in Flow-Through Shares of Resource Companies which are listed and posted for trading on the TSX or the TSXV. The Portfolio 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) renewable energy and energy-efficient projects that may incur certain start-up phase costs; or (iii) to a lesser extent (if at all) oil and gas exploration, development and production, 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, 2020. The Investment Agreements entered into by the Partnership during 2020 may permit a Resource Company to incur Eligible Expenditures in 2021, provided that the Resource Company agrees to renounce such Eligible Expenditures to the Partnership with an effective date of December 31, 2020. 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 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 Resource Companies 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, 2020 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, 2021 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, 2021 may be used to invest in Flow-Through Shares and other securities, if any, of other Resource Companies prior to January 1, 2021.

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 or the TSXV.
- *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 \$10,000,000.
- *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 \$10,000,000.
- *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 2021 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, 2020 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, if applicable.
- *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 Portfolio Manager, the Manager, the Maple Leaf Resource 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**

Unless dissolved earlier upon the occurrence of certain events stated in the Partnership Agreement or continued after December 31, 2023 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 Portfolio 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 Portfolio 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.

In order to provide Limited Partners with liquidity and the potential for long-term growth of capital and for income, on or before December 31, 2022, the General Partner intends, subject to market conditions and 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. 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 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. While the General Partner's intention is to implement a Liquidity Event on or before December 31, 2022, the actual timing will depend on then-prevailing market conditions. However, unless the Partnership is extended as further described below, the Liquidity Event must be implemented on or before December 31, 2023.

The Manager has established the Maple Leaf Resource Class, a class of securities of Maple Leaf Corporate Funds Ltd., a mutual fund corporation incorporated under the laws of Canada. The Portfolio Manager has been appointed as portfolio manager for the Maple Leaf Resource 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 Resource Class is a "reporting issuer" or equivalent under applicable Canadian securities legislation and is subject to NI 81-102. For additional information, see the Mutual Fund's public documents at [www.sedar.com](http://www.sedar.com), which documents are not and shall not be deemed to be incorporated by reference in this Offering Memorandum.

While the General Partner anticipates that the Maple Leaf Resource Class will be the Mutual Fund that participates in a Liquidity Event, the General Partner retains the discretion to select another mutual fund to act as the Mutual Fund, in circumstances where the General Partner determines it would not be in the best interests of the Limited Partners to use the Maple Leaf Resource Class as the Mutual Fund for the Liquidity Event. Any such other Mutual Fund selected to participate in a Liquidity Event will be a "reporting issuer" or equivalent under applicable Canadian securities legislation and subject to NI 81-102. If the Liquidity Event is with another Mutual Fund and involves the issuance of shares, such shares will be Mutual Fund Shares.

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 December 31, 2023, then, in the discretion of the General Partner, the Partnership may: (a) be dissolved on or about December 31, 2023, 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 December 31, 2023, 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 December 31, 2023, 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](http://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 Portfolio 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, 2020, other than funds required to finance the operations of the Partnership, will be returned by April 30, 2021 on a *pro rata* basis to Limited Partners of record holding Units of that Class as at December 31, 2020, without interest or deduction.

The Portfolio 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 December 31, 2022. 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 December 31, 2022, 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 December 31, 2023. 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 securities of a Mutual Fund on a tax-deferred basis. In the event a Liquidity Event is not completed by December 31, 2023, then, in the discretion of the General Partner, the Partnership may: (a) be dissolved on or about December 31, 2023, 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 December 31, 2023:

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, 2020	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 December 31, 2022	Proceeds from dispositions of Flow-Through Shares
Implement a Liquidity Event	December 31, 2022, subject to market conditions	Operating cost
Dissolve the Partnership, if a Liquidity Event has not been completed prior to December 31, 2023	December 31, 2023	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 Portfolio 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:

<b>Name and Municipality of Residence</b>	<b>Office or Position</b>	<b>Principal Occupation</b>
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

<b>Name and Municipality of Residence</b>	<b>Office or Position</b>	<b>Principal Occupation</b>
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 Portfolio Manager Agreement**

Backer Wealth Management Inc. has been retained by the Partnership and the General Partner as Portfolio Manager to provide investment advisory and portfolio management services to the Partnership in respect of the Portfolios pursuant to the Portfolio Manager Agreement.

Established under the federal laws of Canada in 2018, the Portfolio Manager has been established to provide investment advice to institutions and high net worth individuals with a particular focus on the resource sectors. The principal office of the Portfolio Manager is 5056 William Street, Claremont, Ontario, Canada, L1Y 1B7. Craig Porter, the founder and principal of Backer Wealth Management Inc. has extensive experience in managing hedge funds, mutual funds and flow through funds.

#### ***Duties and Services to be Provided by the Portfolio Manager***

The Portfolio Manager has the responsibility and right to determine which securities shall be purchased, held or sold by the Partnership. The Portfolio 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 Portfolio Manager Agreement.

The Portfolio 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 Portfolio Manager Agreement***

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

Under the Portfolio Manager Agreement, the Portfolio 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 Portfolio Manager Agreement provides that Portfolio 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 Portfolio Manager Agreement or in connection with the affairs of the Partnership or the General Partner, except in respect of acts or omissions of the Portfolio 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 Portfolio Manager Agreement will continue for a term that expires on the earlier of: (a) the date of completion of a Liquidity Event; and (b) if no Liquidity Event is completed and the operations of the Partnership are not extended with the approval of Limited Partners, December 31, 2023 (or, if the Partnership’s operations are extended, then the date of dissolution of the Partnership).

The Portfolio Manager may terminate the Portfolio 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 Portfolio Manager Agreement without payment to the Portfolio Manager, other than fees accrued to the date of termination, if: (a) the Portfolio 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 Portfolio Manager; (b) if the Portfolio 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 Portfolio Manager; (c) if the Portfolio Manager becomes bankrupt or insolvent or a receiver is appointed for the Portfolio Manager; (d) if any of the licenses or registrations necessary for the Portfolio Manager (or its personnel) to perform its duties under the Portfolio 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 Portfolio Manager Agreement by passage of an Extraordinary Resolution to that effect.

In the event that the Portfolio 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 Portfolio Manager.

The Portfolio 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 Portfolio 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 Portfolio Manager***

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

<b><u>Name and Municipality of Residence</u></b>	<b><u>Position with the Portfolio Manager</u></b>	<b><u>Principal Occupation</u></b>
CRAIG PORTER..... Claremont, Ontario	President and Director	President, Backer Wealth Management Inc.

For a description of Mr. Porter’s background and experience, please see Item 3.2, “Management Experience”.

## Prior Partnerships

The following is a brief description of the 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 Flow-Through 2009 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 2014 Flow-Through Limited Partnership, Maple Leaf 2014-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2015 Flow-Through Limited Partnership, Maple Leaf Short Duration 2015-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2016 Flow-Through Limited Partnership, Maple Leaf Short Duration 2016-II Flow-Through Limited, Maple Leaf Short Duration 2017 Flow-Through Limited Partnership, Maple Leaf Short Duration 2017-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2018 Flow-Through Limited Partnership, Maple Leaf Short Duration 2018-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2019 Flow-Through Limited Partnership and Maple Leaf Short Duration 2019-II Flow-Through Limited Partnership (collectively, the “**Prior Partnerships**”) of which Affiliates of CADO Bancorp Ltd. act or acted as general partners. The Portfolio Manager commenced managing the investment portfolios of the Maple Leaf Short Duration 2017-II Flow-Through Limited Partnership and Maple Leaf Short Duration 2018 Flow-Through Limited Partnership effective as of July 31, 2018. Prior to this date T.I.P. Wealth Manager Inc. was the portfolio manager for these partnerships, as well as the other Prior Partnerships prior to their dissolution.

The investment structure of each of these partnerships is substantially similar to that of the Partnership, except that the 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 Flow-Through 2009 Limited Partnership, Jov Diversified Québec 2009 Flow-Through Limited Partnership, Maple Leaf Short Duration 2010 Flow-Through Limited Partnership and Maple Leaf Short Duration 2011 Flow-Through Limited Partnership did not utilize a dual class unit structure or focus their investments on any particular Canadian province (unlike the Québec Portfolio). Information regarding the investments of these partnerships is set out below (all figures are unaudited).

*Fairway Energy (06) Flow-Through Limited Partnership* - Pursuant to a prospectus dated September 28, 2006, Fairway Energy (06) Flow-Through Limited Partnership issued 1,055,663 limited partnership units at a price of \$25.00 per Unit, for gross proceeds of \$26,391,575. Pursuant to a liquidity alternative outlined in the prospectus of Fairway Energy (06) Flow Through Limited Partnership, all units of Fairway Energy (06) Flow Through Limited Partnership were exchanged for redeemable Series A Shares of the Jov Canadian Equity Class, a class of shares of Jov Corporate Funds Ltd. (the “Jov Canadian Equity Class”).

At the time of the rollover, the net asset value per unit calculated at the close of business on June 30, 2008 was \$10.73 per unit, and the after-tax return on an investment made in Fairway Energy (06) Flow Through Limited Partnership is estimated to be -37.29%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -57.1%, based on the cost of the initial investment and net asset value as of such date.

*Fairway Energy (07) Flow-Through Limited Partnership* - Pursuant to a prospectus dated February 14, 2007, Fairway Energy (07) Flow-Through Limited Partnership issued 361,485 limited partnership units at a price of \$25.00 per Unit, for gross proceeds of \$9,037,125. Pursuant to a liquidity alternative outlined in the prospectus of Fairway Energy (07) Flow Through Limited Partnership, all units of Fairway Energy (07) Flow Through Limited Partnership were exchanged for redeemable Series A Shares of the Jov Canadian Equity Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on September 30, 2009 was \$9.13 per unit, and the after-tax return on an investment made in Fairway Energy (07) Flow Through Limited Partnership is estimated to be -46.56%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -63.5%, based on the cost of the initial investment and net asset value as of such date.

*Jov Diversified Flow-Through 2007 Limited Partnership* - Pursuant to a prospectus dated October 9, 2007, Jov Diversified Flow-Through 2007 Limited Partnership issued 800,000 limited partnership units at a price of \$25.00 per Unit, for gross proceeds of \$20,000,000. Pursuant to a liquidity alternative outlined in the prospectus of Jov Diversified Flow Through 2007 Limited Partnership, all units of Jov Diversified Flow Through 2007 Limited Partnership were exchanged for redeemable Series A Shares of the Jov Canadian Equity Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on September 30, 2009 was \$8.79 per unit, and the after-tax return on an investment made in Jov Diversified Flow Through 2007 Limited Partnership is estimated to be -45.74%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -64.8%, based on the cost of the initial investment and net asset value as of such date.

*Jov Diversified Flow-Through 2008 Limited Partnership* - Pursuant to a prospectus dated February 26, 2008, Jov Diversified Flow-Through 2008 Limited Partnership issued 589,413 limited partnership units at a price of \$25.00 per Unit, for gross proceeds of \$14,735,325. The investment structure of Jov Diversified Flow-Through 2008 Limited Partnership is substantially similar to that of the Partnership. Pursuant to a liquidity alternative outlined in the prospectus of Jov Diversified Flow Through 2008 Limited Partnership, all units of Jov Diversified Flow Through 2008 Limited Partnership were exchanged for redeemable Series A Shares of the Jov Canadian Equity Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on September 30, 2009 was \$9.32 per unit, and the after-tax return on an investment made in Jov Diversified Flow Through 2008 Limited Partnership is estimated to be -43.56%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -62.7%, based on the cost of the initial investment and net asset value as of such date.

*Jov Diversified Flow-Through 2008-II Limited Partnership* - Pursuant to a prospectus dated September 29, 2008, Jov Diversified Flow-Through 2008-II Limited Partnership issued 609,861 limited partnership units at a price of \$25.00 per Unit, for gross proceeds of \$15,246,525. Pursuant to a liquidity alternative outlined in the prospectus of Jov Diversified Flow Through 2008-II Limited Partnership, all units of Jov Diversified Flow Through 2008-II Limited Partnership were exchanged for redeemable Series A Shares of the Jov Canadian Equity Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on October 22, 2009 was \$38.19 per unit, and the after-tax return on an investment made in Jov Diversified Flow Through 2008-II Limited Partnership is estimated to be 136.32%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be 52.8%, based on the cost of the initial investment and net asset value as of such date.

*Jov Diversified Flow-Through 2009 Limited Partnership* - Pursuant to a prospectus dated October 29, 2009, Jov Diversified Flow-Through 2009 Limited Partnership issued 795,565 limited partnership units at a price of \$25.00 per Unit, for gross proceeds of \$19,889,125. Pursuant to a liquidity alternative outlined in the prospectus of Jov Diversified Flow-Through 2009 Limited Partnership, all units of Jov Diversified Flow-Through 2009 Limited Partnership were exchanged for redeemable Series A Shares of the Jov Canadian Equity Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on February 15, 2011 was \$31.95, and the after-tax return on an investment made in Jov Diversified Flow-Through 2009 Limited Partnership is estimated to be 111.85%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be 27.8%, based on the cost of the initial investment and net asset value as of such date.

*Jov Diversified Québec 2009 Flow-Through Limited Partnership* – Pursuant to a prospectus dated November 17, 2009, Jov Diversified Québec 2009 Flow-Through Limited Partnership issued 149,924 limited partnership units at a price of \$25.00 per Unit, for gross proceeds of \$3,748,100. Pursuant to a liquidity alternative outlined in the prospectus of Jov Diversified Québec 2009 Flow-Through Limited Partnership, all units of Jov Diversified Québec 2009 Flow-Through Limited Partnership were exchanged for redeemable Series A Shares of the Jov Canadian Equity Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on September 30, 2011 was \$15.32, and the after-tax return on an investment made in Jov Diversified Québec 2009 Flow-Through Limited Partnership is estimated to be 58.63%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -38.7%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2010 Flow-Through Limited Partnership* - Pursuant to a prospectus dated October 22, 2010, Maple Leaf Short Duration 2010 Flow-Through Limited Partnership issued 919,120 limited partnership units at a price of \$25.00 per Unit, for gross proceeds of \$22,978,000. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2010 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2010 Flow-Through Limited Partnership were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class, a class of shares of Maple Leaf Corporate Funds Ltd. (the “Maple Leaf Resource Class”).

At the time of the rollover, the net asset value per unit calculated at the close of business on October 21, 2011 was \$13.37 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2010 Flow-Through Limited Partnership is estimated to be -14.27%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -46.5%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2011 Flow-Through Limited Partnership* – Pursuant to a prospectus dated January 28, 2011, Maple Leaf Short Duration 2011 Flow-Through Limited Partnership issued 1,200,000 limited partnership units at a price of \$25.00 per Unit, for gross proceeds of \$30,000,000. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2011 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2011 Flow-Through Limited Partnership were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on May 8, 2012 was \$10.02 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2011 Flow-Through Limited Partnership is estimated to be -35.38%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -59.9%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated October 28, 2011, Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership issued 554,823 National Class units at a price of \$25.00 per Unit, for gross proceeds of \$13,870,575. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on May 8, 2012 was \$11.08 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2011 Flow-Through Limited Partnership is estimated to be -28.69%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -55.7%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership – Quebec Class* – Pursuant to a prospectus dated October 28, 2011, Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership issued 80,247 Quebec Class units at a price of \$25.00 per Unit, for gross proceeds of \$2,006,175. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership – Quebec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on May 8, 2012 was \$11.87 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership – Quebec Class is estimated to be 12.15%, based on the net asset value and the capital at risk with

respect to such investments as of such date. The before-tax return is estimated to be -52.5%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2012 Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated May 29, 2012, Maple Leaf Short Duration 2012 Flow-Through Limited Partnership issued 331,967 National Class units at a price of \$25.00 per Unit, for gross proceeds of \$8,299,175. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2012 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2012 Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on March 8, 2013 was \$12.55 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2012 Flow-Through Limited Partnership – National Class is estimated to be -20.73%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -49.8%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2012 Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated May 29, 2012, Maple Leaf Short Duration 2012 Flow-Through Limited Partnership issued 202,992 Québec Class units at a price of \$25.00 per Unit, for gross proceeds of \$5,074,800. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2012 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2012 Flow-Through Limited Partnership – Québec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on March 8, 2013 was \$13.06 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2012 Flow-Through Limited Partnership – Québec Class is estimated to be 30.05%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -48.7%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2013 Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated February 21, 2013, Maple Leaf Short Duration 2013 Flow-Through Limited Partnership issued 240,110 National Class units at a price of \$25.00 per Unit, for gross proceeds of \$6,002,750. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2013 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2013 Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on February 18, 2014 was \$17.85 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2013 Flow-Through Limited Partnership – National Class is estimated to be 13.03%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -28.6%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2013 Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated February 21, 2013, Maple Leaf Short Duration 2013 Flow-Through Limited Partnership issued 247,153 Québec Class units at a price of \$25.00 per Unit, for gross proceeds of \$6,178,825. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2013 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2013 Flow-Through Limited Partnership – Québec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on February 18, 2014 was \$21.16 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2013 Flow-Through Limited Partnership – Québec Class is estimated to be 109.72%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -15.4%, based on the cost of the initial investment and net asset value as of such date.



*Maple Leaf Short Duration 2014 Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated January 29, 2014, Maple Leaf Short Duration 2014 Flow-Through Limited Partnership issued 161,566 National Class units at a price of \$25.00 per Unit, for gross proceeds of \$4,039,150. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2014 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2014 Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on February 9, 2015 was \$13.79 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2014 Flow-Through Limited Partnership – National Class is estimated to be -4.26%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -44.9%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2014 Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated January 29, 2014, Maple Leaf Short Duration 2014 Flow-Through Limited Partnership issued 400,000 Québec Class units at a price of \$25.00 per Unit, for gross proceeds of \$10,000,000. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2014 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2014 Flow-Through Limited Partnership – Québec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on February 9, 2015 was \$11.72 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2014 Flow-Through Limited Partnership – Québec Class is estimated to be -0.34%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -53.1%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf 2014-II Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated November 20, 2014, Maple Leaf 2014-II Flow-Through Limited Partnership issued 367,789 National Class units at a price of \$25.00 per Unit, for gross proceeds of \$9,194,725. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf 2014-II Flow-Through Limited Partnership, all units of Maple Leaf 2014-II Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on September 30, 2015 was \$9.84 per unit, and the after-tax return on an investment made in Maple Leaf 2014-II Flow-Through Limited Partnership – National Class is estimated to be -40.04%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -60.66%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf 2014-II Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated November 20, 2014, Maple Leaf 2014-II Flow-Through Limited Partnership issued 258,082 Québec Class units at a price of \$25.00 per Unit, for gross proceeds of \$6,452,050. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf 2014-II Flow-Through Limited Partnership, all units of Maple Leaf 2014-II Flow-Through Limited Partnership – Québec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on September 30, 2015 was \$14.94 per unit, and the after-tax return on an investment made in Maple Leaf 2014-II Flow-Through Limited Partnership – Québec Class is estimated to be 41.79%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -40.25%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2015 Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated February 25, 2015, Maple Leaf Short Duration 2015 Flow-Through Limited Partnership issued 204,878 National Class units at a price of \$25.00 per Unit, for gross proceeds of \$5,121,950. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2015 Flow-Through Limited Partnership, all units of Maple Leaf 2015 Short Duration Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on February 23, 2016 was \$12.72 per unit, and the after-tax return on an investment made in Maple Leaf 2015 Flow-Through Limited Partnership – National Class is estimated to be -20.07%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -49.13%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2015 Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated February 25, 2015, Maple Leaf Short Duration 2015 Flow-Through Limited Partnership issued 401,029 Québec Class units at a price of \$25.00 per Unit, for gross proceeds of \$10,025,725. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2015 Flow-Through Limited Partnership, all units of Maple Leaf 2015 Short Duration Flow-Through Limited Partnership – Québec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on February 23, 2016 was \$10.90 per unit, and the after-tax return on an investment made in Maple Leaf 2015 Flow-Through Limited Partnership – Québec Class is estimated to be -9.63%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -56.41%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2015-II Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated September 29, 2015, Maple Leaf Short Duration 2015-II Flow-Through Limited Partnership issued 400,000 National Class units at a price of \$25.00 per Unit, for gross proceeds of \$10,000,000. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2015-II Flow-Through Limited Partnership, all units of Maple Leaf 2015-II Short Duration Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on September 15, 2016 was \$31.27 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2015-II Flow-Through Limited Partnership – National Class is estimated to be 91.21%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be 25.08%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2015-II Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated September 29, 2015, Maple Leaf Short Duration 2015-II Flow-Through Limited Partnership issued 268,514 Québec Class units at a price of \$25.00 per Unit, for gross proceeds of \$6,712,850. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2015-II Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2015-II Flow-Through Limited Partnership – Québec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on September 15, 2016 was \$23.91 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2015-II Flow-Through Limited Partnership – Québec Class is estimated to be 96.18%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -4.35%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2016 Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated February 24, 2016, Maple Leaf Short Duration 2016 Flow-Through Limited Partnership issued 241,197 National Class units at a price of \$25.00 per Unit, for gross proceeds of \$6,029,925. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2016 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2016 Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on February 9, 2017 was \$22.29 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2016 Flow-Through Limited Partnership – National Class is estimated to be 54.84%, based on the net asset value and the capital at risk

with respect to such investments as of such date. The before-tax return is estimated to be -10.82%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2016 Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated February 24, 2016, Maple Leaf Short Duration 2016 Flow-Through Limited Partnership issued 339,077 Québec Class units at a price of \$25.00 per Unit, for gross proceeds of \$8,476,925. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2016 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2016 Flow-Through Limited Partnership – Québec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on February 9, 2017 was \$17.48 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2016 Flow-Through Limited Partnership – Québec Class is estimated to be 69.91%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -30.08%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2016-II Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated September 26, 2016, Maple Leaf Short Duration 2016-II Flow-Through Limited Partnership issued 400,000 National Class units at a price of \$25.00 per Unit, for gross proceeds of \$10,000,000. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2016-II Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2016-II Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on September 8, 2017 was \$18.25 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2016-II Flow-Through Limited Partnership – National Class is estimated to be 24.34%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -26.99%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2016-II Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated September 26, 2016, Maple Leaf Short Duration 2016-II Flow-Through Limited Partnership issued 400,000 Québec Class units at a price of \$25.00 per Unit, for gross proceeds of \$10,000,000. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2016-II Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2016-II Flow-Through Limited Partnership – Québec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on September 8, 2017 was \$20.81 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2016-II Flow-Through Limited Partnership – Québec Class is estimated to be 99.16%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -16.77%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2017 Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated January 27, 2017, Maple Leaf Short Duration 2017 Flow-Through Limited Partnership issued 600,000 National Class units at a price of \$25.00 per Unit, for gross proceeds of \$15,000,000. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2017 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2017 Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on January 23, 2018 was \$14.76 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2017 Flow-Through Limited Partnership – National Class is estimated to be 5.86%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -40.95%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2017 Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated January 27, 2017, Maple Leaf Short Duration 2017 Flow-Through Limited Partnership issued 400,000 Québec Class units at a price of \$25.00 per Unit, for gross proceeds of \$10,000,000. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2017 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2017 Flow-Through Limited Partnership – Québec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on January 23, 2018 was \$19.12 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2017 Flow-Through Limited Partnership – Québec Class is estimated to be 103.34%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -23.52%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2017-II Flow-Through Limited Partnership – National Class* – Pursuant to an amended and restated prospectus dated October 24, 2017, Maple Leaf Short Duration 2017-II Flow-Through Limited Partnership issued 685,215 National Class units at a price of \$25.00 per Unit, for gross proceeds of \$17,130,375. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2017-II Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2017-II Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on October 9, 2018 was \$12.01 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2017-II Flow-Through Limited Partnership – National Class is estimated to be -13.87%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -51.96%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2017-II Flow-Through Limited Partnership – Québec Class* – Pursuant to an amended and restated prospectus dated October 24, 2017, Maple Leaf Short Duration 2017-II Flow-Through Limited Partnership issued 480,000 Québec Class units at a price of \$25.00 per Unit, for gross proceeds of \$12,000,000. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2017-II Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2017-II Flow-Through Limited Partnership – Québec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on October 9, 2018 was \$12.66 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2017-II Flow-Through Limited Partnership – Québec Class is estimated to be 33.42%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -49.36%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2018 Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated January 29, 2018, Maple Leaf Short Duration 2018 Flow-Through Limited Partnership issued 290,779 National Class units at a price of \$25.00 per unit, for gross proceeds of \$7,269,475. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2018 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2018 Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on February 12, 2019 was \$14.42 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2018 Flow-Through Limited Partnership – National Class is estimated to be 3.83%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -42.31%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2018 Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated January 29, 2018, Maple Leaf Short Duration 2018 Flow-Through Limited Partnership issued 429,280 Québec Class units at a price of \$25.00 per unit, for gross proceeds of \$10,732,000. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2018 Flow-Through Limited Partnership, all units

of Maple Leaf Short Duration 2018 Flow-Through Limited Partnership – Quebec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on February 12, 2019 was \$12.35 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2018 Flow-Through Limited Partnership – Quebec Class is estimated to be 21.00%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -50.62%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2018-II Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated October 4, 2018, Maple Leaf Short Duration 2018-II Flow-Through Limited Partnership issued 338,073 National Class units at a price of \$25.00 per unit, for gross proceeds of \$8,451,825. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2018-II Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2018-II Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on October 7, 2019 was \$14.92 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2018-II Flow-Through Limited Partnership – National Class is estimated to be 12.59%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -40.30%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2018-II Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated October 4, 2018, Maple Leaf Short Duration 2018-II Flow-Through Limited Partnership issued 400,000 Québec Class units at a price of \$25.00 per unit, for gross proceeds of \$10,000,000. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2018-II Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2018-II Flow-Through Limited Partnership – Québec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on October 7, 2019 was \$17.69 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2018-II Flow-Through Limited Partnership – Québec Class is estimated to be 74.23%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -29.25%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2019 Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated February 21, 2019, Maple Leaf Short Duration 2019 Flow-Through Limited Partnership issued 239,886 National Class units at a price of \$25.00 per unit, for gross proceeds of \$5,997,150. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2019 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2019 Flow-Through Limited Partnership – National Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on February 12, 2020 was \$19.11 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2019 Flow-Through Limited Partnership – National Class is estimated to be 45.15%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -23.56%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2019 Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated February 21, 2019, Maple Leaf Short Duration 2019 Flow-Through Limited Partnership issued 453,601 Québec Class units at a price of \$25.00 per unit, for gross proceeds of \$11,340,025. Pursuant to a liquidity alternative outlined in the prospectus of Maple Leaf Short Duration 2019 Flow-Through Limited Partnership, all units of Maple Leaf Short Duration 2019 Flow-Through Limited Partnership – Québec Class were exchanged for redeemable Series A Shares of the Maple Leaf Resource Class.

At the time of the rollover, the net asset value per unit calculated at the close of business on February 12, 2020 was \$18.54 per unit, and the after-tax return on an investment made in Maple Leaf Short Duration 2019 Flow-Through Limited Partnership – Quebec Class is estimated to be 122.64%, based on the net asset value and the capital at risk with respect to such investments as of such date. The before-tax return is estimated to be -25.83%, based on the cost of the initial investment and net asset value as of such date.

*Maple Leaf Short Duration 2019-II Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated September 27, 2019, Maple Leaf Short Duration 2019-II Flow-Through Limited Partnership issued 240,400 National Class units at a price of \$25.00 per unit, for gross proceeds of \$6,010,000. The net proceeds from the issuance of National Class Units have been invested in Flow-Through Shares of Resource Companies, and the net asset value per unit of the National Class investment portfolio as at July 31, 2020 was \$29.64.

*Maple Leaf Short Duration 2019-II Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated September 27, 2019, Maple Leaf Short Duration 2019-II Flow-Through Limited Partnership issued 600,000 Québec Class units at a price of \$25.00 per unit, for gross proceeds of \$15,000,000. The net proceeds from the issuance of Québec Class units have been invested in Flow-Through Shares of Resource Companies, and the net asset value per unit of the Québec Class investment portfolio as at July 31, 2020 was \$25.31.

*Maple Leaf Short Duration 2020 Flow-Through Limited Partnership – National Class* – Pursuant to a prospectus dated January 29, 2020, Maple Leaf Short Duration 2020 Flow-Through Limited Partnership issued 308,120 National Class units at a price of \$25.00 per unit, for gross proceeds of \$7,703,000. The net proceeds from the issuance of National Class Units have been invested in Flow-Through Shares of Resource Companies, and the net asset value per unit of the National Class investment portfolio as at July 31, 2020 was \$36.41.

*Maple Leaf Short Duration 2020 Flow-Through Limited Partnership – Québec Class* – Pursuant to a prospectus dated January 29, 2020, Maple Leaf Short Duration 2020 Flow-Through Limited Partnership issued 534,876 Québec Class units at a price of \$25.00 per unit, for gross proceeds of \$13,371,900. The net proceeds from the issuance of Québec Class units have been invested in Flow-Through Shares of Resource Companies, and the net asset value per unit of the Québec Class investment portfolio as at July 31, 2020 was \$29.17.

Each of these partnerships, other than the Fairway Energy (06) Flow Through Limited Partnership and the Fairway Energy (07) Flow-Through Limited Partnership, utilized a diversified investment approach, whereas the Fairway Energy (06) Flow Through Limited Partnership and the Fairway Energy (07) Flow-Through Limited Partnership were restricted to investing 100% of their available funds in issuers in the oil and gas sectors.

### 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 January 23, 2020	Nil	Nil	Nil
Shane Doyle Vancouver, British Columbia	President, Chief Executive Officer and Director since January 23, 2020	Nil	Nil	Nil
John Dickson Vancouver, British Columbia	Chief Financial Officer and a Director since January 23, 2020	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 Portfolio 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. 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 Companies or other compensation from Resource Companies 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 resource 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:

<b><u>Name and Municipality of Residence</u></b>	<b><u>Position with the General Partner</u></b>	<b><u>Principal Occupation</u></b>
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
CRAIG PORTER ..... Claremont, Ontario	Portfolio Manager	President, Backer Wealth Management Inc.
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 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 former director and officer of Imperial Ginseng Products Ltd. and Knightswood Financial Corp. (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 of the general partners of each of the Prior Partnerships and 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 the Prior Partnerships, as well as 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.

*Craig Porter, B.A., CFA - Director*

Craig Porter is the founder, President and CEO of the Portfolio Manager, and will act as portfolio manager on behalf of the Portfolio Manager and will be principally responsible for the investment decisions made by the Portfolio Manager on behalf of the Partnership. Mr. Porter has over 30 years of experience in the Canadian investment industry with a particular focus on resource stocks. From 1992 to 2005 he was with Altamira Management Limited (and its successor company Natcan Investment Management). While there, he rose from his role as an equity analyst to the role of portfolio manager, with responsibility for all of the firm's resource mandates (Altamira Precious and Strategic Metals, Altamira Resource and Altamira Energy funds), as well as being the sub-advisor to the Rhone 2004 and 2005 Flow-Through Limited Partnerships. In his last year at the firm, the Altamira Precious and Strategic Metals fund won the Precious Metals Equity Fund of the Year award at the Canadian Investment Awards (Morningstar).

From 2005 until 2017, Mr. Porter was employed as a Senior Portfolio Manager by Front Street Capital Management Inc. (and its successor company Logiq Asset Management Inc.) ("**Front Street**"), once again having a primary focus on the natural resource sector. While at Front Street, Mr. Porter managed up to approximately \$1 billion in mandates, including being sub-advisor to a Schedule I Canadian chartered bank for its natural resource funds (pursuant to which he managed proprietary funds of that bank for eight years). He also was the fund manager for Front Street's flow-through product offerings, managing over \$900 million in capital for the Front Street limited partnerships.

The following shows the net asset value of the Rhone and Front Street flow-through funds managed or co-managed by Mr. Porter at the time of their rollover transactions with public mutual funds. Note that all units were issued at a price of \$25 per unit.

<b>FLOW-THROUGH FUNDS MANAGED OR CO-MANAGED BY CRAIG PORTER<sup>(1)</sup></b>	<b>NAV AT ROLLOVER <sup>(2)</sup></b>
Rhone 2004 Flow-Through Limited Partnership	\$42.68
Rhone 2004 Oil & Gas Flow-Through Limited Partnership	\$31.33
Rhone 2005 Flow-Through Limited Partnership	\$19.58
Rhone 2005 Oil & Gas Flow-Through Limited Partnership	\$31.52
Front Street 2005-I Flow-Through Limited Partnership	\$28.93
Front Street 2006-I Flow-Through Limited Partnership	\$19.02
Front Street 2007-I Flow-Through Limited Partnership	\$ 6.04
Front Street 2008-I Flow-Through Limited Partnership	\$22.03
Front Street 2009-I Flow-Through Limited Partnership	\$35.90
Front Street 2009-II Flow-Through Limited Partnership	\$32.24
Front Street 2010-I Flow-Through Limited Partnership	\$19.54
Front Street 2010-II Flow-Through Limited Partnership	\$15.48
Front Street 2011-I Flow-Through Limited Partnership	\$ 9.24
Front Street 2011-II Flow-Through Limited Partnership	\$11.07
Front Street 2012-I Flow-Through Limited Partnership - National Class	\$13.87
Front Street 2012-I Flow-Through Limited Partnership - Quebec Class	\$12.78
Front Street 2012-II Flow-Through Limited Partnership	\$18.48
Front Street 2013-I Flow-Through Limited Partnership - National Class	\$12.81
Front Street 2013-I Flow-Through Limited Partnership - Quebec Class	\$11.65
Front Street 2013-II Flow-Through Limited Partnership	\$12.07
Front Street 2014-I Flow-Through Limited Partnership - National Class	\$ 6.89
Front Street 2014-I Flow-Through Limited Partnership - Quebec Class	\$ 8.36
Front Street 2014-II Flow-Through Limited Partnership	\$ 9.23

## AVERAGE NET ASSET VALUE OF ROLLED FUNDS

\$18.73

- (1) Readers are cautioned that while each of these limited partnerships had resource focused mandates, the actual investment mandates, portfolio compositions and sizes may in certain circumstances be materially different from those of the Partnership and the Prior Partnerships. In addition while Mr. Porter had significant portfolio management responsibilities for each of these limited partnerships, he was a member of a team of portfolio managers whereas at Backer Wealth Management Inc. he is the sole portfolio manager. In addition, past performance is not necessarily indicative of future results.
- (2) Per unit.

Over the years Mr. Porter has been a frequent guest on news stations such as BNN speaking on natural resource stocks and global commodities markets, and has been quoted in newspapers including the Globe and Mail, National Post, and Toronto Star.

Mr. Porter has a Bachelor of Arts Degree in Commerce and Economics from the University of Toronto, as well as holding the Chartered Financial Analyst designation. Mr. Porter is also a director of the general partners of Maple Leaf Short Duration 2017-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2018 Flow-Through Limited Partnership, Maple Leaf Short Duration 2018-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2019 Flow-Through Limited Partnership and Maple Leaf Short Duration 2019-II Flow-Through Limited Partnership.

*John Dickson, B. Comm, CPA, 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 or Chief Financial Officer of the general partners of each of the Prior Partnerships and the Chief Financial 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 2013 Oil & Gas Income 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. In addition, Mr. Dickson formerly was the Controller of Qwest Bancorp Ltd., a British Columbia-based merchant banking company, Controller of Trilog 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 Chartered Professional Accountant (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 September 19, 2020	Number outstanding after min. offering <sup>(1)</sup>	Number outstanding after max. offering <sup>(2)</sup>
Partnership Units – National Class	400,000	1 (to be redeemed at initial Closing)	10,000 (assuming no Québec Class Units issued)	400,000
Partnership Units – Québec Class	400,000	1 (to be redeemed at initial Closing)	10,000 (assuming no National Class Units issued)	400,000

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

(2) Prior to the exercise of the Over-Subscription Option (if applicable). If the Over-Subscription Option were exercised in full, the total number of National Class and Québec Class Units outstanding after the maximum Offering would be 540,000 and 540,000, respectively.

### 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](http://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 Computershare 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 400,000 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, that the transferee is not a person an investment in which is or will be listed or traded on a stock exchange or other "public market", as that

term is defined in Section 122.1(1) of the Tax Act, that is or includes a right that may reasonably be considered to replicate a return on, or the value of the Units, 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, or a transferee an investment in which is or will be listed or traded on a stock exchange or other “public market”, as that term is defined in Section 122.1(1) of the Tax Act, that is or includes a right that may reasonably be considered to replicate a return on, or the value of the Units. 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 Portfolio 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 Portfolio 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 2021 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 December 31, 2022 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 December 31, 2022, 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 December 31, 2023. The Mutual Fund Rollover Transaction or other Liquidity Event will be implemented on not less than 21 days' prior notice to Limited Partners. General Partner may call a meeting of the Limited Partners to approve a Liquidity Event upon different terms but intends to do so only if such other form of Liquidity Event is not capable of being completed on a tax-deferred basis or where the consideration to be received by Limited Partners pursuant to the liquidity event is not cash or assets readily convertible into cash. **There can be no assurance that the 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 December 31, 2023, then, at the discretion of the General Partner, the Partnership may: (a) be dissolved on or about December 31, 2023 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. 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

<b>Date of Issuance</b>	<b>Type of Security Issued</b>	<b>Number of Securities Issued</b>	<b>Price Per Security</b>	<b>Total Funds Received</b>
January 30, 2020	Initial Class A National Class Unit	1	\$25	\$25
January 30, 2020	Initial Class A Québec 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 540,000 National Class Units and 540,000 Québec Class Units (including 140,000 National Class Units and 70,000 Québec Class Units which may be issued in connection with the exercise of the Over-Subscription Option) 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 2021, 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); (f) such Subscriber is not a person an investment in which is or will be listed or traded on a stock exchange or other “public market”, as that term is defined in Section 122.1(1) of the Tax Act, that is or includes a right that may reasonably be considered to replicate a return on, or the value of the Units; and (g) such Subscriber will maintain such status as set out in (a) to (f) 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 Mutual Fund 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, 2020. 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 or bank draft for the total subscription

price of the Units you wish to purchase, payable to “Maple Leaf 2020 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, 2020 (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 Computershare 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, Quebec or New Brunswick):**

##### 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 Fund 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 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”. In certain jurisdictions there are also limits on the maximum amounts Subscribers can buy, as further outlined below.

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 addition, in Alberta, Nova Scotia and Saskatchewan, there is a requirement that the acquisition cost of all securities acquired by a Subscriber who is an individual under the Offering Memorandum exemption in the preceding 12 months does not exceed the following amounts:

- (i) in the case of a purchaser that is not an eligible investor, \$10,000;
- (ii) in the case of a purchaser that is an eligible investor, \$30,000;
- (iii) in the case of a purchaser that is an eligible investor and that received advice from a portfolio manager, investment dealer or exempt market dealer that the investment is suitable, \$100,000.

In British Columbia and Newfoundland and Labrador, a Subscriber may purchase Units with a total subscription price over \$10,000, and there is no requirement that the Subscriber be an “eligible investor”.

**(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;
- an individual who, either alone or with a spouse, has net financial assets (which does not include real estate) of at least \$1,000,000;
- an individual who, either alone or with a spouse, has net assets of at least \$5,000,000; and
- a registrant acting on behalf of a fully managed account.

See the Accredited Investor Certificate attached to the Subscription Agreement for a complete list of the categories of “accredited investor”. Each Subscriber who purchases as an accredited investor must complete and sign the Accredited Investor Certificate attached to the Subscription Agreement, and if they are an individual must sign the Risk Acknowledgment for Individual Accredited Investors on Form 45-106F9.

2. \$150,000 Minimum Purchase Exemption (not available for individuals)

Section 2.10 of NI 45-106 allows a purchaser who is not an individual, is purchasing as principal and invests not less than \$150,000 to purchase Units. A Risk Acknowledgment on Form 45-106F4 or Form 45-106F9 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 a Subscriber's 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. This summary does not address the tax consequences associated with holding, converting or disposing of shares of a Mutual Fund that may be received on a Liquidity Event. 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 each Limited Partner will at all relevant times deal at arm's length, for the purposes of the Tax Act, with the Partnership and with each of the Resource Companies with which the Partnership has entered into an Investment Agreement. This summary is not applicable to a Limited Partner (i) that is a partnership, trust or Financial Institution; (ii) that is a "principal-business corporation" 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; (iii) that is a corporation which holds a "significant interest" in the Partnership with the meaning of subsection 34.2(1) of the Tax Act; (iv) that is exempt from tax under Part I of the Tax Act; (v) an interest in which is a "tax shelter investment" for purposes of section 143.2 of the Tax Act; or (vi) that has entered or will enter into a "derivative forward agreement" as defined in the Tax Act, with respect to the Units.

This summary is based upon the assumption that the Partnership is not, and will not be at any material time, a "specified person" within the meaning of the Tax Act or the regulations thereunder (the "**Regulations**") in relation to any Resource Company with which it has entered into an Investment Agreement. This summary assumes that all CEE will be validly incurred and renounced and that all filings under the Tax Act will be made on a timely basis.

This summary also assumes that none of the Limited Partners or any person not dealing at arm's length with a Limited Partner is entitled, whether immediately or in the future and either absolutely or contingently, to receive or obtain in any manner whatsoever, any amount or benefit (other than a benefit described in this offering memorandum) for the purpose of reducing the impact of any loss that the Limited Partner may sustain by virtue of being a Limited Partner or holding or disposing of Units.

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 summary assumes that Units will not at any material time be listed or traded on a "stock exchange" or other "public market", within the meaning of the Tax Act, and that there will not be at any material time, any other right that is so listed or traded and which may reasonably be considered to replicate a return on, or the value of, a Unit.

**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 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 (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.

The Partnership is not an entity that is generally subject to tax under the Tax Act or required to file income tax returns except for annual information returns. However, the Tax Act contains rules that impose an income tax on certain publicly-traded partnerships. Based on the assumptions above, the Partnership should not be subject to these rules.

### ***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 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.

CRA has indicated that although a short sale of shares is generally considered to be on income account, it would consider a short sale entered into in order to hedge a taxpayer’s position with respect to identical shares held on capital account to be a short sale that is on capital account. Accordingly, depending on the circumstances, gains or losses realized by the investment portfolio on short sale transactions may be capital gains or capital losses, although there can be no assurance that, depending on such circumstances, CRA will not regard them as giving rise to gains that are fully includible in the computation of the income of the investment portfolio. A Limited Partner’s share of such a gain or loss that otherwise would be considered to be on income account may in some circumstances be deemed to be a capital gain or capital loss if the Limited Partner has made the irrevocable election under subsection 39(4) of the Tax Act to have all dispositions and deemed dispositions of “Canadian securities” by the Limited Partner be deemed to be dispositions of capital property.

The costs associated with the organization of the Partnership are not immediately deductible by the Partnership or the Limited Partners. Organization expenses incurred by the Partnership will be added to a capital cost allowance class that may be deductible by the Partnership at the rate of 5% per year on a declining balance basis, subject to the typical rules applicable under the capital cost allowance regime. 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 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 deducted 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.

### ***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.

Generally, 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.

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 CEE incurred by it on or before December 31 (and renounced during the first three months) of the subsequent calendar year. Any such CEE 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 2020 permits a Resource Company to incur CEE at any time up to December 31, 2021, the Resource Company will agree to renounce such CEE to the Partnership with an effective date no later than December 31, 2020.

To the extent Resource Companies do not incur the requisite amount of CEE on or before December 31, 2021, the CEE renounced to the Partnership, and consequently the CEE 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, 2022 by the CRA on any unpaid tax resulting from such reduction in allocated CEE.

In response to the COVID-19 pandemic, on July 10, 2020, the Minister of Finance (Canada) announced that the Government of Canada planned to propose legislation to extend the period in which Resource Companies must incur Eligible Expenditures under flow-through share agreements by 12 months for agreements entered into before 2021. No legislation has been proposed as of the publication of this offering memorandum, but prospective Subscribers should consult their tax advisors regarding the proposed changes.

### **Taxation of Limited Partners**

Each Limited Partner will be required to include in its income or loss for a taxation year the Limited Partner's *pro rata* shares of the income or (subject to the "at-risk" and "limited recourse" rules discussed below) loss for each fiscal year of the Partnership ending in, or at the end of, the taxation year, whether or not the Limited Partner has received or will receive a distribution from the Partnership. For this purpose, the Partnership will provide each Limited Partner with the necessary tax information relating to the Units of the Limited Partner but the Partnership will not prepare or file income tax returns on behalf of any Limited Partner. Each Limited Partner is required to file an information return in prescribed form on or before the last day of March in the following year in respect of the activities of the Partnership, or where the Partnership is dissolved, within 90 days after dissolution. The General Partner is obliged to file such information return under the Partnership Agreement and, when made, each Limited Partner is deemed to have made this filing. The fiscal year of the Partnership generally ends on December 31 in each calendar year, and will end on the dissolution of the Partnership.

A Limited Partner who is 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 and 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 after March 2019 and before 2025 for Investment Agreements entered into before April 1, 2024, relating to "grass roots" mineral exploration renounced to individuals either directly or through a partnership. The amount of CEE upon which the investment tax credit is computed would be reduced by the amount of any provincial tax credit that the Limited Partner has received, was entitled to receive or could reasonably be expected to receive in respect of the CEE. The investment tax credit may generally be deducted from federal tax otherwise payable in the taxation year, or carried back three years or carried forward for 20 years for deduction against tax otherwise payable in such years. 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. As discussed below, if such reduction causes the Limited Partner's cumulative CEE account balance at the end of that following taxation year to be a negative amount, the Limited Partner will be required to include that negative amount in income in that following taxation year, and his or her cumulative CEE account will then be increased to nil. Therefore, a Limited Partner who deducts the credit in 2020 will be required to include in income in 2021 the amount so deducted unless there is a sufficient offsetting balance in his or her cumulative CEE account in 2021.

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 as assistance in respect CEE incurred or that can reasonably be considered to be related to Canadian exploration activities. 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.

For these purposes indebtedness incurred by a Subscriber to acquire Units will be a Limited-Recourse Amount of the Subscriber unless *bona fide* arrangements, evidenced in writing, were made at the time the indebtedness arose for repayment of the debt and all interest thereon by the Subscriber within a reasonable period not exceeding ten years, and interest is payable by the Subscriber at least annually at not less than applicable rates prescribed under the Tax Act and Regulations, and is actually paid by the Subscriber no later than 60 days after the end of each taxation year of the Subscriber during which any part of the debt is unpaid.

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.

A disposition by a Limited Partner of his or her Units will result in a capital gain (or a capital loss) to the extent that his or her proceeds of disposition, net of reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Units immediately prior to the disposition. 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 the detailed rules in the Tax Act, any excess of allowable capital losses over taxable capital gains of the Limited Partner may be carried back up to three taxation years 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 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 may adversely affect his or her entitlement to a share of the Partnership's income and loss 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” below, where the dissolution occurs within 60 days after the Partnership transfers its assets to a Mutual Fund 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 held in the relevant Portfolio 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***

If the Partnership transfers the assets in the Portfolios to a Mutual Fund that is a 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 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, the shares of the Mutual Fund 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***

The Tax Act requires that individuals (including certain trusts) compute an alternative minimum tax determined by reference to the amount by which the individual's "adjusted taxable income" for the year exceeds his or her basic exemption which, in the case of an individual (other than certain trusts), is \$40,000. In computing his or her adjusted taxable income, a taxpayer must include, among other things, all taxable dividends (without application of the gross up), and 80% of net capital gains. Various deductions and credits will be denied including amounts in respect of CEE and any losses of the Partnership. A federal tax rate is applied at a rate of 15% to the amounts subject to the minimum tax, from which the individual's "basic minimum tax credit for the year" is deducted. Included in the basic minimum tax credit are certain specified personal and other credits available to an individual under the Tax Act as deductions from tax payable for the year. Generally if the minimum tax so calculated exceeds the tax otherwise payable under the Tax Act, the minimum tax will be payable. Subscribers are urged to consult their tax advisors to determine the impact of the alternative minimum tax.

#### ***Tax Shelter***

The federal tax shelter identification number in respect of the Partnership is TS 089 839. The Québec tax shelter identification number in respect of the Partnership is QAF-20-01855. 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.

### ***Exchange of Tax Information***

The Tax Act and the Canada-United States Enhanced Tax Information Exchange Agreement contain due diligence and reporting obligations in respect of “US reportable accounts” invested in funds such as the Partnership. Limited Partners may be requested to provide information to the General Partner, Manager or registered dealers through whom Units are distributed to identify United States (“U.S.”) persons holding Units. If a Limited Partner is a U.S. person (including a U.S. citizen) or if a Limited Partner does not provide the requested information, the Tax Act will generally require information about the Limited Partner’s investments to be reported to the CRA. The CRA is expected to provide such information to the U.S. Internal Revenue Service.

The Tax Act also contains rules similar to the foregoing in respect of non-Canadian non-U.S. investors (the “**CRS Legislation**”). Pursuant to the CRS Legislation, the Partnership (or dealers through which Limited Partners hold their Units) are required to have procedures in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities the “controlling persons” of which are resident in such foreign countries and to report required information to the CRA. Such information will be exchanged on a reciprocal, bilateral basis with the foreign jurisdictions in which the account holders or such controlling persons are resident. Under the CRS Legislation, Limited Partners are required to provide certain information regarding their investment in the Partnership for the purpose of such information exchange.

### **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 Class 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 Class Limited Partner generally may deduct up to 100% of the balance in the Québec Class 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 Class Limited Partner who is an individual may be entitled to an additional deduction of 10% in respect of his or her share of certain CEE incurred in the Province of Québec by a “qualified corporation” (as defined in the Québec Tax Act). Also, such a Québec Class Limited Partner may be entitled to another additional deduction of 10% in respect of his or her share of certain surface mining exploration expenses or oil and gas 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 Class 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 120% 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.

In computing income for Québec income tax purposes, a Québec Class Limited Partner that is a corporation may be entitled to an additional deduction of 25% of its share 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 Class Limited Partner that is a corporation subject to income tax in the Province of Québec may be entitled to deduct up to 125% of its share of certain exploration expenses incurred in the Province of Québec and renounced to the Partnership by a qualified Resource Company.

A corporation has the option for Québec tax purposes to utilize the above mentioned flow-through share system or claim a Québec tax credit for its exploration expenses.

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 Class Limited Partners.

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 attributed to an individual Québec Class Limited Partner (other than a trust) on the disposition of a “resource property” as defined in the Québec Tax Act (a “**Resource Property**”), which should generally include the Units and, provided the required election is made under the Québec Tax Act, the Mutual Fund Shares received further to a Mutual Fund Rollover Transaction, as the case may be. 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 deduction is based on a historical expenditure account (“**Expenditure Account**”) comprising one-half of the CEE incurred in the Province of Québec that gives rise to the additional 10% deduction for Québec income tax purposes described first above.

Upon the disposition of a Resource Property, a Québec Class Limited Partner may claim a deduction in computing his or her income in respect of a portion of the taxable capital gain realized that is attributable to the excess of the price paid to acquire the Resource Property over their deemed 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 Class Limited Partner, while any new deduction in respect of CEE incurred in the province of Québec that gives rise to the additional 10% deduction for Québec income tax purposes 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 as a capital gain and will not be eligible for the above mentioned exemption. To the extent that the Québec Class Limited Partner has an amount sufficient in his or her Expenditure Account at the time, gains realized by such Québec Class 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 (including a personal trust) that is a Québec Class Limited Partner and 50% of CEE (other than CEE incurred in Québec) renounced to the Partnership and allocated to and deducted for Québec income tax purposes by such Québec Class 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 income

tax purposes by such Québec Class Limited Partner may be included in the Québec Class Limited Partner's income for Québec income tax purposes if such Québec Class Limited Partner has 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 Class Limited Partner, under which a basic exemption of \$40,000 is available, and the net capital gains inclusion rate is 80% and the Québec alternative minimum tax rate is 15%. Prospective subscribers are urged to consult their tax advisors to determine the impact of the alternative minimum tax.

**A Québec Class Limited Partner should consult a tax professional specifically with respect to the Québec provincial tax implications of the purchase, holding and disposition of Units.**



## **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 (if any).

### 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 Portfolio Manager.** Limited Partners must rely entirely on the discretion of the Portfolio 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 Portfolio 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 Portfolio Manager in negotiating the pricing of those securities. Limited Partners must rely entirely on the knowledge and expertise of the Portfolio Manager. The board of directors of the Portfolio Manager, and, therefore, management of the Portfolio Manager, may be changed at any time. Those who are not willing to rely on the discretion and judgment of the Portfolio 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 or the TSXV. 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 Portfolio 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 Portfolio 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.

***Volatility; Pandemics.*** Unexpected volatility or illiquidity in the markets in which positions are held, including due to legal, political, regulatory, economic or other developments, such as public health emergencies, including an epidemic or pandemic, natural disasters, war and related geopolitical risks, may impair the Portfolio Manager's ability to carry out the objectives of the Partnership or cause the Portfolios to incur losses. The recent spread of the coronavirus disease (also known as COVID-19) has caused a significant slowdown in the global economy and volatility in global financial markets. COVID-19 or any other disease outbreak may adversely affect global markets and the performance of the Portfolios. Even if general economic conditions do not change, the value of an investment in the Partnership could decline if the particular industries, sectors or companies in which it invests do not perform well or are adversely affected by such events.

***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 December 31, 2023, unless its operations are extended as described herein.

For example, if no Liquidity Event is completed and the Portfolio 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 Mutual Fund Shares. 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 or the oil and gas industry, 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, 2020. Any Available Funds not committed to Resource Companies on or before December 31, 2020 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 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 Portfolio 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 Portfolio 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. There can be no assurance that any such alteration will not adversely affect the Partnership or Limited Partners.

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 the Resource Companies will incur all CEE before January 1, 2021 or renounce Eligible Expenditures equal to the price paid to them effective on or before December 31, 2020, or at all. These factors may reduce or eliminate the return on a Limited Partner's investment in the Units.

If CEE renounced within the first three months of 2021 effective December 31, 2020 are not in fact incurred in 2021, the Partnership's, and consequently, the Limited Partners', CEE may be reassessed by CRA effective as of December 31, 2020 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 2021.

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

In response to the COVID-19 pandemic there is a risk that companies may not be able to carry out their exploration programs completely and incur the exploration expenses to be renounced within the required time period.

In response to the COVID-19 pandemic, on July 10, 2020, the Minister of Finance (Canada) announced that the Government of Canada planned to propose legislation to extend the period in which Resource Companies must incur Eligible Expenditures under flow-through share agreements by 12 months for agreements entered into before 2021. No legislation has been proposed as of the date of this offering memorandum, but prospective Subscribers should consult their tax advisors regarding the proposed changes. The Minister of Finance of Québec has, in the past, announced measures to amend the Québec Tax Act to harmonize its provisions with changes announced to provisions of the Tax Act in matters where the policies and provisions are aligned, such harmonization provisions usually coming into force on the same date as those adopted by the Government of Canada. To date no announcement has been made by the Minister of Finance of Québec that it will amend the Québec Tax Act to incorporate changes similar to those described above announced by the Government of Canada.

There is a possibility that CRA may deny the deductibility of fees paid to the General Partner in certain circumstances, resulting in a loss of a deduction in computing the Partnership's income which would otherwise be allocable to Limited Partners. Pursuant to the Partnership Agreement, the General Partner is entitled to a management fee per annum equal to 2% of the Net Asset Value of the Partnership calculated and paid monthly in arrears. CRA may assert that an entitlement of the General Partner to the excess is more appropriately treated as an entitlement to share in any income of the Partnership as a partner of the Partnership and, therefore, may not result in a deduction in computing the Partnership's income. If CRA successfully applied any such treatment, then a loss of the Partnership otherwise allocable to the Limited Partners would be reduced or denied to the extent of such deduction.

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.

Shares of a Resource Company issued to an investor that does not deal at arm's length with the Resource Company or to a trust of which such investor is a beneficiary or to a partnership of which such investor is a member may not qualify for renunciation as Flow-Through Shares.

Further, a Resource Company cannot renounce CEE incurred by it after December 31, 2020 with an effective date of December 31, 2020 to a Subscriber with which it does not deal at arm's length at any time during 2021. **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 who are entitled to receive allocations of such Eligible Expenditures do not deal at arm's length with such Resource Company.**

If the Partnership were to constitute a "SIFT partnership" within the meaning of the Tax Act, the income tax consequences described under Item 6, "Income Tax Consequences and RRSP Eligibility" would, in some respects, be materially and, in some cases, adversely, different.

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 Portfolio 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 Portfolio 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 Portfolio Manager. None of the General Partner, the Manager, the Portfolio 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 Portfolio 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 Portfolio 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 minerals or 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 mineral exploration, development and production and, potentially, the oil and gas business (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.

***Québec Mining Act Risk.*** The Québec provincial government passed Bill 70 on December 10, 2013, which amended Québec's *Mining Act* to, among other things, give additional powers to municipalities to control mining activities in their territory, and requires Resource Companies to conduct public consultations in connection with, and receive approvals from, the Minister of Energy and Natural Resources for the attribution of a mining lease. Because of these new rules, Resource Companies may not receive the approvals necessary for their projects or may experience significant delays in obtaining such approvals and, as a result, may fail to renounce, effective in 2020 or at all, Eligible Expenditures equal to the Available Funds invested in their Flow-Through Shares.

***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 Québec Tax Act with respect to the Partnership's status as a tax shelter.

The General Partner, the Portfolio 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, Québec, 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, Québec, Newfoundland and Labrador, Nunavut, Yukon and the Northwest Territories***

In Manitoba, Québec, 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 statements of financial position for each of the National Class and the Québec Class.

## INDEPENDENT AUDITOR'S REPORT

To the Directors of  
Maple Leaf 2020 Flow-Through Management Corp., in its capacity as the general partner of Maple Leaf 2020 Flow-Through Limited Partnership, in respect of the National Class Units and the Quebec class units (collectively, the "Funds")

### *Opinion*

We have audited the accompanying financial statements of Maple Leaf 2020 Flow-Through Limited Partnership (the "Partnership"), which comprise the statement of financial position of each of the Funds as at September 15, 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Partnership as at September 15, 2020, in accordance with International Financial Reporting Standards ("IFRS").

### *Basis for Opinion*

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

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

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

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

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Partnership's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Partnership to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**“DAVIDSON & COMPANY LLP”**

Vancouver, Canada

Chartered Professional Accountants

September 30, 2020



**MAPLE LEAF 2020 FLOW-THROUGH LIMITED PARTNERSHIP**

**NATIONAL CLASS  
STATEMENT OF FINANCIAL POSITION  
(Expressed in Canadian Dollars)**

**As at September 15, 2020**

**ASSETS**

Current assets	
Cash.....	<u>\$35</u>

**LIABILITIES**

Net assets attributable to holders of units	
General Partner Contribution.....	\$10
Issued and fully paid limited partnership unit.....	<u>\$25</u>
	<u>\$35</u>

See accompanying notes to the statement of financial position

Approved on behalf of Maple Leaf 2020 Flow-Through Limited Partnership by the Board of Directors of its General Partner, Maple Leaf 2020 Flow-Through Management Corp.

(SIGNED) SHANE DOYLE  
Director

(SIGNED) HUGH CARTWRIGHT  
Director

**MAPLE LEAF 2020 FLOW-THROUGH LIMITED PARTNERSHIP**

**QUÉBEC CLASS**

**STATEMENT OF FINANCIAL POSITION  
(Expressed in Canadian Dollars)**

**As at September 15, 2020**

**ASSETS**

Current assets	
Cash.....	<u>\$35</u>

**LIABILITIES**

Net assets attributable to holders of units	
General Partner Contribution.....	\$10
Issued and fully paid limited partnership unit.....	<u>\$25</u>
	<u>\$35</u>

See accompanying notes to the statement of financial position

Approved on behalf of Maple Leaf 2020 Flow-Through Limited Partnership by the Board of Directors of its General Partner, Maple Leaf 2020 Flow-Through Management Corp.

(SIGNED) SHANE DOYLE  
Director

(SIGNED) HUGH CARTWRIGHT  
Director

# MAPLE LEAF 2020 FLOW-THROUGH LIMITED PARTNERSHIP

## NOTES TO STATEMENTS OF FINANCIAL POSITION

September 15, 2020

### 1. FORMATION AND PURPOSE OF THE PARTNERSHIP

Maple Leaf 2020 Flow-Through Limited Partnership (the “**Partnership**”) was formed on January 31, 2020 as a limited partnership under the laws of the Province of British Columbia. The address of the Partnership’s head office is Suite 808-609 Granville Street, Vancouver, 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 of resource issuers incurring “Canadian exploration expense”, (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. The General Partner of the Partnership is Maple Leaf 2020 Flow-Through Management Corp. (“the “**General Partner**”). There has been no activity in the Partnership on the date of its formation on January 31, 2020 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 September 15, 2020.

### 2. 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**”).

#### Functional currency and presentation currency

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

#### Use of estimates

The preparation of the financial statements in conformity with IFRS requires the Partnership to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

### **3. 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 (as defined in the Income Tax Act (Canada)) and provisions of securities legislation and regulations relating to take-over bids; however, the minimum subscription is 200 units per Subscriber.

At the date of formation of the Partnership, one National Class limited partnership unit and one Québec Class limited partnership unit were issued to a director of the General Partner for \$25 cash per unit. The General Partner contributed capital of \$20.

Pursuant to the Limited Partnership Agreement between the General Partner and each of the Limited Partners dated January 30, 2020 (the “LPA”), the General Partner is entitled to a fee equal to 2.0% of the gross proceeds from the sale of Units, payable on the closing of the sale of such Units. 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; 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.

### **4. RELATED PARTY TRANSACTIONS**

On September 15, 2020, the Partnership entered into the following agreements:

- a) a management agreement with CADO Investment Fund Management Inc., a company in which the officers and directors are also officers and directors of the General Partner; and
- b) a portfolio manager agreement with Backer Wealth Management Inc., a company in which the president and director is a director of the General Partner.

**DATE AND CERTIFICATE**

Dated September 30, 2020

This Offering Memorandum does not contain a misrepresentation.

**Maple Leaf 2020 Flow-Through Limited Partnership,  
by its general partner Maple Leaf 2020 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) CRAIG PORTER  
Director

(SIGNED) HUGH CARTWRIGHT  
Director