

A copy of this preliminary prospectus has been filed with the securities regulatory authorities in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec but has not yet become final for the purpose of the sale of securities. Information contained in this prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus is obtained from the securities regulatory authorities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

PRELIMINARY PROSPECTUS

Initial Public Offering

October 2, 2014



Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Limited Partnership

1,000,000 OIL & GAS ROYALTY INCOME CDE/COGPE CLASS UNITS

Price: \$25 per Unit
Minimum Purchase: \$5,000 (200 Oil & Gas Royalty Income Class Units)

This prospectus qualifies the distribution by Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Limited Partnership (the “**Partnership**”), a limited partnership formed under the laws of British Columbia, of a maximum of 1,000,000 Oil & Gas Royalty Income CDE/COGPE Class limited partnership units (the “**Oil & Gas Royalty Income Class Units**”) at a price of \$25.00 per Unit, subject to a minimum subscription of 200 Oil & Gas Royalty Income Class Units for \$5,000. **Oil & Gas Royalty Income Class Units cannot be purchased or held by “non-residents” as defined in the Income Tax Act (Canada) (the “Tax Act”).** The Partnership has three Classes of Units, the Oil & Gas Royalty Income Class Units and the National CEE FT Class Units and the Québec CEE FT Class Units (collectively, the “**FT Classes**”) which are not offered pursuant to this Prospectus. See “The Partnership” and “Description of the Units”. Capitalized terms used in this prospectus are defined in the Glossary.

The Partnership created the Oil & Gas Royalty Income Class, a class of limited partnership units of the Partnership, to provide Oil & Gas Royalty Income Class Limited Partners (as defined herein) with an investment primarily in (a) gross overriding royalties (“**GORRs**”) on producing oil and natural gas properties characterized by long life reserves with predictable production performance and cash flow profiles (potentially including GORRs on undeveloped land positions which have potential for oil & gas development and/or exploration) (“**Producing Long Life GORR Assets**”); and, to a lesser extent, (b) a pool of professionally selected joint venture interests on properties considered prospective for oil and natural gas development entitling the Partnership to royalties on oil and natural gas production (“**Other GORR Assets**” and, together, with the Producing Long Life GORR Assets, the “**Investments**”), in order to generate:

- (a) monthly income paid from revenues generated by the Investments;
- (b) potential capital appreciation;
- (c) liquidity upon divestiture of assets; and
- (d) a tax deductible investment (over time) by incurring Canadian Oil and Gas Property Expenses (“**COGPE**”) and/or Canadian Development Expense (“**CDE**”).

In order to achieve its investment objectives, the Partnership expects to use approximately 60% to 70% of the Available Funds (as defined herein) to purchase Producing Long Life GORR Assets, meaning GORRs on existing oil and natural gas production (i.e., a pre-determined percentage of oil and gas produced from existing producing wells without deduction for drilling, tie-in, development, maintenance or typically any expenses). The Partnership will use the remaining Available Funds to enter into Investment Agreements (as defined herein), in respect of selected Properties (as defined herein), that establish joint ventures with companies whose principal business is oil and/or natural gas exploration and/or production (each an “**Oil and Gas Company**”). Pursuant to each of these Investment Agreements, the Oil and Gas Company will use the Available Funds to develop and operate a production-oriented development program (each an “**Oil & Gas Royalty Program**”) with the objective of generating income from the development and production of oil and natural gas. The Partnership, on behalf of the Oil & Gas Royalty Income Class, will be entitled to gross-overriding royalties on production from the Properties. Investments in Producing Long Life GORR Assets are expected to qualify as COGPE, which will be allocated to Oil & Gas Royalty Income Class Limited Partners and added to their cumulative COGPE accounts, which can then be used by Oil & Gas Royalty Income Class Limited Partners to shelter Distributions (as defined herein) from the Partnership as well as other income. The investment in Other GORR Assets are expected to qualify as CDE, which will be allocated to Oil & Gas Royalty Income Class Limited Partners and added to their cumulative CDE accounts, which can then be used by Oil & Gas Royalty Income Class Limited Partners to shelter Distributions from the Partnership as well as other income. Although the General Partner expects to invest approximately 60% to 70% of the Available Funds in Producing Long Life GORR Assets and the remainder in Other GORR Assets, the actual allocation will depend on the investment opportunities available at the time. The Distributable Cash (as defined herein) generated by the Investments will be distributed to Oil & Gas Royalty Income Class Limited Partners on a monthly basis (or on such other basis as the General Partner determines), commencing on or about June 30, 2015.

Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Management Corp. is the general partner of the Partnership (the “**General Partner**”) and has coordinated the formation, organization and registration of the Partnership. The General Partner’s management team, led by the General Partner’s Managing Director Adam Thomas, will be responsible for sourcing, selecting and negotiating the terms of the Investments, with the assistance of Technical Advisors where required. The General Partner’s management group has extensive experience in the oil and natural gas industry as well as in the financing and management of syndicated tax-assisted investments. Collectively, they have over 100 years of experience in senior roles with both large and small capitalization companies focused on oil and gas development, production, operations and management, as well as acquisitions and divestitures. They have proven track records of acquiring attractive undervalued prospective assets and thereafter growing production, revenue, cash flow and shareholder value. A number of the members of the General Partner’s board have previous experience acting as directors and/or officers of private and publicly listed oil and gas companies. The General Partner’s management team has a strong network of relationships with oil and gas issuers and practical resource industry experience. In addition, the General Partner will be responsible for managing the ongoing business and administrative affairs of the Partnership as it relates to the Oil & Gas Royalty Income Class and developing and implementing the Liquidity Event. See “The General Partner”.

The General Partner intends to target a minimum 12% annualized net return to Oil & Gas Royalty Income Class Limited Partners over the life of the Partnership (not including any tax savings) through Distributions of Distributable Cash and the value realized from a Liquidity Event. See “The Partnership – Investment Objectives”, “The Partnership – Investment Strategies” and “Potential Liquidity”.

The Partnership will use its commercially reasonable efforts to invest the Available Funds on behalf of the Oil & Gas Royalty Income Class in Investments and incur, on or before December 31, 2015, Eligible Expenditures (as defined herein) by investing in Producing Long Life GORR Assets and/or Other GORR Assets, which will in turn be allocated to the Oil & Gas Royalty Income Class Limited Partners on or before that date. Any Available Funds that have not been committed by the Partnership to Investments by December 31, 2015 will be distributed by February 15, 2016 on a *pro rata* basis to Oil & Gas Royalty Income Class Limited Partners of record as at December 31, 2015, unless the Oil & Gas Royalty Income Class Limited Partners vote to retain such funds in the Partnership by way of Ordinary Resolution (as defined herein). See “Canadian Federal Income Tax Considerations”.

In order to provide Oil & Gas Royalty Income Class Limited Partners with liquidity, the General Partner intends to implement a Liquidity Event. The General Partner currently expects the Liquidity Event to be the sale of the Investments or the Oil & Gas Royalty Income Class Units to a publicly traded company for cash and/or listed securities of that company. The General Partner intends to implement a Liquidity Event on or before December 31, 2015. **There can be no assurance that any such Liquidity Event will be proposed, receive the necessary approvals (including regulatory approvals) or be implemented.** See “Potential Liquidity” and “Risk Factors”.

In the event the General Partner has not commenced implementing a Liquidity Event by June 30, 2016, or the Liquidity Event has not been completed by December 31, 2016, the General Partner will distribute its assets *pro rata* to the Partners on or about December 31, 2016, unless the Limited Partners of each Class approve an Extraordinary Resolution to continue operation.

	<u>Price to Public</u>	<u>Agents' Fees</u>	<u>Proceeds to the Partnership⁽²⁾</u>
Per Unit (minimum subscription – 200 Oil & Gas Royalty Income Class Units) ⁽¹⁾	\$25.00	\$1.4375	\$23.5625
Maximum Offering (1,000,000 Oil & Gas Royalty Income Class Units).....	\$25,000,000	\$1,437,500	\$23,562,500
Minimum Offering (200,000 Oil & Gas Royalty Income Class Units) ⁽³⁾	\$5,000,000	\$287,500	\$4,712,500

(1) The subscription price per Oil & Gas Royalty Income Class Unit was established by the General Partner.

(2) Before deducting all other expenses of the Offering (including but not limited to legal, accounting and audit, travel, marketing, sales and distribution expenses), estimated by the General Partner to be \$100,000 in the case of the minimum Offering and \$500,000 in the case of maximum Offering. In the event these expenses of the Offering exceed 2.0% of the Gross Proceeds, the General Partner will be responsible for the excess.

(3) A minimum of 200,000 Oil & Gas Royalty Income Class Units must be sold for the initial closing to occur. If subscriptions for a minimum of 200,000 Oil & Gas Royalty Income Class Units have not been received within 90 days after the issuance of a final receipt for this prospectus or any amendment thereto, this Offering may not continue and the subscription proceeds will be returned to Subscribers (as defined herein), without interest or deduction. The proceeds from subscriptions will be received by the Agents or such other registered dealers as are authorized by the Agents pending the initial Closing and each subsequent Closing, if any.

These securities are speculative in nature. An investment is appropriate only for Subscribers (as defined herein) who have the capacity to absorb the loss of some or all of their investment. This is a blind pool offering. As at the date of this prospectus, the Partnership has not identified any specific Investments in which it will invest. The purchase of Oil & Gas Royalty Income Class Units involves significant risks. Oil & Gas Royalty Income Class Limited Partners must rely on the discretion and knowledge of the General Partner in respect of the identification of suitable Investment opportunities. There is currently no market through which the Oil & Gas Royalty Income Class Units may be sold and purchasers may not be able to resell the securities purchased under this prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. No market for the Oil & Gas Royalty Income Class Units is expected to develop. The Oil & Gas Royalty Income Class Units are only transferable in exceptional circumstances, and never to “non-residents” of Canada as defined in the Tax Act. There is no guarantee that an investment in the Partnership will earn the targeted minimum 12% annualized net return or any specified rate of return in the short or long term. There can be no assurance that the General Partner, on behalf of the Oil & Gas Royalty Income Class, will be able to identify a sufficient number of Investments to permit the Partnership to commit all of the Available Funds by December 31, 2015, or that the Partnership will be able to incur and allocate Eligible Expenditures in the full amounts expected or at all. Therefore, the possibility exists that capital may be returned to Oil & Gas Royalty Income Class Limited Partners and Oil & Gas Royalty Income Class Limited Partners may be unable to claim anticipated deductions from income for income tax purposes. The tax benefits resulting from an investment in the Oil & Gas Royalty Income Class are greatest for an individual Oil & Gas Royalty Income Class Limited Partner whose income is subject to the highest applicable income tax rate. Federal, provincial or territorial income tax legislation may be amended, or its interpretation changed, so as to alter fundamentally the tax consequences of holding or disposing of Oil & Gas Royalty Income Class Units. If the assets of the Partnership allocated to a Class are not sufficient to satisfy liabilities of the Partnership allocated to that Class, the excess liabilities will be satisfied from assets attributable to the other Classes which will reduce the value of the assets allocated to the other Classes. Other risk factors associated with an investment in the Partnership include Oil & Gas Royalty Income Class Limited Partners losing their limited liability in certain circumstances and the General Partner having only nominal assets. Oil & Gas Royalty Income Class Limited Partners may not be able to resell their Oil & Gas Royalty Income Class Units prior to the completion of a Liquidity Event and there are no assurances that a Liquidity Event will be completed. Prospective Subscribers should consult their own professional advisors to assess the income tax, legal and other aspects of their investment. See “Risk Factors”.

The federal and Quebec tax shelter identification numbers in respect of the Partnership are TS ● and QAF-●, respectively. The identification numbers issued for this tax shelter must be included in any income tax return filed by the Subscriber. Issuance of the identification numbers is for administrative purposes only and does not in any way confirm the entitlement of the Subscriber to claim any tax benefits associated with the tax shelter.

Scotia Capital Inc., CIBC World Markets Inc., National Bank Financial Inc., BMO Nesbitt Burns Inc., GMP Securities L.P., Manulife Securities Incorporated, Desjardins Securities Inc., Raymond James Ltd., Burgeonvest Bick Securities Limited, Canaccord Genuity Corp., Dundee Securities Ltd. and Global Securities Corporation (collectively, the “**Agents**”) conditionally offer the Oil & Gas Royalty Income Class Units for sale on an agency basis, if, as and when subscriptions are accepted by the General Partner on behalf of the Partnership, in accordance with the conditions contained in the Agency Agreement referred to under “Plan of Distribution” and subject to approval of certain legal and tax matters on behalf of the Partnership and the General Partner by Borden Ladner Gervais LLP and on behalf of the Agents by Fasken Martineau DuMoulin LLP.

Subscriptions will be received subject to allotment by the Agents and subject to acceptance or rejection by the General Partner on behalf of the Partnership, in whole or in part, and the right is reserved to close the Offering books at any time without notice. It is expected that the initial Closing will take place on or about ●, 2014. The initial Closing is conditional upon receipt of subscriptions for a minimum of 200,000 Oil & Gas Royalty Class Units. The Agents will hold subscription proceeds received from Subscribers prior to the initial Closing and any subsequent Closings. There will be no Closing unless subscriptions for the minimum Offering have been received and other closing conditions of the Offering have been satisfied. If the minimum Offering is not subscribed for within 90 days from the date of the issuance of the receipt for the final prospectus or any amendment thereto, this Offering may not continue and subscription proceeds received will be returned, without interest or deduction, to the Subscribers. If less than the maximum number of Units are subscribed for at the initial Closing Date, subsequent Closings may be held on or before the date that is 90 days from the date of the issuance of the receipt for the final prospectus or any amendment thereto. Registrations of interests in the Oil & Gas Royalty Income Class Units will be effected only through the book-entry system administered by CDS Clearing and Depository Services Inc. (“**CDS**”). Non-certificated interests representing the Oil & Gas Royalty Income Class Units will be recorded in the name of CDS or its nominee on the register of the Partnership maintained by Valiant Trust Company on the date of each Closing. No certificates representing the Oil & Gas Royalty Income Class Units will be issued. A Subscriber who purchases Oil & Gas Royalty Income Class Units will receive only a customer confirmation from the registered dealer who is a CDS participant and from or through whom the Oil & Gas Royalty Income Class Units are purchased.

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ELIGIBILITY FOR INVESTMENT

In the opinion of Borden Ladner Gervais LLP, counsel to the Partnership and the General Partner, and Fasken Martineau DuMoulin LLP, counsel to the Agents, the Oil & Gas Royalty Income Class 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 or tax-free savings accounts for purposes of the Tax Act. Investors who purchase Oil & Gas Royalty Income Class Units through such plans will be subject to material adverse tax consequences as a result.

HOW TO SUBSCRIBE FOR UNITS

A Subscriber must purchase at least 200 Oil & Gas Royalty Income Class Units and pay \$25.00 per Unit subscribed for at Closing. 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 an Agent or a registered dealer who is a member of the selling group. Prior to each Closing, all certified cheques and bank drafts will be held by the Agents or selling group members. 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 ACCEPTANCE BY THE GENERAL PARTNER (ON BEHALF OF THE PARTNERSHIP) OF A SUBSCRIBER’S OFFER TO PURCHASE UNITS (MADE THROUGH A REGISTERED DEALER), WHETHER IN WHOLE OR IN PART, CONSTITUTES A SUBSCRIPTION AGREEMENT BETWEEN THE SUBSCRIBER AND THE PARTNERSHIP, UPON THE TERMS AND CONDITIONS SET OUT IN THIS PROSPECTUS AND THE PARTNERSHIP AGREEMENT.

The foregoing subscription agreement shall be evidenced by delivery of the final prospectus to the Subscriber, provided that the subscription has been accepted by the General Partner on behalf of the Partnership. Joint subscriptions for Oil & Gas Royalty Income Class Units will be accepted.

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

- (i) consents to the disclosure of certain information to, and the 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 Oil & Gas Royalty Income Class 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) the Subscriber is not a “non-resident” for the purposes of the Tax Act or a “non-Canadian” within the meaning of the ICA and that the Subscriber will maintain such status during such time as the Oil & Gas Royalty Income Class Units are held by the Subscriber; (b) no interest in the Subscriber is a “tax shelter investment” as that term is defined in the Tax Act; (c) the Subscriber’s acquisition of the Oil & Gas Royalty Income Class Units has not been financed with borrowings for which recourse is, or is deemed to be, limited within the meaning of the Tax Act; (d) unless the Subscriber has provided written notice to the contrary to the General Partner prior to the date of becoming an Oil & Gas Royalty Income Class Limited Partner, such Subscriber is not a Financial Institution and such Subscriber will continue not to be a Financial Institution during such time as Oil & Gas Royalty Income Class Units are held by such

Subscriber; (e) the Subscriber is not a Resource Company and deals at arm's length within the meaning of the Tax Act with any Resource Company, the General Partner or any Oil and Gas Company that is a party to an Investment Agreement unless, in all cases, such Subscriber has provided written notice to the contrary to the General Partner prior to the date of acceptance of the Subscriber's subscription for Oil & Gas Royalty Income Class Units; and (f) the Subscriber is not a partnership (except a "Canadian partnership" for purposes of the Tax Act);

- (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 and implement the dissolution of the Partnership in connection with any Offers or a Liquidity Event;
- (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 Offers or a Liquidity Event or the dissolution of the Partnership; and
- (vii) covenants and agrees that all documents executed and other actions taken on his, her or its behalf as a Limited Partner pursuant to the power of attorney as set out in the Partnership Agreement will be binding on him, her or it and agrees to ratify any such documents or actions on request of the General Partner.

Subscription proceeds from this Offering will be received by the Agents, or such other registered dealers or brokers as are authorized by the Agents, and held in trust in a segregated account until subscriptions for a minimum of 200,000 Oil & Gas Royalty Income Class Units are received and other closing conditions of this Offering have been satisfied. If the minimum amount required for this Offering is not subscribed for within 90 days from the date of the issuance of the receipt for the final prospectus or any amendment thereto, this Offering may not continue and the subscription proceeds will be returned to Subscribers, without interest or deduction, unless consent is obtained from the Canadian securities regulatory authorities and those who have subscribed for Oil & Gas Royalty Income Class Units on or before such date.

SCHEDULE OF EVENTS

<u>Approximate Date</u>	<u>Event</u>
On or about ●, 2014.....	Initial Closing – Subscribers purchase Oil & Gas Royalty Income Class Units and pay the full purchase price of \$25.00 per Unit.
March/April, 2015	Oil & Gas Royalty Income Class Limited Partners will each receive a 2014 T5013A federal tax receipt (and Quebec equivalent). T5013A federal tax receipts (and Quebec equivalent) are also sent in March/April in each of the four subsequent years. These T5013A federal tax receipts (and Quebec equivalent) will be mailed directly to Oil & Gas Royalty Income Class Limited Partners by their dealers.
On or prior to December 31, 2015.....	General Partner intends to implement a Liquidity Event.
On or about December 31, 2016.....	Partnership will be dissolved on or about this date (unless a Liquidity Event has previously been implemented or the Limited Partners of each Class approve an Extraordinary Resolution to continue operation).

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

Certain statements in this prospectus as they relate to the Partnership and the General Partner are “forward-looking statements”. In addition to the information contained in the section called “Selected Financial Aspects”, 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 achieved), including the calculations shown under the heading “Selected Financial Aspects”, the Partnership’s targeted minimum 12% annualized return on invested capital and future anticipated tax deductions available to securityholders of the Partnership and certain of the Prior Partnerships (as defined herein), 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 (including the assumptions set out in the section called “Selected Financial Aspects”). The assumptions underlying the calculations shown in the section called “Selected Financial Aspects” are based on the Promoter’s and management of the General Partner’s experience, as well as the General Partner’s view of the market for investments such as those offered by the Partnership and of the oil and gas markets generally. The General Partner believes these assumptions are reasonable and conservative based on the Promoter’s and management of the General Partner’s past experience, and that it is appropriate to use this past experience as a basis for the calculations referred to below. However, forward looking statements based on such expectations, estimates and projections 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 fact that: an investment in Oil & Gas Royalty Income Class Units is not guaranteed to earn a specified or any rate of return; the General Partner has no prior experience in managing a limited partnership; there is no market for the Oil & Gas Royalty Income Class Units and none is expected to develop; the Partnership may not hold or discover commercial quantities of resources and will be subject to fluctuations in commodity prices, exchange rates, and regulatory and policy risk; fees and expenses payable by the Partnership may decrease the assets available for investment by the Partnership; there can be no assurance that Oil and Gas Companies will honour their obligations under Investment Agreements; there may be defects in title to or other ownership disputes with respect to Producing Long Life GORR Assets and/or Other GORR Assets; oil and natural gas production and exploration are high risk activities; the Partnership competes with other entities in the oil and gas industry, many of whom are larger, which may decrease the investment opportunities available to the Partnership; there can be no assurance that a Liquidity Event will be proposed, approved or implemented; tax legislation may be amended in a manner adverse to the Partnership and/or Oil & Gas Royalty Income Class Limited Partners; if the assets of the Partnership allocated to a Class are not sufficient to satisfy liabilities of the Partnership allocated to that Class, the excess liabilities will be satisfied from assets attributable to the other Classes; the Partnership may fail to incur and allocate Eligible Expenditures as intended or make distributions to Oil & Gas Royalty Income Class Limited Partners; and there can be no assurance that expectations based on past experience will be indicative of future results. See “Risk Factors”. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, prospective investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date of this prospectus, and neither the Partnership, the General Partner, the Promoter nor 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.

NON-IFRS MEASURES

In addition to financial measures prescribed by IFRS certain non-IFRS measures are used in this prospectus. Distributable Cash is not a recognized measure under IFRS.

References to Distributable Cash are to cash available for distribution to Oil & Gas Royalty Income Class Limited Partners in accordance with the planned distribution of surplus funds of the Partnership as described in this prospectus. Distributable Cash is presented in this prospectus as the General Partner’s intention to cause the Partnership to make monthly distributions to holders of Oil & Gas Royalty Income Class Units, as available, and it is therefore a useful financial measure of the Partnership’s ability to make such distributions. It is also a measure

generally used by investors in Canada as an indicator of financial performance. One of the factors that may be considered relevant by prospective investors is the cash available to be distributed by the Partnership relative to the price or value of the Oil & Gas Royalty Income Class Units. The General Partner believes that Distributable Cash is a useful supplemental measure that may assist investors to assess an investment in Oil & Gas Royalty Income Class Units. Investors are cautioned, however, that these measures should not be construed as an alternative to net income (loss) as determined in accordance with IFRS as an indicator of the Partnership's financial performance or cash flows from operations. The Partnership's method of calculating these measures will be consistent from year to year but may be different than that used by other issuers.

PROSPECTUS SUMMARY

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

Issuer:	Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Limited Partnership (the “ Partnership ”).
Securities Offered:	Limited Partnership Oil & Gas Royalty Income Class Units (the “ Oil & Gas Royalty Income Class Units ”).
Offering Size:	Maximum Offering: \$25,000,000 (1,000,000 Oil & Gas Royalty Income Class Units) Minimum Offering: \$5,000,000 (200,000 Oil & Gas Income Class Units)
Price:	\$25 per Unit.
Minimum Subscription:	200 Oil & Gas Royalty Income Class Units (\$5,000).
Investment Objectives:	

The Partnership created the Oil & Gas Royalty Income Class, a class of limited partnership units of the Partnership, to provide Oil & Gas Royalty Income Class Limited Partners (as defined herein) with an investment primarily in (a) gross overriding royalties on producing oil and natural gas properties characterized by long life reserves with predictable production performance and cash flow profiles (potentially including GORRs on undeveloped land positions which have potential for oil & gas development and/or exploration) (“**Producing Long Life GORR Assets**”); and, to a lesser extent, (b) a pool of professionally selected joint venture interests on properties considered prospective for oil and natural gas development entitling the Partnership to royalties on oil and natural gas production (“**Other GORR Assets**” and, together, with the Producing Long Life GORR Assets, the “**Investments**”), in order to generate:

- (a) monthly income paid from revenues generated by the Investments;
- (b) potential capital appreciation;
- (c) liquidity upon divestiture of assets; and
- (d) a tax deductible investment (over time) by incurring Canadian Oil and Gas Property Expenses (“**COGPE**”) and/or Canadian Development Expense (“**CDE**”).

The General Partner intends to target a minimum 12% annualized net return to Oil & Gas Royalty Income Class Limited Partners over the life of the Partnership (not including any tax savings) through Distributions of Distributable Cash and the value realized from a Liquidity Event.

The General Partner intends to implement a Liquidity Event when a sufficient portion of the Partnership’s Other GORR Assets have reached a stage of production stability which, in the opinion of the General Partner, allows them to be fairly valued and sold.

Investment Strategy:	<i>Overview</i>
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In order to achieve its investment objectives, the Partnership expects to use approximately 60% to 70% of the Available Funds (as defined herein) to purchase Producing Long Life GORR Assets, meaning GORRs on existing oil and natural gas production (i.e. a pre-determined percentage of oil and gas produced from existing producing wells without deduction for drilling, tie-in, development, maintenance or typically any expenses). The Partnership will use the remaining Available Funds on behalf of the Oil & Gas Royalty Income

Class to enter into Investment Agreements (as defined herein) in respect of selected Properties (as defined herein) in order to establish joint ventures with companies whose principal business is oil and/or natural gas exploration and/or production (each an “**Oil and Gas Company**”). Pursuant to each of these Investment Agreements, the Oil and Gas Company will use the Available Funds to develop and operate a production-oriented development program (each an “**Oil & Gas Royalty Program**”) with the objective of generating income from the development and production of oil and natural gas. The Partnership, on behalf of the Oil & Gas Royalty Income Class, will be entitled to gross-overriding royalties on production from the Properties.

Investments in Producing Long Life GORR Assets are expected to qualify as COGPE, which will be allocated to Oil & Gas Royalty Income Class Limited Partners and added to their cumulative COGPE accounts, which can then be used by Oil & Gas Royalty Income Class Limited Partners to shelter Distributions (as defined herein) from the Partnership as well as other income. The investment in Other GORR Assets are expected to qualify as CDE, which will be allocated to Oil & Gas Royalty Income Class Limited Partners and added to their cumulative CDE accounts, which can then be used by Oil & Gas Royalty Income Class Limited Partners to shelter Distributions from the Partnership as well as other income. Although the General Partner expects to invest approximately 60% to 70% of the Available Funds in Producing Long Life GORR Assets and the remainder in Other GORR Assets, the actual allocation will depend on the investment opportunities available at the time. The Distributable Cash (as defined herein) generated by the Investments will be distributed to Oil & Gas Royalty Income Class Limited Partners on a monthly basis (or on such other basis as the General Partner determines), commencing on or about June 30, 2015.

Investment Process

Producing Long Life GORR Assets

The General Partner, on behalf of the Partnership, intends to identify and purchase Producing Long Life GORR Assets characterized by long life reserves with predictable production performance and cash flow profiles and with a relatively high portion of proven reserves, although some properties with low-risk upside, and/or development potential will also be considered.

Properties favoring liquids production will be sought after as natural gas pricing in the Western Canadian Sedimentary Basin remains uncertain. Although in certain circumstances the Partnership may act as operator of these assets, operating properties requires considerable expertise and a cost structure that is not generally supportable for smaller entities such as the Partnership. The ideal opportunities are operated by established, well regarded operating companies that ensure the properties they operate on their own behalf and on the behalf of their minority partners, are optimized and well run. Long life working interest production, where operated by strong partners, can offer lower risk returns to Oil & Gas Royalty Income Class Limited Partners to complement the risks taken by acquiring Other GORR Assets on development Oil & Gas Royalty Programs.

The General Partner estimates that approximately 65% of the Producing Long Life GORR Assets will be oil or natural gas liquids assets, and the remaining approximately 35% will be assets related to the production of natural gas. The actual allocation between Producing Long Life GORR Assets may vary, perhaps significantly, depending on the investment opportunities available at the time.

Other GORR Assets

The General Partner, on behalf of the Partnership, will seek to negotiate Other GORR Assets and enter into Investment Agreements with well-established Oil and Gas Companies, the terms of which entitle the Partnership to gross overriding royalties on production derived from Properties.

The General Partner will review each prospective Oil & Gas Royalty Program (in conjunction with a Technical Advisor, where appropriate) to assess the suitability of the proposed Oil & Gas Royalty Program in relation to the investment strategies outlined herein. The goal of the General Partner is to identify, negotiate and enter into, on behalf of the Partnership, Investment Agreements with Oil and Gas Companies to undertake discrete Oil & Gas Royalty Programs that will limit risk by not exposing the Partnership to the entire cost of exploration and development activities of the Oil & Gas Companies. The General Partner will attempt to negotiate terms in the Investment Agreements that limit the Partnership's exposure to cost overruns.

The Partnership, on behalf of the Oil & Gas Royalty Income Class, will use its best efforts to participate in Oil & Gas Royalty Programs with Oil and Gas Companies that, collectively with all other Investments, will comprise a portfolio of joint ventures focused on lower risk development opportunities and, to a lesser extent (if at all), exploration opportunities. The Partnership will focus primarily on oil production Oil & Gas Royalty Programs, and the Investment Portfolio is expected to be diversified with several operators and geographic locations.

The Partnership may participate in Oil & Gas Royalty Programs with private or public companies, trusts or partnerships. The key determinants for deciding to participate in an Oil & Gas Royalty Program will be: (a) the General Partner's assessment that the Oil & Gas Royalty Program is well designed; and (b) that the Oil and Gas Company has a strong and capable management team, with a track record of successfully exploiting reserves and generating shareholder value and with a majority of senior officers having ten or more years of experience in the oil and/or natural gas industry.

The Partnership will only participate in Investments with Oil and Gas Companies which have reasonably demonstrated to the General Partner that they possess sufficient funds or have the ability to access sufficient funds to cover their share of costs in connection with any Oil & Gas Royalty Program, which include the costs associated with tie-ins, any necessary processing facilities or pipelines and operational capital. The Partnership's maximum capital expenditure dedicated to the drilling and/or completion of any single well will not exceed the greater of: (a) 75% of the total cost of a particular well; and (b) 20% of the Available Funds.

Expertise of the General Partner

The General Partner's management team, led by the General Partner's Managing Director Adam Thomas, will be responsible for sourcing, selecting and negotiating the terms of the Investments, with the assistance of Technical Advisors where required. The General Partner's management group has extensive experience in the oil and natural gas industry as well as in the financing and management of syndicated tax-assisted investments. Collectively, they have over 100 years of experience in senior roles with both large and small capitalization companies focused on oil and gas development, production, operations and management, as well as acquisitions and divestitures. They have proven track records of acquiring attractive undervalued prospective assets and thereafter growing production, revenue, cash flow and shareholder value. A number of the members of the General Partner's board have previous experience acting as directors and/or officers of private and publicly listed oil and gas companies. The General Partner's management team has a strong network of relationships with oil and gas issuers and practical resource industry experience.

Geographic Focus

The General Partner anticipates that the Producing Long Life GORR Assets it acquires and the Oil & Gas Royalty Programs in which it participates will be located in one or more of the provinces of Alberta, British Columbia, Saskatchewan or Manitoba, with an expected focus on Producing Long Life GORR Assets and Oil & Gas Royalty Programs in the Western Canadian Sedimentary Basin.

Oil & Gas Royalty Program Oil/Gas Mix

The General Partner estimates that approximately 65% of the Oil & Gas Royalty Programs will be focused on oil or natural gas liquids development, production and exploration, and the remaining 35% of the Oil & Gas Royalty Programs will be focused on natural gas, with the natural gas component being principally a by-product of the exploration for and development of liquids rich gas targets. The actual allocation between Oil & Gas Royalty Programs may vary, perhaps significantly, depending on the investment opportunities available at the time.

Tax Benefits

The Partnership will use its commercially reasonable efforts to invest all Available Funds in Investments and incur, on or before December 31, 2015, Eligible Expenditures under the Investments, which will in turn be allocated to the Oil & Gas Royalty Income Class Limited Partners on or before that date. Any Available Funds that have not been committed by the Partnership for investment by December 31, 2015 will be distributed by February 15, 2016 on a *pro rata* basis to Oil & Gas Royalty Income Class Limited Partners of record as at December 31, 2015, unless the Oil & Gas Royalty Income Class Limited Partners vote to retain such funds in the Partnership by Ordinary Resolution.

The Partnership expects to incur 60% to 70% of Eligible Expenditures as COGPE and the remainder as CDE. However, it is possible that, due to the investment opportunities available at the time, this allocation between COGPE and CDE may vary, perhaps materially. In addition, it is possible that due to the available opportunities or due to drilling results a portion of the CDE will be incurred or reclassified as CEE. Eligible Expenditures that qualify for COGPE, CDE or CEE are expected to be approximately 91% of an Oil & Gas Royalty Income Class Limited Partner's subscription amount in the case of the maximum Offering. Subject to certain limitations, Oil & Gas Royalty Income Class Limited Partners with sufficient income will be entitled to claim deductions for Canadian federal income tax purposes with respect to Eligible Expenditures incurred and allocated by the Partnership. The Partnership will allocate Eligible Expenditures incurred in any particular calendar year to persons that are Oil & Gas Royalty Income Class Limited Partners on December 31 of that year in proportion to the number of Oil & Gas Royalty Income Class Units those Oil & Gas Royalty Income Class Limited Partners hold on that date.

Distributions:

The General Partner expects that it will take three to six months to source, complete due diligence and acquire Producing Long Life GORR Assets and/or negotiate sufficient Investment Agreements to invest all the Available Funds. The General Partner expects the Producing Long Life GORR Assets will begin generating Distributable Cash within 45 days after their acquisition. However, in the case of investments in Other GORR Assets, the General Partner estimates that it will generally take three to six months after commencement of a successful Oil & Gas Royalty Program before the Partnership will start receiving its royalties. As a result, distributions of Distributable Cash to Oil & Gas Royalty Income Class Limited Partners will vary in amount and timing.

The Distributable Cash generated by the Investments (if any), after deducting the Oil & Gas Royalty Income Class' share of the expenses of the Partnership, will be distributed to Oil & Gas Royalty Income Class Limited Partners on a monthly basis (or on such other basis that the General Partner determines), commencing on or about June 30, 2015. The Partnership will not have a fixed monthly distribution amount and may also make from time to time such additional Distributions to Oil & Gas Royalty Income Class Limited Partners as the General Partner may determine to be appropriate. **Distributable Cash available for distribution to Oil & Gas Royalty Income Class Limited Partners could vary substantially and there is no assurance that the Partnership will make any such distributions. See "Risk Factors".**

General Partner:

Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Management Corp. is the General Partner of the Partnership and has co-ordinated the formation, organization and registration of the Partnership. The General Partner will: (i) be responsible for selecting, negotiating, acquiring and managing the Investments; (ii) develop and implement all aspects of the Partnership's communications, marketing and distribution strategies; (iii) manage the ongoing business and administrative affairs of the Partnership; and (iv) develop and implement the Liquidity Event. See "The General Partner".

In return for these services, the General Partner will be entitled to the General Partner's Share, consisting of 5% of all Distributions and 5% of all consideration, including cash, securities or other consideration, received by the Partnership pursuant to a Liquidity Event and the Performance Bonus (if payable). See "Fees, Charges and Expenses Payable by the Partnership".

Technical Advisors:

The General Partner may engage, on behalf of the Partnership, one or more professional engineering, geological, geophysical or other similar companies or persons (each a "Technical Advisor") to assist, where the General Partner considers it appropriate, with the evaluation of prospective Investments, and to conduct a valuation of Investments. The General Partner will engage a Technical Advisor that is experienced, nationally recognized and independent of the General Partner, the Promoter and their respective affiliates and associates to evaluate any prospective Investments that are not at arm's length.

Technical Advisors may be paid from proceeds of this Offering (provided that such payments do not in the aggregate exceed 2% of the Gross Proceeds over the life of the Partnership) and/or from any production revenues. See "Technical Advisors".

Liquidity Event and Termination of the Partnership:

There is no market for the Oil & Gas Royalty Income Class Units and it is not anticipated that any market will develop. In order to provide Oil & Gas Royalty Income Class Limited Partners with liquidity, the General Partner intends to implement a Liquidity Event in late 2015. The General Partner currently expects the Liquidity Event will be the sale of the Investments or Oil & Gas Royalty Income Class Units to a publicly traded company in exchange for cash and/or listed securities of that company. In the event of the sale of the Investments, the Partnership would then distribute the cash and/or listed securities to the former Oil & Gas Royalty Income Class Limited Partners.

In April, 2013, Maple Leaf Resource Corp., a capital pool company established by CADO with common directors and officers with the General Partner, completed its initial public offering and began trading on the TSX Venture Exchange. The General Partner expects that Maple Leaf Resource Corp. will participate in the Liquidity Event of the Partnership by making an Offer for the Investments or the Oil & Gas Royalty Income Class Units at fair value. Maple Leaf Resource Corp. will be under no obligation to make such an Offer and the Partnership or the General Partner on behalf of the Oil & Gas Royalty Income Class Limited Partners, as applicable, will be under no obligation to accept such an Offer. **Although the General Partner currently intends that Maple Leaf Resource Corp. will participate in the Liquidity Event, there can be no assurance that the Offer will be made or accepted by the General Partner.** The Partnership will comply with all applicable regulatory requirements in accepting any such Offer.

If Maple Leaf Resource Corp. does not or is unable to make an Offer or the Offer is not accepted by the Partnership or the General Partner on behalf of the Royalty Income Class Limited Partners, as applicable, the General Partner will seek alternative methods to create liquidity for the Oil & Gas Royalty Income Class Limited Partners. Such alternatives would include: (i) the sale of Investments to a publicly listed company other than Maple Leaf Resource Corp. for publicly listed securities of that company; (ii) the sale of the Oil & Gas Royalty Income Class Units to such a publicly listed company for cash or publicly listed securities or a combination of cash and such securities; or (iii) the sale of the Investments for cash, or any combination of the foregoing. The Liquidity Event will be implemented on not less than 21 days' prior written notice to the Oil & Gas Royalty Income Class Limited Partners.

If the terms of the Liquidity Event are substantially different than as described above, or if it is otherwise required by law, the General Partner will call a meeting of Oil & Gas Royalty Income Class Limited Partners to approve the Liquidity Event. Such Liquidity Event must be approved by a majority of Oil & Gas Royalty Income Class Units voted in person or by proxy or as otherwise required by law. **There can be no assurance that any such Liquidity Event will be proposed, receive the necessary approvals (including regulatory approvals) or be implemented.** In the event the General Partner has not commenced implementing a Liquidity Event by June 30, 2015, or the Liquidity Event has not been completed by December 31, 2016, the Partnership will distribute its Investments *pro rata* to the Oil & Gas Royalty Income Class Limited Partners, unless the Limited Partners of each Class approve an Extraordinary Resolution to continue operation.

Offers and any other Liquidity Events will be subject to the receipt of all necessary regulatory and other approvals. **There can be no assurance that all necessary approvals will be received in order to complete any Offers or other Liquidity Events.** See "Potential Liquidity" and "Risk Factors".

Use of Proceeds:

This is a blind pool offering. The Partnership on behalf of the Oil & Gas Royalty Income Class will invest the Available Funds in Producing Long Life GORR Assets and Other GORR Assets and will fund ongoing expenses of the Partnership as described herein. See "Use of Proceeds". The following table sets out the Gross Proceeds of the Offering of Oil & Gas Royalty Income Class Units, the Agents' fees and the estimated expenses of the maximum and minimum Offering:

	Maximum Offering	Minimum Offering⁽³⁾
Gross Proceeds to the Partnership:	\$25,000,000	\$5,000,000
Agents' fees	(\$1,437,500)	(\$287,500)
Offering expenses ⁽¹⁾	(\$500,000)	(\$100,000)
Operating Reserve ⁽²⁾	(\$225,000)	(\$100,000)
Net Proceeds available for investment (Available Funds)	<u>\$22,837,500</u>	<u>\$4,512,500</u>

⁽¹⁾ The Offering expenses (including the Oil & Gas Royalty Income Class' share of the costs of creating and organizing the Partnership, the costs of printing and preparing the prospectus, legal and audit expenses of the Offering, marketing expenses and legal and other reasonable out-of-pocket expenses incurred by the Agents and other incidental expenses) in the case of the minimum Offering are expected to be \$100,000 and in the case of the maximum Offering are expected to be \$500,000. In the event

Offering expenses exceed 2.0% of the Gross Proceeds, the General Partner will be responsible for the excess.

- (2) Of the Gross Proceeds, \$100,000 (in the case of the minimum Offering) or \$100,000 plus 0.5% of the Gross Proceeds (if the minimum Offering is exceeded) will be set aside as an Operating Reserve to fund the ongoing operating and administrative expenses of the Partnership. See “Use of Proceeds” and “Fees, Charges and Expenses Payable by the Partnership”.
- (3) A minimum of 200,000 Oil & Gas Royalty Income Class Units must be sold for the initial closing to occur. If subscriptions for a minimum of 200,000 Oil & Gas Royalty Income Class Units have not been received within 90 days after the issuance of a final receipt for this prospectus or any amendment thereto, this Offering may not continue and the subscription proceeds will be returned to Subscribers (as defined herein), without interest or deduction. The proceeds from subscriptions will be received by the Agents or such other registered dealers as are authorized by the Agents pending the initial Closing and each subsequent Closing, if any.

Canadian Federal Income Tax Considerations:

This summary is subject to the detailed comments set out under the heading “Canadian Federal Income Tax Considerations”, and qualified accordingly. In general, a taxpayer (other than a “principal-business corporation” as defined in the Tax Act) who is an Oil & Gas Royalty Income Class Limited Partner at the end of a fiscal year of the Partnership may, in computing the Oil & Gas Royalty Income Class Limited Partner’s income for a taxation year in which the fiscal year of the Partnership ends, but subject to the at-risk and limited-recourse amount rules, deduct 30% of CDE and 10% of COGPE, in both cases on a year-by-year declining balance basis, and 100% of CEE, all as allocated to the Oil & Gas Royalty Income Class Limited Partner by the Partnership in respect of such fiscal year. If an Oil & Gas Royalty Income Class Limited Partner finances the subscription price of Oil & Gas Royalty Income Class Units with borrowing or other indebtedness that is, or is deemed to be, a Limited Recourse Amount, the deductions that the Oil & Gas Royalty Income Class Limited Partner may claim will be reduced or eliminated.

Income and capital gains realized by the Partnership in respect of the Oil & Gas Royalty Income Class and its Investment Portfolio will be allocated to the Oil & Gas Royalty Income Class Limited Partners. The amount of any capital gain realized on the disposition of the Partnership’s assets attributable to the Oil & Gas Royalty Income Class generally will equal the proceeds of disposition of those assets, less the tax costs thereof to the Partnership and less reasonable costs of disposition. However, the normal rules applicable to the taxation of capital gains and losses do not apply to Investments that are “Canadian resource property” as defined in the Tax Act. If the Partnership disposes of such assets, each Oil & Gas Royalty Income Class Limited Partner’s cumulative COGPE account generally will be reduced by the Oil & Gas Royalty Income Class Limited Partner’s share of the Partnership’s proceeds of disposition less any outlays or expenses made or incurred for the purposes of the disposition. The Oil & Gas Royalty Income Class Limited Partner must deduct any negative balance in the Oil & Gas Royalty Income Class Limited Partner’s cumulative COGPE account in respect of a taxation year from the Oil & Gas Royalty Income Class Limited Partner’s cumulative CDE account. The Oil & Gas Royalty Income Class Limited Partner must include any resulting negative cumulative CDE balance in income.

There can be no assurance that any distributions of cash to Oil & Gas Royalty Income Class Limited Partners will be sufficient to satisfy an Oil & Gas Royalty Income Class Limited Partner's tax liability for the year arising from his or her status as an Oil & Gas Royalty Income Class Limited Partner.

A disposition of Oil & Gas Royalty Income Class Units held by an Oil & Gas Royalty Income Class Limited Partner as capital property may trigger capital gains (or capital losses). One-half of capital gains realized by an Oil & Gas Royalty Income Class Limited Partner will be included in the Oil & Gas Royalty Income Class Limited Partner's income.

There are several methods the Partnership may pursue to attain liquidity of its Investments. The General Partner on behalf of the Partnership may accept one or more Offers from Maple Leaf Resource Corp. or Oil and Gas Companies to exchange the Partnership's Investments or the Oil & Gas Royalty Income Class Units for Offering Shares, cash or both forms of consideration. Alternatively, the General Partner on behalf of the Partnership may pursue one or more Liquidity Events, including a sale of the Partnership Investments to a third party for cash, securities or both forms of consideration.

A summary of the income tax considerations in respect of each of the methods of attaining liquidity of the Partnership's Investments is set forth under "Canadian Federal Income Tax Considerations".

See "Selected Financial Aspects", "Canadian Federal Income Tax Considerations" and "Risk Factors" before purchasing Oil & Gas Royalty Income Class Units.

Each Subscriber should seek independent advice as to the federal, provincial and territorial tax consequences of an investment in Oil & Gas Royalty Income Class Units, including the consequences of any borrowing to finance an acquisition of Oil & Gas Royalty Income Class Units.

Conflicts of Interest:

The General Partner is a wholly-owned subsidiary of CADO. The Promoter, the General Partner, certain of their affiliates, certain limited partnerships whose general partner and/or investment advisor is or will be a subsidiary of the Promoter or an affiliate of the Promoter, and the directors and officers of the Promoter and the General Partner are and/or may in the future be actively engaged in a wide range of investment and management activities, some of which are and will be similar to and competitive with those that the Partnership and the General Partner will undertake. As a result, actual and potential conflicts of interest can be expected to arise in the normal course. However, the General Partner has agreed that for so long as Available Funds remain uncommitted it will first offer any investment opportunities which are consistent with the investment objectives, strategy and investment restrictions applicable to the Oil & Gas Royalty Income Class to the Partnership before presenting them to any other person or undertaking them itself. See "Conflicts of Interest".

Risk Factors:

This is a speculative offering. 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 on an investment in Oil & Gas Royalty Income Class Units.

This offering is a blind pool offering. As at the date of this prospectus, the Partnership has not identified any Investments in respect of which it will invest the Available Funds.

In addition, investors should consider the following risk factors and the additional risk factors outlined in “Risk Factors” before purchasing Oil & Gas Royalty Income Class Units:

- there is no assurance that Oil & Gas Royalty Income Class Limited Partners will receive the targeted minimum 12% annualized return or any specified rate of return on, or repayment of, their capital contributions to the Partnership or their investment in Oil & Gas Royalty Income Class Units or receive any Distributions;
- although the General Partner has agreed to use its commercially reasonable efforts, there can be no assurance that the General Partner, on behalf of the Partnership, will be able to commit all Available Funds to Investments by December 31, 2015 or at all and, therefore, the possibility exists that capital may be returned to Oil & Gas Royalty Income Class Limited Partners and Oil & Gas Royalty Income Class Limited Partners may be unable to claim anticipated deductions from income for income tax purposes;
- Oil & Gas Royalty Income Class Limited Partners must be prepared to rely on the expertise of the General Partner in the selection of Investments and negotiating the terms of Investments and Offers, and there can be no assurance that such Investments will produce as forecast or be of the quality anticipated;
- the General Partner is a newly established entity and has no prior experience in managing a limited partnership;
- there is no market through which the Oil & Gas Royalty Income Class Units may be sold and Subscribers may not be able to resell securities purchased under this prospectus. No market for the Oil & Gas Royalty Income Class Units is expected to develop;
- there can be no assurance that assumptions underlying forward looking statements, including the Partnership’s targeted minimum 12% annualized return, will prove accurate or be achieved;
- there are certain risks inherent in resource exploration and investing in Oil and Gas Companies; Oil and Gas Companies may not hold or discover commercial quantities of oil or gas; the profitability of Producing Long Life GORR Assets and Oil and Gas Companies 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 taxes and government regulation;
- the Partnership may not hold or discover commercial quantities of oil or natural gas;

- the only sources of cash available to pay the Oil & Gas Royalty Income Class' share of the expenses of the Partnership will be the proceeds of the Offering (from which the Partnership will establish an Operating Reserve) and revenues from Investments. If all Available Funds have been committed to Investments, the Operating Reserve has been fully expended and revenues from Investments are not sufficient to fund ongoing fees and expenses, payment of such expenses will diminish the interest of Oil & Gas Royalty Income Class Limited Partners in the Investment Portfolio;
- if the assets attributable to a Class (including the National Class and the Quebec Class, the units of which are not being offered pursuant to this Prospectus) are not sufficient to satisfy the liabilities of that Class, the excess liabilities will be satisfied from assets attributable to the other Classes which will reduce the value of the assets attributable to the other Classes;
- investors will not be provided with specific data on Investments;
- operators of the Producing Long Life GORR Assets and/or the other parties to the Investment Agreements may not perform their obligations, including the obligation to expend the funds invested by the Partnership on activities that qualify as Eligible Expenditures or make payments to the Partnership on a timely basis;
- there is the possibility of unforeseen title defects in properties subject to Investments or other resource ownership disputes;
- oil and gas exploration, development and production activities are high-risk activities with uncertain prospects of success;
- there are certain operational risks inherent in the oil and natural gas industry which may or may not be insurable or adequately insured;
- the Partnership will compete with other investors for Investments, which may reduce the availability of, or quality of available, Investments; in addition, the Partnership and Oil and Gas Companies must compete against other companies with greater financial strength, experience and technical resources and, as a result, the Oil & Gas Royalty Programs may be unable to exploit, or may be delayed in exploiting, the Properties;
- oil and natural gas operations are subject to extensive governmental regulation which may impact the operations of the Partnership;
- there can be no assurance that each Investment, or well in a particular Oil & Gas Royalty Program, will meet all the criteria used by the General Partner in its investment selection process;
- there can be no assurance of an active trading market for securities received in connection with a Liquidity Event, if any;
- there can be no assurance that any Liquidity Event will be proposed, receive the necessary approvals (including regulatory approvals) or be implemented;

- if a Liquidity Event is not implemented or if the General Partner has not distributed Offering Shares directly to Oil & Gas Royalty Income Class Limited Partners, Oil & Gas Royalty Income Class Limited Partners may receive securities or other interests in properties or Resource Companies upon a distribution from the Partnership, for which there may be an illiquid market or which may be subject to resale restrictions. There is no assurance that an adequate market will exist for such securities or other interests;
- if the size of the Offering is significantly less than the maximum, the Oil & Gas Royalty Income Class' share of the Partnership's expenses may reduce or eliminate the returns on Oil & Gas Royalty Income Class Units and impair the ability of the General Partner to acquire Producing Long Life GORR Assets on favorable terms or negotiate and enter into favourable Investment Agreements on behalf of the Partnership;
- the possible loss of Oil & Gas Royalty Income Class Limited Partners' limited liability under certain circumstances and the unavailability of limited liability under the laws of certain jurisdictions, and Oil & Gas Royalty Income Class Limited Partners may be liable to return distributions if as a result of such distribution the Partnership is unable to pay its debts as they become due;
- federal, provincial or territorial income tax legislation may be amended, or its interpretation changed, so as to alter fundamentally the tax consequences of holding or disposing of Oil & Gas Royalty Income Class Units by an Oil & Gas Royalty Income Class Limited Partner;
- the Partnership may fail to incur or allocate to Oil & Gas Royalty Income Class Limited Partners by the end of 2015, or at all, Eligible Expenditures equal to the Available Funds and any amounts allocated may not qualify as Eligible Expenditures;
- the alternative minimum tax could limit tax benefits available to an Oil & Gas Royalty Income Class Limited Partner who is an individual (or one of certain types of trusts);
- while the Partnership may make certain distributions to Oil & Gas Royalty Income Class Limited Partners, an Oil & Gas Royalty Income Class Limited Partner may receive an allocation of income and/or capital gains in a year without receiving sufficient distributions from the Partnership for that year to fully pay any tax that he or she may owe as a result of being an Oil & Gas Royalty Income Class Limited Partner in that year;
- if an Oil & Gas Royalty Income Class Limited Partner acquires Oil & Gas Royalty Income Class Units using limited recourse borrowing for tax purposes, the amount of Eligible Expenditures and/or losses allocated to all Oil & Gas Royalty Income Class Limited Partners may be reduced or denied;
- the Partnership and the General Partner are newly established entities that have no previous operating or investment history and only nominal assets;
- although the General Partner has agreed to indemnify Oil & Gas Royalty Income Class Limited Partners against certain liabilities, the General Partner is expected to have only nominal assets and may not be in a position to provide additional capital in the event of a contingency;

- there is a potential for conflicts of interest as a result of officers and directors of the General Partner and the Promoter being involved in other business ventures some of which are in competition with the business of the Partnership;
- counsel for the Partnership are also counsel for the General Partner, and prospective Subscribers as a group have not been represented by counsel; and
- the Partnership will invest the Available Funds only in investments relating directly or indirectly to oil and natural gas exploration, development and/or production, and this investment focus may result in the value of the portfolio being more volatile than portfolios with a more diversified investment focus and may result in volatility based upon any volatility in the underlying market for commodities produced by those sectors of the economy.

SUMMARY OF FEES, CHARGES AND EXPENSES PAYABLE BY THE PARTNERSHIP

This table lists the fees and expenses payable by the Partnership in respect of the Oil & Gas Royalty Income Class which will therefore reduce the value of your investment in Oil & Gas Royalty Income Class Units. No fees or expenses will be payable directly by you. For more particulars, see “Fees, Charges and Expenses Payable by the Partnership”.

Agents’ Fees:	\$1.4375 (5.75%) per Unit payable at Closing.
General Partner’s Management Fee:	None. In order to align its interests with those of Oil & Gas Royalty Income Class Limited Partners, the General Partner has agreed that no management fee will be payable.
General Partner’s Share:	In order to align its interests with those of Oil & Gas Royalty Income Class Limited Partners, the General Partner will be entitled to 5% of all Distributions on the Oil & Gas Royalty Income Class Units and 5% of the consideration received by the Partnership pursuant to the Oil & Gas Royalty Income Class’ Liquidity Event. See “Fees, Charges and Expenses Payable by the Partnership – General Partner’s Share”.
Performance Bonus:	The General Partner will be entitled to 20% of all Distributions on Oil & Gas Royalty Income Class Units made by the Partnership after Oil & Gas Royalty Income Class Limited Partners have received, in total, cumulative Distributions equal to 100% of their aggregate capital contribution to the Partnership. See “Fees, Charges and Expenses Payable by the Partnership – Performance Bonus”.
Expenses of the Offering:	Expenses of this Offering, estimated by the General Partner to be \$100,000 in the case of the minimum Offering and \$500,000 in the case of the maximum Offering, will be paid by the Partnership from the proceeds of this Offering. In the event these Offering expenses exceed 2.0% of the Gross Proceeds, the General Partner will be responsible for the excess. See “Fees, Charges and Expenses Payable by the Partnership – Expenses of this Offering”.
Operating and Administrative Expenses:	<p>The Partnership will pay from the Operating Reserve and revenue from Investments, all reasonable out-of-pocket expenses incurred in connection with the operation, administration and analysis of Investments and any ongoing legal, accounting and reporting requirements of the Partnership. The Oil & Gas Royalty Income Class will bear all of the Partnership’s expenses that are directly attributable to it. Expenses that are common expenses and not directly attributable to the Oil & Gas Royalty Income Class will be allocated pro rata between all Classes based on the relative size of the asset bases of each Class. Except to the extent the assets of an FT Class are not sufficient to satisfy its liabilities (see “Risk Factors”), none of the assets held in the Investment Portfolio will be used to pay any fees or expenses directly attributable to the FT Classes.</p> <p>See “Fees, Charges and Expenses Payable by the Partnership – Operating and Administrative Expenses”.</p>

Except as disclosed in this Prospectus, none of the Promoter, the General Partner, or any of their respective associates or affiliates will receive any fee, commission or other compensation in connection with the performance of their obligations to the Partnership.

GLOSSARY

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

“**Additional Wells**” means Development Well or Exploration Well opportunities which may arise in addition to or following the completion of an Oil & Gas Royalty Program or pursuant to an AMI.

“**affiliate**” has the meaning ascribed to that term in the *Securities Act* (Ontario).

“**Agency Agreement**” means the agreement dated as of ●, 2014 among the Partnership, the General Partner, the Promoter and the Agents, pursuant to which the Agents have agreed to offer the Oil & Gas Royalty Income Class Units for sale on an agency basis.

“**Agents**” means Scotia Capital Inc., CIBC World Markets Inc., National Bank Financial Inc., BMO Nesbitt Burns Inc., GMP Securities L.P., Manulife Securities Incorporated, Desjardins Securities Inc., Raymond James Ltd., Burgeonvest Bick Securities Limited, Canaccord Genuity Corp., Dundee Securities Ltd. and Global Securities Corporation.

“**AMI**” means area of mutual interest.

“**Available Funds**” means the Gross Proceeds less the Agents’ fees, expenses of the Offering and the Operating Reserve.

“**barrel of oil equivalent**” and “**boe**” means the combined volume of oil, natural gas, and natural gas liquids by adding oil volume in barrels, natural gas liquids volumes in barrels, and by converting natural gas to an equivalent volume by dividing each one thousand standard cubic feet by six.

“**boepd**” or “**boe/d**” means barrels of oil equivalent per day.

“**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.

“**CADO**” or the “**Promoter**” means CADO Bancorp Ltd.

“**CDE**” or “**Canadian Development Expense**” means Canadian development expense, as defined in subsection 66.2(5) of the Tax Act, which includes:

- (a) expenses incurred in:
 - (i) drilling or converting a well in Canada for the disposal of waste liquids from an oil or gas well;
 - (ii) drilling or completing an oil or gas well in Canada, building a temporary access road to the well or preparing a site in respect of the well, to the extent that the expense was not a Canadian exploration expense of the taxpayer in the taxation year in which it was incurred;
 - (iii) drilling or converting a well in Canada for the injection of water, gas or any other substance to assist in the recovery of petroleum or natural gas from another well;
 - (iv) drilling for water or gas in Canada for injection into a petroleum or natural gas formation; or
 - (v) drilling or converting a well in Canada for the purposes of monitoring fluid levels, pressure changes or other phenomena in an accumulation of petroleum or natural gas; and

- (b) expenses incurred in drilling or recompleting an oil or gas well in Canada after the commencement of production from the well.

“**CDS**” means CDS Clearing and Depository Services Inc. or its nominee which, as at the date of this prospectus, is CDS & Co., or a successor thereto.

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

- (a) expenses incurred in a year in drilling an oil or natural gas well if such drilling resulted in the discovery that a natural underground reservoir contains petroleum or natural gas where before the time of the discovery, no person or partnership had discovered that the reservoir contained either petroleum or natural gas and the discovery occurred at any time before six months after the end of the year;
- (b) expenses incurred in a year in drilling an oil and natural gas well if the well is abandoned in the year or within six months after the end of the year without ever having produced; and
- (c) certain expenses incurred for the purpose of determining the existence, location, extent or quality of an accumulation of petroleum or natural gas in Canada.

“**Class**” or “**Classes**” means, as applicable, the Oil & Gas Royalty Income Class and/or the FT Classes.

“**Closing**” means the completion of the purchase and sale of any Oil & Gas Royalty Income Class Units.

“**Closing Date**” means the date of the initial Closing, expected to be ●, 2014 or such other date as the General Partner and the Agents may agree and includes the date of any subsequent Closing, if applicable, provided that the final Closing shall take place not later than the date that is 90 days after the date a receipt for the final prospectus or any amendment thereto is issued.

“**COGPE**” means Canadian oil and gas property expense as defined in subsection 66.4(5) of the Tax Act, including the cost to the Partnership of:

- (a) any right, licence or privilege to explore for, drill for or take petroleum, natural gas or related hydrocarbons in Canada,
- (b) any oil or gas well in Canada or any real or immovable property in Canada the principal value of which depends on its petroleum, natural gas or related hydrocarbon content (not including any depreciable property), and
- (c) any right to a rental or royalty computed by reference to the amount or value of production from an oil or a gas well in Canada, or from a natural accumulation of petroleum, natural gas or a related hydrocarbon in Canada, if the payer of the rental or royalty has an interest in, or for civil law a right in, the well or accumulation, as the case may be, and 90% or more of the rental or royalty is payable out of, or from the proceeds of, the production from the well or accumulation.

“**CRA**” means the Canada Revenue Agency.

“**cumulative COGPE**” means cumulative Canadian oil and gas property expense as defined in subsection 66.4(5) of the Tax Act.

“**Designated Stock Exchange**” means a designated stock exchange under the Tax Act.

“**Development Well**” means a well drilled to exploit or develop a hydrocarbon reservoir discovered by previous drilling or a well drilled for long extension of a partially developed pool.

“**Distributable Cash**” of the Partnership at any particular time means: (i) the amount of cash held by the Partnership on behalf of the Oil & Gas Royalty Income Class at that time, less the amount of the Operating Reserve, less the General Partner’s Share at that time and less any amounts that in the opinion of the General Partner, acting reasonably and in good faith, are required in order to finance the Partnership’s operations in respect of the Oil & Gas Royalty Income Class and meet its obligations under Investments; and (ii) at the time of dissolution of the Partnership, shall include the value of any assets of the Partnership required to be distributed *in specie*.

“**Distributions**” means all amounts paid or securities or other property of the Partnership transferred to an Oil & Gas Royalty Income Class Limited Partner in respect of such Oil & Gas Royalty Income Class Limited Partner’s interest or entitlement in the Partnership in accordance with the provisions of the Partnership Agreement.

“**Eligible Expenditures**” means CDE, COGPE and CEE.

“**Exploration Well**” means a well that is not a Development Well.

“**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 the Partnership (or a Class, as applicable) 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 applicable Class or Classes outstanding and entitled to vote on such a resolution at a meeting.

“**Financial Institution**” has the meaning as defined in subsection 142.2(1) of the Tax Act.

“**FT Class**” or “**FT Classes**” means, as applicable, the National Class and/or the Québec Class.

“**frac**” or “**fracking**” means the process of stimulating production in oil and gas wells by fracturing the resource bearing formation through high pressure fluid injections.

“**General Partner**” means Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Management Corp.

“**General Partner’s Share**” means the entitlement of the General Partner to 5% of all Distributions on the Oil & Gas Royalty Income Class Units and 5% of the consideration received in respect of the Oil & Gas Royalty Income Class’ Liquidity Event as partial compensation for its services.

“**gross over-riding royalty**” or “**GORR**” means a percentage share of oil and/or gas production, or revenues from production, on properties held and operated by others, generally with limited or no deductions for operating or maintenance expenses.

“**Gross Proceeds**” of the Offering means the total number of Oil & Gas Royalty Income Class Units sold pursuant to the Offering multiplied by \$25.00 per 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), 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.

“**Horizontal Multi-Frac Completion**” means the method of completing an unconventional gas well through multiple fractures in the same zone.

“**IFRS**” means International Financial Reporting Standards applicable to the business of the Partnership, as such principles are adopted by the Canadian Institute of Chartered Accountants (or any successor organization) from time to time.

“**ICA**” means the *Investment Canada Act*.

“Independent Reserve Report” means a report evaluating oil and gas reserves attributable to the Oil & Gas Royalty Income Class prepared by a nationally-recognized independent oil and gas reservoir engineering firm.

“Initial Limited Partner” means Hugh Cartwright.

“Investments” means the Producing Long Life GORR Assets and the Other GORR Assets.

“Investment Agreement” means a joint venture or participation agreement entered into between the Partnership and one or more Oil and Gas Companies under which the Partnership agrees to participate in the Oil and Gas Companies’ Oil & Gas Royalty Program.

“Investment Portfolio” means the Investments acquired by the Partnership for the benefit of the Oil & Gas Royalty Income Class with the Available Funds and any securities or cash obtained with proceeds from the sale of such interests or other securities pursuant to an Offer or otherwise.

“Investment Restrictions” means the investment restrictions applicable to the Oil & Gas Royalty Income Class contained in the Partnership Agreement. See “Investment Restrictions”.

“Investment Strategy” means the investment strategy applicable to the Oil & Gas Royalty Income Class as described herein. See “The Partnership – Investment Strategies”.

“Limited Partners” means collectively the holders of Oil & Gas Royalty Income Class Units, National Class Units and Quebec Class Units and **“Limited Partner”** means any one of them.

“Limited Recourse Amount” means a limited-recourse amount as defined in section 143.2 of the Tax Act, which includes the unpaid principal amount of any indebtedness for which recourse is limited, either immediately or in the future and either absolutely or contingently, and is deemed to include the unpaid principal of any indebtedness unless:

- (a) *bona fide* arrangements, evidenced in writing, are made, at the time the indebtedness arises, for repayment of the indebtedness and all interest thereon within a reasonable period not exceeding ten years; and
- (b) interest is payable, at least annually, at a rate equal to or greater than the lesser of the prescribed rate of interest under the Tax Act in effect at the time the indebtedness arose, and the prescribed rate of interest applicable from time to time under the Tax Act during the term of the indebtedness, and such interest is paid by the debtor in respect of the indebtedness not later than 60 days after the end of each taxation year of the debtor.

“Liquidity Event” means a transaction implemented by the General Partner or, in the General Partner’s sole discretion, proposed for the approval of the Oil & Gas Royalty Income Class Limited Partners in order to provide liquidity and the prospect for long-term growth of capital and for income for Oil & Gas Royalty Income Class Limited Partners, which may include a sale of the Investments or the Oil & Gas Royalty Income Class Units to Maple Leaf Resource Corp. or another third party for cash, securities or a combination of cash and such securities.

“Multi-Zone Completion” means a well that has hydrocarbon pools at more than one stratigraphic level.

“National Class” means the class of units of the Partnership designated as the “National CEE FT Class”, the units of which are not offered pursuant to this Prospectus. See “The Partnership”.

“National Class Units” means the National CEE FT Class limited partnership units of the Partnership, which are not offered pursuant to this Prospectus. See “The Partnership”.

“**Net Income**” and “**Net Loss**” mean, in respect of any fiscal year, the net income or net loss of the Partnership attributable to the Oil & Gas Royalty Income Class in respect of such period, determined in accordance with IFRS or successor accounting principles in Canada.

“**Offer**” means an offer made by Maple Leaf Resource Corp. or another third party to acquire the assets attributable to the Oil & Gas Royalty Income Class from the Partnership or the Oil & Gas Royalty Income Class Units from the Oil & Gas Royalty Income Class Limited Partners.

“**Offer to Purchase**” means the offer made by a Subscriber, or his or her agent, to subscribe for Oil & Gas Royalty Income Class Units on the terms and conditions described in this prospectus.

“**Offering**” means the offering of Oil & Gas Royalty Income Class Units by the Partnership pursuant to the terms of the Agency Agreement and this prospectus.

“**Offering Shares**” means the common shares or other voting equity securities of an Oil and Gas Company listed and posted for trading on a Designated Stock Exchange, or other securities which, in the opinion of the General Partner, acting reasonably, have liquidity similar to the voting equity securities of a public Oil and Gas Company, which are offered as consideration pursuant to an Offer.

“**Oil and Gas Companies**” means oil and natural gas companies, trusts or partnerships, or any one oil and natural gas company, trust or partnership, whose principal business(es) includes, directly or indirectly, oil and/or natural gas exploration, development and/or production.

“**Oil & Gas Royalty Income Class**” means the class of Units of the Partnership designated as the “Oil & Gas Royalty Income CDE/COGPE Class”.

“**Oil & Gas Royalty Income Class Limited Partners**” means the holders of Oil & Gas Royalty Income Class Units, and “**Oil & Gas Royalty Income Class Limited Partner**” means one of them.

“**Oil & Gas Royalty Income Class Units**” means the Oil & Gas Royalty Income CDE/COGPE Class limited partnership units of the Partnership.

“**Oil & Gas Royalty Program**” means the oil and/or natural gas exploration, development and/or production program conducted under an Investment Agreement.

“**Operating Reserve**” means the funds set aside by the Partnership from the Gross Proceeds to pay the Oil & Gas Royalty Income Class’ ongoing operating and administrative costs.

“**Operator**” means the Oil and Gas Company responsible for managing an Oil & Gas Royalty Program pursuant to an Investment Agreement.

“**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 holding Units of the Partnership (or a Class, as applicable) 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 applicable Class or Classes outstanding and entitled to vote on such resolution at a meeting.

“**Other GORR Assets**” means joint venture interests on properties considered prospective for oil and natural gas development entitling the Partnership to royalties on oil and natural gas production.

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

“**Partnership**” means Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Limited Partnership.

“Partnership Agreement” means the limited partnership agreement dated as of September 15, 2014 between the General Partner, Hugh Cartwright, as 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 a 20% share of all Distributions on the Oil & Gas Royalty Income Class Units to be paid by the Partnership to the General Partner, once Oil & Gas Royalty Income Class Limited Partners have received, in total, cumulative Distributions equal to 100% of their aggregate capital contribution to the Partnership.

“Producing Long Life GORR Assets” means oil and gas assets that have reached the production stage, including oil and natural gas production (for example, a share of the oil and gas produced from, or royalties on production from, producing wells) and/or production assets (for example, an interest in producing oil and gas fields), and the acquisition expenses of which constitute COGPE, and also includes assets which are ancillary to such assets.

“Properties” means lands and other real property used for oil and gas production which are Producing Long Life GORR Assets held by the Partnership on behalf of the Oil & Gas Royalty Income Class and prospective lands for oil and natural gas development on which an Oil & Gas Royalty Program is carried out or is subject to an AMI.

“Québec Class” means the class of units of the Partnership designated as the “Québec CEE FT Class”, the units of which are not offered pursuant to this Prospectus. See “The Partnership”.

“Québec Class Units” means the Québec CEE FT Class limited partnership units of the Partnership, which are not offered pursuant to this Prospectus. See “The Partnership”.

“Registrar and Transfer Agency Agreement” means the Registrar and Transfer Agency Agreement to be dated on or before the Closing Date between Valiant and the Partnership.

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

“Related Corporation” means a corporation that is related to a Resource Company within the meaning of section 251 of the Tax Act.

“Related Entities” means any company or limited partnership in respect of which the General Partner, the Promoter or any of their respective affiliates, directors or officers, individually or together, beneficially own or exercise direction or control over, directly or indirectly, more than 20% of the outstanding voting securities or act as general partner thereof.

“Resource Company” means a corporation which represents to the Partnership that:

- (a) it is a “principal-business corporation” as defined in subsection 66(15) of the Tax Act, which includes a corporation whose principal business is oil and natural gas exploration, development and/or production; and
- (b) it intends (either by itself or through a joint venture or a Related Corporation) to incur Eligible Expenditures in Canada.

“Subscriber” means a person who subscribes for Oil & Gas Royalty Income Class Units.

“Subscription Price” means \$25.00.

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

“Taxable Income” and **“Taxable Loss”** mean, in respect of any fiscal year, the income or loss of the Partnership attributable to the Oil & Gas Royalty Income Class determined in accordance with the Tax Act.

“**Technical Advisor**” means a professional engineering or geological consultant engaged from time to time by the Partnership or the General Partner, on behalf of the Partnership, to provide the Partnership with technical services with respect to investments in Producing Long Life GORR Assets, Oil & Gas Royalty Programs or valuation of Investments.

“**Termination Date**” means on or about December 31, 2016, unless the Partnership’s operations are continued with the approval of an Extraordinary Resolution of each Class in accordance with the Partnership Agreement.

“**TSX**” means the Toronto Stock Exchange.

“**TSXV**” means the TSX Venture Exchange.

“**Units**” means, collectively, the Oil & Gas Royalty Income Class Units, the National Class Units and the Quebec Class Units, and “**Unit**” means any one of them.

“**Valiant**” means Valiant Trust Company.

“**Warrants**” means warrants exercisable to purchase shares or other securities of a Resource Company.

“**\$**” means Canadian dollars.

SELECTED FINANCIAL ASPECTS

An investment in Oil & Gas Royalty Income Class 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 some of the income tax consequences of acquiring, holding and disposing of Oil & Gas Royalty Income Class Units and illustrates potential tax deductions to a Subscriber that might be generated through the Partnership's purchase of Producing Long Life GORR Assets and participation in typical Oil & Gas Royalty Programs. The presentation is intended to illustrate certain income tax implications to Subscribers who are Canadian resident individuals (other than trusts) who have purchased \$10,000 of Oil & Gas Royalty Income Class Units (400 Oil & Gas Royalty Income Class Units) in the Partnership and who continue to hold their Oil & Gas Royalty Income Class Units in the Partnership on December 31, 2014 and December 31, 2015. The presentation illustrates that, among other things, it is expected that an amount equal to 100% of each Subscriber's investment in Oil & Gas Royalty Income Class Units will be allocated to the Subscriber in the form of COGPE, CDE, CEE or business losses which are each deductible according to the rules set out in the Tax Act and described more fully in the section entitled "Canadian Federal Income Tax Considerations". Subscribers should also be aware that up to 7.75% of a Subscriber's investment in Oil & Gas Royalty Income Class Units and an amount equal to the Operating Reserve may be deducted from the Gross Proceeds and used for offering and administrative expenses. **These illustrations are examples only and actual tax deductions may vary significantly. The timing of such deductions may also vary from that shown in the table. In addition, while the General Partner believes the assumptions used to calculate potential tax deductions would be representative of a typical Oil & Gas Royalty Program, there can be no assurance that all such assumptions will be accurate. Actual tax deductions may vary significantly.** A summary of the Canadian federal income tax considerations for a prospective Subscriber for Oil & Gas Royalty Income Class Units is set forth under "Canadian Federal Income Tax Considerations". 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 set forth below, which form an integral part of the following illustration. Please note that some columns may not sum due to rounding. 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.

Illustration of Potential Tax Deductions

Budget Allocation

COGPE	65%
CDE	35%
CEE	0%

Note: the table below assumes that 15% of the CDE is recharacterized as CEE (see note 2).

Tax Deductions

COGPE	10% annually, on a declining-balance basis
CDE	30% annually, on a declining-balance basis
CEE	100%

Amount of Capital Deployed

Maximum Offering

Year 1	60%
Year 2	40%

Minimum Offering

Year 1	100%
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Marginal Tax Rate (see note 4) 45%

		<u>Minimum Offering</u>	<u>Maximum Offering</u>
Offering Size		\$5,000,000	\$25,000,000
Agents Fees		\$287,500	\$1,437,500
Issue Costs		\$100,000	\$500,000
Operating Reserve		<u>\$100,000</u>	<u>\$225,000</u>
Available Funds		\$4,512,500	\$22,837,500
Total COGPE	65.00%	\$2,933,125	\$14,844,375
Total CDE	35.00%	\$1,579,375	\$7,993,125
Recharacterized CDE (see note 2)	5.25%	<u>(\$236,906)</u>	<u>(\$1,198,969)</u>
Total Net CDE	29.75%	\$1,342,469	\$6,794,156
Total CEE	0.00%	\$0	\$0
Recharacterized CDE (see note 2)	5.25%	\$236,906	\$1,198,969
Total Net CEE	5.25%	\$236,906	\$1,198,969
	100.00%	\$4,512,500	\$22,837,500
COGPE/CDE/CEE as % of Subscription Price		90.25%	91.35%

Minimum Offering

	<u>2014</u>	<u>2015</u>	<u>2016 and beyond</u>	<u>Total</u>
Initial Investment ⁽¹⁾	\$10,000	-	-	\$10,000
Tax Deductions ⁽²⁾				
COGPE	\$587	\$528	\$4,752	\$5,866
CDE	\$805	\$564	\$1,316	\$2,685
CEE	\$474	-	-	\$474
Issue Costs and other ⁽³⁾	\$89	\$305	\$581	\$975
Total Tax Deductions	<u>\$1,905</u>	<u>\$1,247</u>	<u>\$6,649</u>	<u>\$10,000</u>
Tax Savings ⁽⁴⁾⁽⁵⁾⁽⁶⁾	<u>\$857</u>	<u>\$561</u>	<u>\$2,992</u>	<u>\$4,500</u>

Maximum Offering

	<u>2014</u>	<u>2015</u>	<u>2016 and beyond</u>	<u>Total</u>
Initial Investment ⁽¹⁾	\$10,000	-	-	\$10,000
Tax Deductions ⁽²⁾				
COGPE	\$356	\$558	\$5,023	\$5,938
CDE	\$489	\$669	\$1,560	\$2,718
CEE	\$288	\$192	-	\$480
Issue Costs and other ⁽³⁾	\$61	\$223	\$581	\$865
Total Tax Deductions	<u>\$1,172</u>	<u>\$1,574</u>	<u>\$7,165</u>	<u>\$10,000</u>
Tax Savings ⁽⁴⁾⁽⁵⁾⁽⁶⁾	<u>\$527</u>	<u>\$708</u>	<u>\$3,224</u>	<u>\$4,500</u>

Notes:

1. Assumes a Subscriber invests \$10,000 and does not take into account the time value of money.
2. The calculations assume that 65% of the Available Funds are expended by the Partnership as COGPE and the remainder as CDE, and that 15% of the CDE expenditures are recharacterized as CEE either because the well in question was unsuccessful or because drilling or completing the well resulted in the discovery of a previously undiscovered natural underground reservoir of oil or gas. In the case of the minimum Offering, it is assumed that all such expenditures are available to be allocated by the Partnership to the Oil & Gas Royalty Income Class Limited Partners with an effective date on or before December 31, 2014. In the case of the maximum Offering, it is assumed that 60% of such expenditures are available to be allocated by the Partnership with an effective date on or before December 31, 2014, and 40% of such expenditures are available to be allocated by the Partnership with an effective date on or before December 31, 2015. To the extent that Available Funds are expended by the Partnership after December 31, 2014, the allocation by the Partnership to the Oil & Gas Royalty Income Class Oil & Gas Royalty Income Class Limited Partners of COGPE and/or CDE, and any such CDE expenditures recharacterized as CEE, will be delayed. COGPE is deductible on an annual 10% declining balance basis, CDE is deductible on an annual 30% declining balance basis, and CEE is 100% deductible.
3. "Issue Costs and other" include issue costs such as Agents' fees and offering expenses (including legal, audit, printing, filing and distribution fees) which are capped at 7.75% of the Gross Proceeds, and the Operating Reserve. Issue costs are deductible at 20% per annum, pro-rated for the 2014 short taxation year. The calculations assume that the Partnership's organizational expenses, which are eligible capital expenditures, $\frac{3}{4}$ of which are deductible on a 7% declining balance basis, are nominal.
4. For simplicity, an assumed marginal tax rate of 45% has been used. Each Oil & Gas Royalty Income Class Limited Partner's actual tax rate may vary. No provincial or territorial credits or deductions have been taken into account. For Québec purposes, the calculations assume that COGPE, CDE and CEE, as applicable, that is allocated by the Partnership to Oil & Gas Royalty Income Class Limited Partners resident, or subject to tax, in Québec is allocated in accordance with the *Taxation Act* (Québec). Moreover, it is assumed that for Québec provincial tax purposes only, an Oil & Gas Royalty Income Class Limited Partner who is an individual (including a personal trust) resident, or subject to tax, in Québec has investment income that exceeds his or her investment expenses for a given year. For these purposes, investment expenses include certain interest, losses of an Oil & Gas Royalty Income Class Limited Partner and 50% of COGPE, CEE or CDE incurred outside Québec and deducted for Québec tax purposes by such Oil & Gas Royalty Income Class Limited Partner. COGPE, CEE or CDE not deducted in a particular taxation year may be carried over and applied against net investment income earned in any of the three previous taxation years or any subsequent taxation year.
5. Tax savings do not take into account the tax payable on any capital gain arising on the eventual disposition of Oil & Gas Royalty Income Class Units.
6. The calculations do not take into account: (a) the potential monthly cash distributions that may be made to the Oil & Gas Royalty Income Class Limited Partners by the Partnership as discussed under "Investment Strategies – Distributions"; or (b) the tax consequences of a Liquidity Event or dissolution of the Partnership.

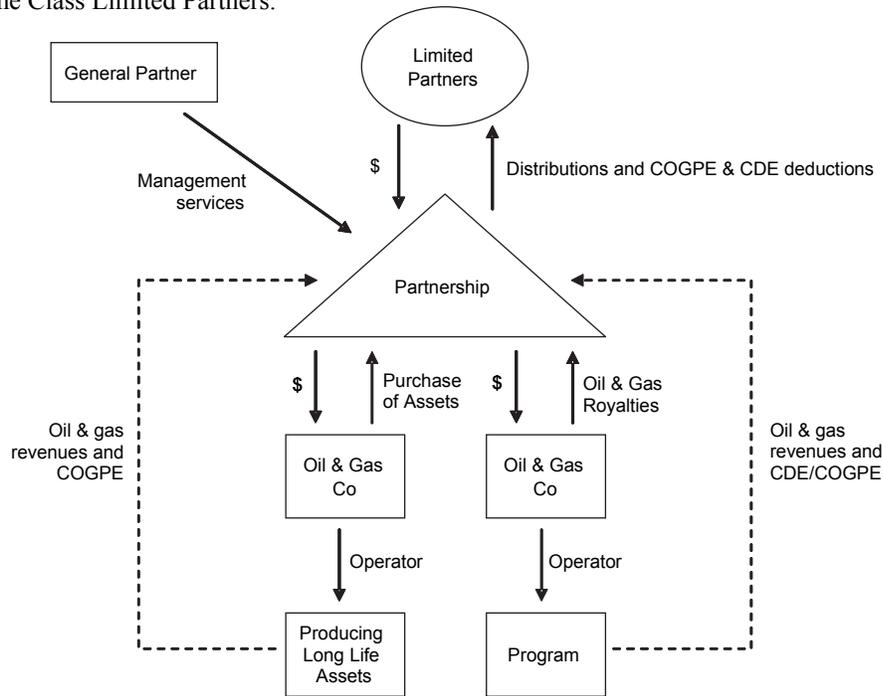
There can be no assurance that any of the foregoing assumptions will prove to be accurate in any particular case. Prospective Subscribers should be aware that these calculations are for illustrative purposes only and are based on assumptions made by the General Partner which cannot be represented to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

INVESTMENT STRUCTURE DIAGRAMS

The following diagrams illustrate the structure of an investment in Oil & Gas Royalty Income Class Units of the Partnership and the relationship among the Partnership, the Investments, the General Partner and the Oil and Gas Companies. This summary is provided for illustrative purposes, is intentionally non-technical in nature and is qualified in its entirety by the detailed information found elsewhere in this prospectus.

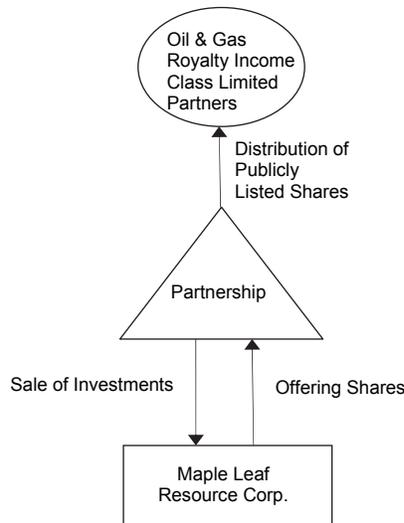
Investment and Distributions

The following diagram assumes there will be cash flow from Investments and Distributions to the Oil & Gas Royalty Income Class Limited Partners.



Proposed Liquidity Event

The following diagram assumes there will be an Offer for the Investments by Maple Leaf Resource Corp. in exchange for publicly listed shares of Maple Leaf Resource Corp. Alternatively, Maple Leaf Resource Corp. may make an offer to acquire the Oil & Gas Royalty Income Class Units from Limited Partners.



THE PARTNERSHIP

The Partnership was formed under the laws of the Province of British Columbia under the name “Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Limited Partnership” pursuant to the Partnership Agreement between the General Partner and Hugh Cartwright, as the Initial Limited Partner, and became a limited partnership effective September 15, 2014, the date of filing of its Certificate of Limited Partnership. Certain provisions of the Partnership Agreement are summarized in this prospectus. See “Summary of the Partnership Agreement”.

The Partnership has three classes of Units – the Oil & Gas Royalty Income Class Units, the National FT Class Units and the Québec FT Class Units. The National FT Class Units and the Québec FT Class Units are not offered pursuant to this Prospectus. For a discussion of the FT Classes and their attributes, please refer to the prospectus relating to the FT Classes (which is not incorporated by reference into this Prospectus) which is available at www.sedar.com.

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.

Investment Objectives

The Partnership created the Oil & Gas Royalty Income Class, a class of limited partnership units of the Partnership, to provide Oil & Gas Royalty Income Class Limited Partners with an investment primarily in (a) gross overriding royalties on producing oil and natural gas properties characterized by long life reserves with predictable production performance and cash flow profiles (potentially including GORRs on undeveloped land positions which have potential for oil & gas development and/or exploration) (“**Producing Long Life GORR Assets**”); and, to a lesser extent, (b) a pool of professionally selected joint venture interests on properties considered prospective for oil and natural gas development entitling the Partnership to royalties and on oil and natural gas production (“**Other GORR Assets**” and, together, with the Producing Long Life GORR Assets, the “**Investments**”), in order to generate:

- (a) monthly income paid from revenues generated by the Investments;
- (b) potential capital appreciation;
- (c) liquidity upon divestiture of assets; and
- (d) a tax deductible investment (over time) by incurring Canadian Oil and Gas Property Expenses (“**COGPE**”) and/or Canadian Development Expense (“**CDE**”).

The General Partner intends to target a minimum 12% annualized net return to Oil & Gas Royalty Income Class Limited Partners over the life of the Partnership (not including any tax savings) through Distributions of Distributable Cash and the value realized from a Liquidity Event.

Investment Strategies

Overview

In order to achieve its investment objectives, the Partnership expects to use approximately 60% to 70% of the Available Funds (as defined herein) to purchase Producing Long Life GORR Assets, meaning GORRs on existing oil and natural gas production (i.e. a pre-determined percentage of oil and gas produced from existing producing wells without deduction for drilling, tie-in, development, maintenance or typically any expenses). The Partnership will use the remaining Available Funds on behalf of the Oil & Gas Royalty Income Class to enter into Investment Agreements (as defined herein) in respect of selected Properties (as defined herein) in order to establish joint ventures with companies whose principal business is oil and/or natural gas exploration and/or production (each an “**Oil and Gas Company**”). Pursuant to each of these Investment Agreements, the Oil and Gas Company will use the Available Funds to develop and operate a production-oriented development program (each an “**Oil & Gas Royalty Program**”) with the objective of generating income from the development and production of oil and

natural gas. The Partnership, on behalf of the Oil & Gas Royalty Income Class, will be entitled to gross-overriding royalties on production from the Properties.

Investments in Producing Long Life GORR Assets are expected to qualify as COGPE which will be allocated to Oil & Gas Royalty Income Class Limited Partners and added to their cumulative COGPE accounts, which can then be used by Oil & Gas Royalty Income Class Limited Partners to shelter Distributions (as defined herein) from the Partnership as well as other income. The investment in Other GORR Assets are expected to qualify as CDE, which will be allocated to Oil & Gas Royalty Income Class Limited Partners and added to their cumulative CDE accounts, which can then be used by Oil & Gas Royalty Income Class Limited Partners to shelter Distributions from the Partnership as well as other income. Although the General Partner expects to invest approximately 60% to 70% of the Available Funds in Producing Long Life GORR Assets and the remainder in Other GORR Assets, the actual allocation will depend on the investment opportunities available at the time. The Distributable Cash (as defined herein) generated by the Investments will be distributed to Oil & Gas Royalty Income Class Limited Partners on a monthly basis (or on such other basis as the General Partner determines), commencing on or about June 30, 2015.

Although the General Partner expects to invest approximately 60% to 70% of the Available Funds in Producing Long Life GORR Assets and the remainder in Other GORR Assets, the actual allocation will depend on the investment opportunities available at the time.

Energy Sector Outlook

The General Partner believes that the Canadian energy sector will, over the long term, remain robust and provide strong returns to investors. The General Partner also believes that over the medium to longer term, issuers involved in the development and production of oil and natural gas will benefit from strengthening commodity prices, strong cash flow and capital appreciation attributable to robust global demand for oil and natural gas, limited excess production capacities and restrictive supplies.

Investment Process

Producing Long Life GORR Assets

The General Partner, on behalf of the Partnership, intends to identify and purchase Producing Long Life GORR Assets characterized by long life reserves with predictable production performance and cash flow profiles and with a relatively high portion of proven reserves, although some properties with low-risk upside, or development potential, will also be considered. Properties favoring liquids production will be sought after as natural gas pricing in the Western Canadian Sedimentary Basin remains uncertain. Although in certain circumstances the Partnership may act as operator of these assets, operating properties requires considerable expertise and a cost structure that is not generally supportable for smaller entities such as the Partnership. The ideal opportunities are operated by established, well regarded operating companies that ensure the properties they operate on their own behalf and on the behalf of their minority partners, are optimized and well run. Long life working interest production, where operated by strong partners, can offer lower risk returns to Oil & Gas Royalty Income Class Limited Partners to complement the risks taken by acquiring Other GORR Assets on development Oil & Gas Royalty Programs.

The General Partner estimates that approximately 65% of the Producing Long Life GORR Assets will be oil or natural gas liquids assets, and the remaining approximately 35% will be assets related to the production of natural gas. The actual allocation between Producing Long Life GORR Assets may vary, perhaps significantly, depending on the investment opportunities available at the time.

Other GORR Assets

The General Partner, on behalf of the Partnership, will seek to negotiate Other GORR Assets and enter into Investment Agreements with well-established Oil and Gas Companies, the terms of which entitle the Partnership to gross overriding royalties on production derived from Properties further to an Oil & Gas Royalty Program.

The General Partner will review each prospective Oil & Gas Royalty Program (in conjunction with a Technical Advisor, where appropriate) to assess the suitability of the proposed Oil & Gas Royalty Program in relation to the investment strategies outlined herein. The goal of the General Partner is to identify, negotiate and enter into, on behalf of the Partnership, Investment Agreements with Oil and Gas Companies to undertake discrete Oil & Gas Royalty Programs that will limit risk by not exposing the Partnership to the entire cost of exploration and development activities of the Oil and Gas Companies. The General Partner will attempt to negotiate terms in the Investment Agreements that limit the Partnership's exposure to cost overruns.

The Partnership, on behalf of the Oil & Gas Royalty Income Class, will use its best efforts to participate in Oil & Gas Royalty Programs with Oil and Gas Companies that, collectively with all other Investments, will comprise a portfolio of joint ventures focused on lower risk development opportunities, and to a lesser extent (if at all), exploration opportunities. The Partnership will focus primarily on oil production Oil & Gas Royalty Programs, and the Investment Portfolio is expected to be diversified with several operators and geographic locations.

The Partnership will participate in an Oil & Gas Royalty Program only if it is a development or exploration Oil & Gas Royalty Program that has been subject to a complete technical analysis by the General Partner or, where appropriate, by a Technical Advisor, inclusive of geophysical, geological and analogous comparisons, and that has proprietary land positions and drill-ready prospects which can be reviewed and confirmed by one or more such parties.

The Partnership will focus on Oil & Gas Royalty Programs that target Development Wells that: (a) are located in areas with sufficient infrastructure so that successful wells can be tied-in in a timely manner or regarding which it is reasonable to anticipate that a meaningful valuation of any reserves attributable to the Partnership's interest may be performed by a Technical Advisor; (b) have low exposure to high risk Exploration Wells, if any; and (c) have drill-ready target areas which include, whenever possible, multi-zone prospects situated in active areas with reasonably close or existing infrastructure. To reduce economic risk, the General Partner's preference will be Investment Agreements with Oil and Gas Companies undertaking production, development and/or exploration programs that offer Multi-Zone Completion and/or Horizontal Multi-Frac Completion opportunities.

Once an acceptable Oil & Gas Royalty Program is identified, the General Partner will negotiate an Investment Agreement with one or more Oil and Gas Companies seeking to participate in the Oil & Gas Royalty Program. All oil and natural gas expenditures incurred, and any rights that may thereby be earned by the Partnership through an Investment, will be governed by the industry standard operating procedure that will form part of the particular Investment Agreement. In order to reduce operational inefficiencies, the General Partner expects to invest in approximately three to five multi-well Oil & Gas Royalty Programs.

The Partnership may participate in Oil & Gas Royalty Programs with private or public companies, trusts or partnerships. The key determinants for deciding to participate in an Oil & Gas Royalty Program will be: (a) the General Partner's assessment that the Oil & Gas Royalty Program is well designed; and (b) that the Oil and Gas Company has a strong and capable management team, with a track record of successfully exploiting reserves and generating shareholder value and with a majority of senior officers having ten or more years of experience in the oil and/or natural gas industry.

The Partnership will only participate in Investments with Oil and Gas Companies which have reasonably demonstrated to the General Partner that they possess sufficient funds or have the ability to access sufficient funds to cover their share of costs in connection with any Oil & Gas Royalty Program, which include the costs associated with tie-ins, any necessary processing facilities or pipelines and operational capital. The Partnership's maximum capital expenditure dedicated to the drilling and/or completion of any single well will not exceed the greater of: (a) 75% of the total cost of that particular well; and (b) 20% of the Available Funds.

The terms of any Investment Agreement will provide that the interest or entitlement will be granted to the Partnership solely in consideration for the Partnership's undertaking to incur Eligible Expenditures pursuant to the applicable Oil & Gas Royalty Program. Substantially all of the property acquired by the Partnership under an Investment Agreement will be a "Canadian resource property" as defined in the Tax Act. If the terms of the Investment Agreement provide the Partnership with a share of the oil and natural gas production, the Partnership intends to sell or engage an agent to sell its share of the production.

Expertise of the General Partner

The General Partner's management team, led by the General Partner's Managing Director Adam Thomas, will be responsible for sourcing, selecting and negotiating the terms of the Partnership's Investments, with the assistance of Technical Advisors where required. The General Partner's management group has extensive experience in the oil and natural gas industry as well as the financing and in management of syndicated tax-assisted investments. Collectively, they have over 100 years of experience in senior roles with both large and small capitalization companies focused on oil and gas development, production, operations and management, as well as acquisitions and divestitures. They have proven track records of acquiring attractive undervalued prospective assets and thereafter growing production, revenue, cash flow and shareholder value. A number of the members of the General Partner's board have previous experience acting as directors and/or officers of private and publicly listed oil and gas companies. The General Partner's management team has a strong network of relationships with oil and gas issuers and practical resource industry experience.

Geographic Focus

The General Partner anticipates that Producing Long Life GORR Assets it acquires and the Oil & Gas Royalty Programs in which it participates will be located in one or more of the provinces of Alberta, British Columbia, Saskatchewan or Manitoba, with an expected focus on Producing Long Life GORR Assets and Oil & Gas Royalty Programs in the Western Canadian Sedimentary Basin.

Oil & Gas Royalty Program Oil/Gas Mix

The General Partner estimates that approximately 65% of the Oil & Gas Royalty Programs will be focused on oil or natural gas liquids development, production and exploration, and the remaining 35% of the Oil & Gas Royalty Programs will be focused on natural gas, with the natural gas component being principally a by-product of the exploration for and development of liquids rich gas targets. The actual allocation between oil and gas in Oil & Gas Royalty Programs may vary, perhaps significantly, depending on the investment opportunities available at the time.

Distributions

The General Partner expects that it will take three to six months to source, complete due diligence and acquire Producing Long Life GORR Assets and/or negotiate sufficient Investment Agreements to invest all the Available Funds. The General Partner expects the Producing Long Life GORR Assets will begin generating Distributable Cash 45 days after their acquisition. However, in the case of investments in Other GORR Assets, the General Partner estimates that it will generally take three to six months after commencement of a successful Oil & Gas Royalty Program before the Partnership will start receiving its royalties. As a result, distributions of Distributable Cash to Oil & Gas Royalty Income Class Limited Partners will vary in amount and timing.

The Distributable Cash generated by the Investments (if any), after deducting the expenses of the Partnership, will be distributed to Oil & Gas Royalty Income Class Limited Partners on a monthly basis (or on such other basis that the General Partner determines), commencing on or about June 30, 2015. The Partnership will not have a fixed monthly distribution amount and may also make from time to time such additional Distributions to Oil & Gas Royalty Income Class Limited Partners as the General Partner may determine to be appropriate. Distributable Cash available for distribution to Oil & Gas Royalty Income Class Limited Partners could vary substantially and there is no assurance that the Partnership will make any such distributions. See "Risk Factors".

Liquidity Event

In late 2015 the General Partner intends to provide Oil & Gas Royalty Income Class Limited Partners with liquidity through a Liquidity Event that involves the disposition of the Investments. See “Potential Liquidity”.

Tax Benefits

The Partnership will use its commercially reasonable efforts to invest all Available Funds in Investments and incur, on or before December 31, 2015, Eligible Expenditures in respect of the Investments, which will in turn be allocated to Subscribers who are Oil & Gas Royalty Income Class Limited Partners. Any Available Funds that have not been committed by the Partnership for investment in Investments by December 31, 2015 will be distributed by February 15, 2016 on a *pro rata* basis to Oil & Gas Royalty Income Class Limited Partners of record as at December 31, 2015, unless the Oil & Gas Royalty Income Class Limited Partners vote to retain such funds in the Partnership by Ordinary Resolution.

The Partnership expects to incur 60% to 70% of Eligible Expenditures as COGPE and the remainder as CDE. However, it is possible that, due to the investment opportunities available at the time, this allocation between COGPE and CDE may vary, perhaps materially. In addition, it is possible that due to the available opportunities or due to drilling results a portion of the CDE will be incurred or reclassified as CEE. Eligible Expenditures that qualify for COGPE, CDE or CEE are expected to be approximately 91% of an Oil & Gas Royalty Income Class Limited Partner’s subscription amount in the case of the maximum Offering. Subject to certain limitations, Oil & Gas Royalty Income Class Limited Partners with sufficient income will be entitled to claim deductions for Canadian federal income tax purposes with respect to Eligible Expenditures incurred and allocated by the Partnership. The Partnership will allocate Eligible Expenditures incurred in any particular calendar year to persons that are Oil & Gas Royalty Income Class Limited Partners on December 31 of that year in proportion to the number of Oil & Gas Royalty Income Class Units those Oil & Gas Royalty Income Class Limited Partners hold on that date. Possible income tax deduction scenarios and savings arising from an investment in Oil & Gas Royalty Income Class Units (based on certain assumptions and estimates) are set forth under the heading “Selected Financial Aspects”. See “Risk Factors – Tax-Related Risks”.

INVESTMENT RESTRICTIONS

The activities of the Partnership and the General Partner in respect of the Oil & Gas Royalty Income Class are subject to certain investment restrictions. These restrictions provide, among other things, that neither the Partnership nor the General Partner will on behalf of the Oil & Gas Royalty Income Class:

- purchase or sell commodity contracts;
- guarantee the securities or obligations of any person, other than guarantees involving the securities or obligations of the Partnership or the General Partner that are permitted under the Partnership Agreement;
- purchase or sell derivatives except for the purpose of managing risk with respect to the Partnership’s investments;
- purchase securities other than High-Quality Money Market Instruments, Offering Shares pursuant to an Offer or securities in the course of a Liquidity Event, or make short sales of securities or maintain a short position in any security;
- purchase any security which may by its terms require the Partnership to make a contribution in addition to the payment of the purchase price, but this restriction will not apply to the purchase of Warrants or other securities which are paid for on an instalment basis where the total purchase price and the amount of all such instalments is fixed at the time the initial instalment is paid;

- purchase mortgages
- borrow money; or
- knowingly make any investments contrary to the provisions regarding conflicts of interest contained in the Partnership Agreement.

Furthermore, the Partnership will not engage in any undertaking other than the investment of the Partnership's assets, and the operation of the Classes. The General Partner will engage in no undertaking other than management of the Partnership's business.

The foregoing investment restrictions may not be changed without the approval of the Oil & Gas Royalty Income Class Limited Partners by Extraordinary Resolution, unless such change is necessary to ensure compliance with all applicable laws, regulations or other requirements imposed by applicable regulatory authorities from time to time.

THE GENERAL PARTNER

Corporate Structure

The General Partner was incorporated under the provisions of the *Canada Business Corporations Act* on September 9, 2014. The General Partner is a wholly-owned subsidiary of CADO. 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.

Business

During the existence of the Partnership, the General Partner's sole business activity will be the management of the Partnership, including in respect of the National Class and the Québec Class.

The General Partner has co-ordinated the formation, organization and registration of the Partnership. The General Partner will: (i) be responsible for selecting, negotiating, acquiring and managing the Investments; (ii) develop and implement all aspects of the Partnership's communications, marketing and distribution strategies; (iii) manage the ongoing business and administrative affairs of the Partnership; and (iv) develop and implement the Liquidity Event.

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

Management

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

Name and Municipality of Residence	Position with the General Partner	Principal Occupation
HUGH CARTWRIGHT VANCOUVER, BRITISH COLUMBIA	Chairman of the Board and Director	Managing Partner and Director, CADO Bancorp Ltd., President, Managing Partner and Director, Maple Leaf Short Duration Holdings Ltd. and Jov Flow-Through Holdings Corp.
SHANE DOYLE VANCOUVER, BRITISH COLUMBIA	President, Chief Executive Officer and Director	Managing Partner and Director, CADO Bancorp Ltd., Chief Executive Officer, Managing Partner and Director, Maple Leaf Short Duration Holdings Ltd. and Jov Flow- Through Holdings Corp.

Name and Municipality of Residence	Position with the General Partner	Principal Occupation
ADAM THOMAS..... CALGARY, ALBERTA	Managing Director	Managing Director of the General Partner and the President and Managing Director of the general partner of Maple Leaf 2013 Oil & Gas Income Limited Partnership
DAN GUNDERSEN..... CALGARY, ALBERTA	Managing Director	Managing Director the General Partner.
JIM HUANG..... TORONTO, ONTARIO	Director	President, T.I.P. Wealth Manager Inc.
LOWELL JACKSON..... CALGARY, ALBERTA	Director	Chairman, Kaisen Energy Corp.
JOHN DICKSON VANCOUVER, BRITISH COLUMBIA	Chief Financial Officer	Chief Financial Officer, CADO Bancorp Ltd., 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 (“**Audit Committee**”). See “Audit Committee and Corporate Governance – Audit Committee”.

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

The officers of the General Partner will not be full-time employees of the General Partner, but will devote such time as is necessary to the business and offices of the General Partner. The President, Chief Executive Officer and Chief Financial Officer of the General Partner anticipate devoting approximately 10% of their time to these roles.

Hugh Cartwright, B.Comm – Chairman and Director

Mr. Cartwright is the Managing Partner and a director of CADO Bancorp Ltd., a Promoter of the Offering and the parent company of the General Partner.

Mr. Cartwright is also the Chairman and a Director of the general partners of Maple Leaf 2011 Energy Income Limited Partnership, Maple Leaf 2012 Energy Income Limited Partnership, Maple Leaf 2012-II Energy Income Limited Partnership, Maple Leaf 2013 Oil & Gas Income Limited Partnership and Maple Leaf Short Duration 2014 Flow-Through Limited Partnership, and the President, Managing Partner and a Director of Maple Leaf Energy Income Holdings Corp. and Maple Leaf Short Duration Holding Ltd. Mr. Cartwright is or previously was also a director and officer of the general partners of each of the Prior Partnerships, as well as WCSB Holdings Corp.

In addition, Mr. Cartwright was, until their successful dissolutions the President and a Director of the general partner of Maple Leaf Short Duration 2010 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2012 Flow-Through Limited Partnership, Maple Leaf Short Duration 2013 Flow-Through Limited Partnership, 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 and Jov Diversified Quebec 2009 Flow-Through Limited Partnership, Fairway Energy (06) Flow-Through Limited Partnership and Fairway Energy (07) Flow-Through Limited Partnership. Mr. Cartwright is also director and officer of Imperial Ginseng Products Ltd. and Knightswood

Financial Corp. (“Knightswood”) (both publicly traded companies listed on the TSXV) and a director and/or officer of a number of private companies.

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

Shane Doyle, BA, MBA – President, Chief Executive Officer and Director

Shane Doyle is President and Director of the general partners of Maple Leaf 2011 Energy Income Limited Partnership, Maple Leaf 2012 Energy Income Limited Partnership, Maple Leaf 2012-II Energy Income Limited Partnership, Maple Leaf 2013 Oil & Gas Income Limited Partnership, Maple Leaf Charitable Giving (2007) II Limited Partnership and Maple Leaf Charitable Giving Limited Partnership. Mr. Doyle was also the Chief Executive Officer and a Director of WCSB Oil & Gas Royalty Income 2010 Management Corp. and WCSB Oil & Gas Royalty Income 2010-II Management Corp., the general partners of WCSB Oil & Gas Royalty Income 2010 Limited Partnership and WCSB Oil & Gas Royalty Income 2010-II Limited Partnership, respectively, as well as WCSB Holdings Corp.

Mr. Doyle is the Chief Executive Officer and a Director of the general partner of Maple Leaf Short Duration 2014 Flow-Through Limited Partnership and the President and a Director of Maple Leaf Short Duration Holding Ltd. In addition, prior to their successful dissolutions, Mr. Doyle was a Managing Partner and a Director of the general partners of Maple Leaf Short Duration 2010 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2012 Flow-Through Limited Partnership, Maple Leaf Short Duration 2013 Flow-Through Limited Partnership, 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 Quebec 2009 Flow-Through Limited Partnership, Fairway Energy (06) Flow-Through Limited Partnership and Fairway Energy (07) Flow-Through Limited Partnership. Mr. Doyle is also a director of Jov Flow-Through Holdings Corp.

Prior to joining the above companies, Mr. Doyle was a Regional Director for SEI Canada, an institutional investment management firm. Prior to joining SEI in 2004, Mr. Doyle worked as a Director of Operations at RBC Financial Group where he was responsible for business development and relationship management.

Mr. Doyle holds both a MBA and Bachelor of Arts (Political Science) from St. Mary’s University in Halifax, Nova Scotia. Mr. Doyle’s education and professional experience have provided him with an understanding of the accounting principles used to prepare the Partnership’s financial statements and an understanding of the internal controls and procedures for financial reporting.

Adam Thomas, B. Comm, CGA – Managing Director

Mr. Thomas is an investment professional bringing 13 years of buy-side and corporate finance experience focused on the Energy sector. Most recently Mr. Thomas was President and CEO of Casimir Capital Ltd. where he founded the Energy Group in July 2010 completing 47 oil and gas transactions totaling \$1.5 billion in Capital. Mr. Thomas was involved in financing such companies as Americas Petrogas, Arsenal Energy, Deethree Exploration, Crocotta Energy, Iona Energy, Sterling Resources, Tag Oil, WestFire Energy and Whitecap Resources. From 2008 to 2010, Mr. Thomas was Vice-President Investment Banking at Clarus Securities Inc. From 2006 to 2008, Adam was a registered Portfolio Manager and Vice-President Portfolio Management at Qwest Investment Management. From 2005 to 2006, Mr. Thomas was and Investment Manager at Sentry Select Capital Corp, one of Canada's leading Investment Managers. From 2002 to 2005, Adam worked as an Investment Manager at Humboldt Capital Corp., a public holding company specializing in oil and gas and mining investing.

Mr. Thomas received a Bachelor of Commerce from Mount Allison University and is a Chartered Financial Analyst (CFA) charterholder and Chartered Investment Manager.

Dan Gundersen, P.Eng., CFA – Managing Director

Mr. Gundersen has over 17 years of oil and gas industry experience. He is the former Vice President, Energy Finance for Sandstorm Metals & Energy Ltd. where \$33 million was deployed into oil and gas streaming transactions. Prior to Sandstorm, he was Vice President, Engineering for Deethree Exploration Ltd., a Calgary-based TSX-listed oil and gas exploration and production company. Prior to Deethree, he was Vice President, Engineering at Dual Exploration Inc. and he also held management roles with Cyries Energy Inc. and Devlan Exploration Inc. Mr. Gundersen is a professional engineer, a member of APEGA, and is also a CFA charterholder.

Jim Huang, CFA, CGA - Director

Jim Huang has been the President and Portfolio Manager of the TIP Wealth Manager, a portfolio management firm based in Toronto, Ontario. TIP Wealth Manager Inc. manages the investment portfolios of the FT Classes. He has over 20 years of investment experience. He was a Vice President and Portfolio Manager at Natcan Investment Management Inc. and its predecessor Altamira Management Ltd. from November 1998 to March 2006; and from February 1996 to November 1998, he was a Senior Research Analyst/Investment Officer at Sun Life of Canada. Mr. Huang started his career with BBN James Capel Inc. and First Energy Capital Corp, both located in Calgary, Alberta. As lead or co-manager while working at Natcan/Altamira, Mr. Huang managed over \$2 billion in mutual funds and institutional assets, including all of the resource and equity income products in the Altamira and National Bank mutual fund families. Altamira Energy Fund, Altamira Resource Fund, Altamira Precious and Strategic Metals Fund and AltaFund (a Canadian Equity fund focusing on Western Canada) had industry-leading performance and won awards and positive press coverage during Mr. Huang's management. In addition, Mr. Huang has experience managing the portfolios of flow-through limited partnerships, having acted as investment advisor for Maple Leaf Short Duration 2014 Flow-Through Limited Partnership, Maple Leaf Short Duration 2013 Flow-Through Limited Partnership, Maple Leaf Short Duration 2012 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2011 Flow-Through Limited Partnership, Maple Leaf Short Duration 2010 Flow-Through Limited Partnership, Jov Diversified Flow-Through 2009 Limited Partnership, Jov Diversified Québec 2009 Flow-Through Limited Partnership, Jov Diversified Flow-Through 2008-II Limited Partnership, Jov Diversified Flow-Through 2008 Limited Partnership, Jov Diversified Flow-Through 2007 Limited Partnership, Rhone 2004 Flow-Through Limited Partnership, Rhone 2005 Flow-Through Limited Partnership, Alpha Energy 2006 Flow-Through Fund, First Asset Energy & Resource Income & Growth Fund and First Asset Energy and Resource Fund, as well as other privately offered flow-through investment vehicles. Currently, Mr. Huang is the manager for the T.I.P. Opportunities Fund, a long/short North American equity hedge fund, as well as the lead manager for a number of resource funds and equity funds. Mr. Huang is or was also a director of the general partners of Maple Leaf Short Duration 2010 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011-II Flow-Through Limited Partnership, Maple Leaf Short Duration 2012 Flow-Through Limited Partnership, Maple Leaf Short Duration 2013 Flow-Through Limited Partnership and Maple Leaf Short Duration 2014 Flow-Through Limited Partnership.

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

Lowell Jackson - Director

Mr. Jackson graduated from the University of Saskatchewan with a degree in Mechanical Engineering (with distinction) and has over 40 years of experience in the oil and gas industry. Mr. Jackson has been an active member of the Canadian Association of Petroleum Producers including most recently his tenure as Chair of the Board of Governors (2011-2012). Mr Jackson is currently Chairman of Kaisen Energy Corp a Private Oil and Gas company with current production of 1,600 boe/d. Prior to Kaisen, Mr. Jackson was President & CEO of WestFire Energy. Over a period of 5 years Mr. Jackson and his team grew production from 14 boe/d to 11,500 boe/d, or 81% per share. At the time of sale WestFire had a net asset value of \$871 million vs. Capital raised of \$265 million. Prior thereto, Mr. Jackson was President & CEO of Real Resources. Over a period of 10 years Mr. Jackson and his team grew production from 365 boe/d to 11,000 boe/d. At the time of sale Real had a net asset value of \$550 million versus capital raised of \$181 million. Prior thereto, Mr. Jackson was a senior executive at Grad & Walker growing

production to 15,000 boe/d over a 4 year period with a net asset value of \$302 million on capital raised of \$55 million.

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

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 Chief Financial Officer of the general partners of Maple Leaf Short Duration 2014 Flow-Through Limited Partnership, as well as Maple Leaf Short Duration Holding Ltd. Mr. Dickson also is, or prior to their dissolution was, the executive officer in charge of finance for each of the Prior Partnerships. In addition, prior to their successful dissolutions, Mr. Dickson was the Vice-President Finance of the general partners of Maple Leaf Short Duration 2010 Flow-Through Limited Partnership, Maple Leaf Short Duration 2011 Flow-Through Limited Partnership and 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, 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 Quebec 2009 Flow-Through Limited Partnership, Fairway Energy (06) Flow-Through Limited Partnership and Fairway Energy (07) Flow-Through Limited Partnership, as well as WCSB Holdings Corp., Maple Leaf Energy Income Holdings Corp., ML Oil & Gas 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.

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

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as disclosed below, none the directors or executive officers of the General Partner, or shareholders holding a sufficient number of the General Partner's securities to affect materially its control:

- a) is, as at the date of this prospectus, or has been within the 10 years before the date of this prospectus, a director or executive officer of any company (including us) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- b) has, within the 10 years before the date of this prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or the shareholder.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

National Instrument 52-110 – Audit Committees (“**NI 52-110**”), National Instrument 41-101 – General Prospectus Requirements (“**NI 41-101**”) and Form 52-110F2 – Disclosure by Venture Issuers require the Partnership, as an IPO venture issuer, to disclose certain information relating to the Partnership's audit committee.

The board of directors of the General Partner has established the Audit Committee, comprised of the board as a whole. One member, Lowell Jackson, is “independent” within the meaning of NI 52-110, and the remaining members are not required to be “independent” since the Partnership is a “venture issuer” (as defined in NI 52-110)

and can therefore rely on the exemption in section 6.1 of NI 52-110. All members of the Audit Committee are financially literate within the meaning of NI 52-110. See the biographies under “The General Partner – Management” for a description of the experience that is relevant to the performance of their responsibilities as Audit Committee members.

The board of directors of the General Partner has adopted a written charter for the Audit Committee, which sets out the Audit Committee’s responsibility in overseeing and supervising the Partnership’s accounting and financial reporting practices and procedures, the adequacy of internal accounting controls and procedures, and the quality and integrity of its financial statements. In addition, the Audit Committee will be responsible for the appointment, compensation and oversight of the work of any external auditor employed by the Partnership and for the approval of non-audit services for which its auditors may be engaged. A copy of this charter is attached to this prospectus as Appendix A.

The Partnership’s auditors PricewaterhouseCoopers LLP have billed the Partnership \$● since inception on September 15, 2014. PricewaterhouseCoopers LLP has advised that they are independent with respect to the Partnership within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia as at ●, 2014.

The Partnership is relying on the exemption in section 6.1 of NI 52-110 in respect of the composition of its audit committee.

Corporate Governance

NI 41-101 and Form 58-101F2 – Corporate Governance Disclosure (Venture Issuer) require the Partnership to disclose certain information relating to its corporate governance policies.

The board of directors of the General Partner facilitates its exercise of supervision of the Partnership’s management through frequent meetings. The board of directors of the General Partner is comprised of six individuals, one of whom, Lowell Jackson, is independent. Certain directors are presently a director of one or more reporting issuers. See “The General Partner – Management” for further details.

Prior to accepting any Offer from Maple Leaf Resource Corp., or any other entity related to the Promoter, the General Partner will comply with all applicable regulatory requirements and will also either (a) obtain a fairness opinion from a qualified Canadian advisory firm that the consideration offered under the Offer is fair, from a financial point of view, to Oil & Gas Royalty Income Class Limited Partners, or (b) establish a special committee of independent directors of the General Partner to review the Offer and recommend acceptance or rejection of the Offer to the full board. See “Potential Liquidity”.

New directors will attend a briefing with existing directors on all aspects of the nature and operation of the Partnership’s business from senior management of the General Partner. Directors will be afforded the opportunity to attend and participate in seminars and continuing education programs. Outside experts may be retained as appropriate to provide directors with ongoing education on ongoing and/or specific subject matters.

The General Partner believes that the fiduciary duties placed on each of the individuals on the board of directors of the General Partner by the governing corporate legislation, the common law and restrictions placed by applicable corporate legislation on an individual director’s participation in decisions of the board of directors in which the director has an interest, is sufficient to ensure that the board of directors of the General Partner operates in the best interests of the Partnership. In addition, directors who have or may be reasonably perceived to have a personal interest in a transaction or agreement being contemplated by the General Partner or the Partnership are required to submit such interest in writing or declare such interest at any meeting at which the matter is being considered and, where appropriate, leave the meeting during discussion and abstain from voting on such matter. The General Partner encourages and promotes a culture of ethical business conduct by expecting each director and officer to act in a manner that exemplifies ethical business conduct.

If a director ceases to hold office, the remaining directors will identify potential candidates for nomination to the board, with a view to ensuring overall diversity of experience and skill.

The board of directors is responsible for determining compensation for the directors of the General Partner to ensure it reflects the responsibilities and risks of being a director. The compensation of the directors of the General Partner will be borne by the General Partner and will not be an expense of the Partnership. Due to the minimal size of the board of directors, no formal policy has been established to monitor the effectiveness of the board of directors.

TECHNICAL ADVISORS

The General Partner may engage, on behalf of the Partnership, one or more professional engineering, geological, geophysical or other similar companies or persons (each a “**Technical Advisor**”) to assist, where the General Partner considers it appropriate, with the evaluation of prospective Investments for the Oil & Gas Royalty Income Class, and to conduct a valuation of Investments. The General Partner will engage a Technical Advisor that is experienced, nationally recognized and independent of the General Partner, the Promoter and their respective affiliates and associates to evaluate any prospective Investments that are not at arm’s length. Technical Advisors may be paid from proceeds of this Offering (provided that such payments do not exceed in the aggregate 2% of the Gross Proceeds over the life of the Partnership) and/or from any production revenues. All costs associated with Technical Advisors will be borne by the Oil & Gas Royalty Income Class.

POTENTIAL LIQUIDITY

There is no market for the Oil & Gas Royalty Income Class Units and it is not anticipated that any market will develop. In order to provide Oil & Gas Royalty Income Class Limited Partners with liquidity, the General Partner intends to implement a Liquidity Event in late 2015, and in any event before December 31, 2016. The tax implications of the Liquidity Event to Oil & Gas Royalty Income Class Limited Partners will vary depending on the nature of the transaction but will generally be a taxable transaction. See “Canadian Federal Income Tax Considerations” for a discussion of the tax implications of the various Liquidity Events. In all cases, the amount distributed to Oil & Gas Royalty Income Class Limited Partners will be net of all liabilities payable and amounts owing to the General Partner, including the General Partner’s Share.

Timing

While the General Partner has until June 30, 2016 to commence implementing a Liquidity Event and until December 31, 2016 to complete it, within approximately six months of investing all Available Funds, the General Partner intends to evaluate selling the Partnership’s assets should, in the opinion of the General Partner, such sales be advantageous to the Partnership from an economic perspective. Accordingly, the General Partner anticipates reviewing the Partnership’s assets for a possible Liquidity Event starting in mid to late 2015, with the targeted completion of the Liquidity Event in late 2015. However there can be no assurance that a Liquidity Event will be implemented in late 2015, at any time prior to December 31, 2016 or at all.

The Liquidity Event will be implemented on not less than 21 days’ prior written notice to the Oil & Gas Royalty Income Class Limited Partners.

Valuation of the Investments

Prior to the Liquidity Event, the General Partner expects to obtain a report prepared by an arm’s length Technical Advisor, evaluating the fair market value of the Investments utilizing discount rates which are appropriate in the circumstances. If the General Partner determines that the consideration payable under a Liquidity Event for an Investment is less than the fair market value of the Investment, or that the Partnership could obtain materially better consideration, the General Partner is not obligated to accept such Liquidity Event and may solicit offers from other parties or seek an alternative Liquidity Event.

Fair market value has been described as the highest price, expressed in terms of money or money's worth, obtainable in an open and unrestricted market between knowledgeable, informed and prudent parties acting at arm's length. It has also been described as the value that can be obtained in a market in which sellers are ready but not too anxious to sell to potential arm's length purchasers ready and able to purchase.

Liquidity Event Alternatives

Sale of Investments for Cash and/or Shares. The Liquidity Event may be the sale of the Investments to a publicly traded company in exchange for cash and/or listed securities of that company. Following such exchange, the Partnership would then distribute the cash and/or the listed securities to the Oil & Gas Royalty Income Class Limited Partners. Oil & Gas Royalty Income Class Limited Partners may realize a gain (or loss) on the exchange of the Investments. Oil & Gas Royalty Income Class Limited Partners will generally have a cost basis in the securities equal to the fair market value of the Investments at the time of the exchange, and will generally realize a capital gain (or loss) on the subsequent disposition of the securities to the extent that the fair market value of the securities increases (or decreases) after the exchange.

Sale of Oil & Gas Royalty Income Class Units for Shares and/or Cash. Alternatively, the General Partner may seek an Offer for all of the Oil & Gas Royalty Income Class Units in exchange for listed securities of a publicly listed company. The General Partner will be granted a power of attorney to accept such an Offer on behalf of the Oil & Gas Royalty Income Class Limited Partners. Provided that appropriate tax elections are made, such a sale can be completed on such a basis that no tax is payable by Oil & Gas Royalty Income Class Limited Partners on the completion of the sale and receipt of the securities. Oil & Gas Royalty Income Class Limited Partners will generally have a cost basis in such shares less than the price they paid for Oil & Gas Royalty Income Class Units and a subsequent disposition of the shares received will generally result in a capital gain equal to the value realized on the disposition of such shares less such cost basis.

To the extent a buyer of the Oil & Gas Royalty Income Class Units offers cash as all or part of the compensation, the portion received in cash will generally be treated as an immediate capital gain equal to the value of cash received if and to the extent it exceeds the Oil & Gas Royalty Income Class Limited Partner's adjusted cost base of his, her or its Oil & Gas Royalty Income Class Units at the time they are sold.

Following the sale of the Oil & Gas Royalty Class Units to the buyer, the Investments will be distributed by the Partnership to the buyer upon a redemption or purchase for cancellation of the Oil & Gas Royalty Class Units held by the buyer. The distribution of the Investments will be a taxable disposition for the Partnership and any income or gain resulting from the disposition will be allocated to the buyer. This may impact the value of the shares of the buyer that are held by an Oil & Gas Royalty Class Limited Partner.

Sale of Investments for Cash. If the General Partner is unable to secure an Offer as described above, it will attempt to secure a cash offer for the Investments. On or after completion of the sale, the cash available will be distributed to Oil & Gas Royalty Income Class Limited Partners. Under a Liquidity Event structured in this manner, the cash received by the Oil & Gas Royalty Income Class Limited Partners will generally be treated as ordinary income to Oil & Gas Royalty Income Class Limited Partners.

In April, 2013, Maple Leaf Resource Corp., a capital pool company established by CADO with certain common directors and officers with the General Partner, completed its initial public offering and began trading on the TSX Venture Exchange. The General Partner expects that Maple Leaf Resource Corp. will participate in the Liquidity Event of the Partnership by making an Offer for the Investments or the Oil & Gas Royalty Income Class Units at fair value. Maple Leaf Resource Corp. will be under no obligation to make such an Offer and the Partnership or the General Partner on behalf of the Oil & Gas Royalty Income Class Limited Partners, as applicable, will be under no obligation to accept such an Offer. Prior to accepting any such Offer from Maple Leaf Resource Corp., the General Partner will comply with all applicable regulatory requirements and will also either (a) obtain a fairness opinion from a qualified Canadian advisory firm that the consideration offered under the Offer is fair, from a financial point of view, to Oil & Gas Royalty Income Class Limited Partners, or (b) establish a special committee of independent directors of the General Partner to review the Offer and recommend acceptance or rejection of the Offer to the full board. **Acceptance of an Offer from Maple Leaf Resource Corp. may also be subject to approval by the Oil & Gas Royalty Income Class Limited Partners. Although the General Partner currently**

intends to sell the Investments to Maple Leaf Resource Corp., there can be no assurance that the Offer will be made or accepted by the General Partner or will receive all necessary approvals. The Partnership will comply with all applicable regulatory requirements in accepting any such Offer from Maple Leaf Resource Corp.

If Maple Leaf Resource Corp. does not or is unable to make an Offer or the Offer is not accepted by the Partnership or the General Partner on behalf of the Oil & Gas Royalty Income Class Limited Partners, as applicable, the General Partner will seek to sell the Investments to a publicly listed company other than Maple Leaf Resource Corp. for publicly listed securities of that company.

The General Partner will not accept an Offer involving: (a) securities subject to a statutory hold period under applicable securities laws in Canada of greater than four months and one day; or (b) Offering Shares where the market for such Offering Shares is not anticipated to be sufficiently liquid to allow an Oil & Gas Royalty Income Class Limited Partner to subsequently sell such Offering Shares for cash.

Oil & Gas Royalty Income Class Limited Partners Meeting

The General Partner has been granted all necessary power, on behalf of the Partnership and each Oil & Gas Royalty Income Class Limited Partner, to implement Offers, transfer the assets of the Partnership 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 another entity or the dissolution of the Partnership.

The General Partner may, in its sole discretion, call a meeting of Oil & Gas Royalty Income Class Limited Partners to approve a Liquidity Event and no Liquidity Event will be implemented if a majority of the Oil & Gas Royalty Income Class Units voted at such meeting are voted against the Liquidity Event. The General Partner does not intend to call such a meeting unless the terms of the Liquidity Event are substantially different from those described herein or a meeting is otherwise required by applicable law.

In the event the General Partner has not commenced implementing a Liquidity Event by June 30, 2016, or the Liquidity Event has not been completed by December 31, 2016, the Partnership will distribute its Investments attributable to the Oil & Gas Royalty Income Class Units *pro rata* to the Oil & Gas Royalty Income Class Limited Partners, unless the Limited Partners of each Class approve an Extraordinary Resolution to continue operation.

PRIOR PARTNERSHIPS

An affiliate of CADO has established the Maple Leaf 2013 Oil & Gas Income Limited Partnership, Maple Leaf 2012-II Energy Income Limited Partnership, Maple Leaf 2012 Energy Income Limited Partnership and the Maple Leaf 2011 Energy Income Limited Partnership, as well as five prior WCSB limited partnerships (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 and WCSB Oil & Gas Royalty Income 2010-II Limited Partnership) (collectively, the “**Prior Partnerships**”). The investment structure of each of the Prior Partnerships, other than the Maple Leaf 2013 Oil & Gas Income Limited Partnership, is slightly different from the investment structure of the Oil & Gas Royalty Income Class, in that each of these Prior Partnerships invested exclusively in oil & gas assets intended to generate CDE for limited partners, and the five prior WCSB limited partnerships targeted exclusively royalties on oil and natural gas production. Information regarding the Prior Partnerships is set out below.

WCSB GORR Oil & Gas Income Participation 2008-I Limited Partnership

Pursuant to a prospectus dated July 14, 2008, WCSB GORR Oil & Gas Income Participation 2008-I Limited Partnership (“**WCSB 2008-I**”) issued a total of 66,946 units at a price of \$100 per unit, for gross proceeds of \$6,694,600. During the life of WCSB 2008-I, the total amount of cash distributions made to investors was \$634,648.08. On October 28, 2011, WCSB 2008-I completed a sale, on a tax deferred basis, of its portfolio of oil and natural gas gross over-riding royalties (the “**WCSB 2008-I GORRs**”) to Caledonian Royalty Corporation (“**Caledonian**”) in exchange for royalty units of Caledonian (“**CRC Oil & Gas Royalty Income Class Units**”), a

private Alberta-based corporation. Pursuant to the transaction, Caledonian issued 134,731 CRC Oil & Gas Royalty Income Class Units valued at \$1,616,772 in exchange for the WCSB 2008-I GORRs. Limited partners of WCSB 2008-I became shareholders of CRC Royalty Corporation, which held the CRC Oil & Gas Royalty Income Class Units. At the time of the completion of the restructuring transaction, the return on “at-risk” capital on an investment made in WCSB 2008-I was estimated to be -43.2% after income tax savings and distributions. Since the completion of the restructuring transaction, the CRC Royalty Corporation has paid monthly dividends totalling \$1.45 per share which is a 4.3% average annual yield.

Additional information regarding WCSB 2008-I may be found at www.sedar.com.

WCSB Oil & Gas Royalty Income 2008-II Limited Partnership

Pursuant to a prospectus dated December 15, 2008, WCSB Oil & Gas Royalty Income 2008-II Limited Partnership (“**WCSB 2008-II**”) issued a total of 75,342 units at a price of \$100 per unit, for gross proceeds of \$7,534,200. During the life of WCSB 2008-II, the total amount of cash distributions made to investors was \$948,555.78. On October 28, 2011, WCSB 2008-II completed a sale, on a tax deferred basis, of its portfolio of oil and natural gas gross over-riding royalties (the “**WCSB 2008-II GORRs**”) to Caledonian in exchange for CRC Oil & Gas Royalty Income Class Units. Pursuant to the transaction, Caledonian issued 377,822 CRC Oil & Gas Royalty Income Class Units valued at \$4,533,864 in exchange for the WCSB 2008-II GORRs. Limited partners of WCSB 2008-II became shareholders of CRC Royalty Corporation, which held the CRC Oil & Gas Royalty Income Class Units. At the time of the completion of the restructuring transaction, the return on “at-risk” capital on an investment made in WCSB 2008-II was estimated to be 21.4% after income tax savings and distributions. Since the completion of the restructuring transaction, the CRC Royalty Corporation has paid monthly dividends totalling \$1.45 per share which is a 4.3% average annual yield.

Additional information regarding WCSB 2008-II may be found at www.sedar.com.

WCSB Oil & Gas Royalty Income 2009 Limited Partnership

Pursuant to an amended and restated prospectus dated August 12, 2009, WCSB Oil & Gas Royalty Income 2009 Limited Partnership (“**WCSB 2009**”) issued a total of 259,262 units at a price of \$100 per unit, for gross proceeds of \$25,926,200. During the life of WCSB 2009, the total amount of cash distributions made to investors was \$3,777,447. On October 28, 2011, WCSB 2009 completed a sale, on a tax deferred basis, of its portfolio of oil and natural gas gross over-riding royalties (the “**WCSB 2009 GORRs**”) to Caledonian in exchange for CRC Oil & Gas Royalty Income Class Units. Pursuant to the transaction, Caledonian issued 1,594,447 CRC Oil & Gas Royalty Income Class Units valued at \$19,133,364 in exchange for the WCSB 2009 GORRs. Limited partners of WCSB 2009 became shareholders of CRC Royalty Corporation, which held the CRC Oil & Gas Royalty Income Class Units. At the time of the completion of the restructuring transaction, the return on “at-risk” capital on an investment made in WCSB 2009 was estimated to be 47.3% after income tax savings and distributions. Since the completion of the restructuring transaction, the CRC Royalty Corporation has paid monthly dividends totalling \$1.45 per share which is a 4.3% average annual yield.

Additional information regarding WCSB 2009 may be found at www.sedar.com.

WCSB Oil & Gas Royalty Income 2010 Limited Partnership

Pursuant to a prospectus dated January 22, 2010, WCSB Oil & Gas Royalty Income 2010 Limited Partnership (“**WCSB 2010**”) issued a total of 216,876 units for gross proceeds of \$21,687,600. WCSB 2010 has fully invested all available funds in a total of 27 joint ventures.

WCSB 2010 has distributed a total of \$22.60 per unit (\$4,901,398 total paid) in cash distributions for the 39 month period commencing July 2010 through to September 2013.

WCSB 2010 sold its portfolio of oil and gas royalties (the “**WCSB 2010 Royalties**”) to Toscana Energy Income Corporation (“**Toscana**” or the “**Company**”) (TSX Venture: TEI) a publicly traded company, in exchange

for Toscana common shares. A total of 442,701 Toscana shares were issued for the WCSB 2010 Royalties held directly or indirectly by WCSB 2010 (prior to the general partner's share). WCSB 2010 distributed the shares to investors in September 2013 and was dissolved effective September 12, 2013.

At the time of the completion of the purchase and sale transaction, the return on "at-risk" capital on an investment made in WCSB 2010 was estimated to be -7.1% after income tax savings and distributions.

Additional information regarding WCSB 2010 may be found at www.sedar.com.

WCSB Oil & Gas Royalty Income 2010-II Limited Partnership

Pursuant to a prospectus dated May 31, 2010, WCSB Oil & Gas Royalty Income 2010-II Limited Partnership ("**WCSB 2010-II**") issued a total of 191,762 units for gross proceeds of \$19,176,200. WCSB 2010-II fully invested all available funds in a total of 17 joint ventures.

WCSB 2010-II distributed a total of \$42.45 per unit (\$8,140,297 total paid) in cash distributions for the 32 month period commencing February 2011 to September 2013.

WCSB 2010-II sold its portfolio of oil and gas royalties (the "**WCSB 2010-II Royalties**") to Toscana Energy Income Corporation ("**Toscana**" or the "**Company**") (TSX Venture: TEI) a publicly traded company, in exchange for Toscana common shares. A total of 590,299 Toscana shares were issued for the WCSB 2010-II Royalties held directly or indirectly by WCSB 2010-II (prior to the general partner's share). WCSB 2010-II distributed the shares to investor and was subsequently dissolved.

At the time of the completion of the purchase and sale transaction, the return on "at-risk" capital on an investment made in WCSB 2010-II was estimated to be 53.7% after income tax savings and distributions.

Additional information regarding WCSB 2010-II may be found at www.sedar.com.

Maple Leaf 2011 Energy Income Limited Partnership

Pursuant to a prospectus dated August 16, 2011, Maple Leaf 2011 Energy Income Limited Partnership ("**Maple Leaf 2011**") issued a total of 177,136 units for gross proceeds of \$17,713,600. Maple Leaf 2011 has fully invested all available funds in a total of 12 joint ventures targeting oil and liquids rich gas with horizontal wells in North Central Alberta. Maple Leaf 2011 has achieved 100% drilling success within this 12 well horizontal program; 11 of the 12 wells are now producing light oil from the Cardium formation and the remaining well is now producing liquids rich gas in the Notikewin Formation.

Maple Leaf 2011 has distributed a total of \$27.57 per unit (\$4,883,640 total paid) in cash distributions for the 32 month period from January 2012 to August 2014, representing 50.1% of "at-risk" capital. Investors in the partnership have also been provided with tax deductions of \$57.90 per \$100 invested and investors are expected to also realize a further \$42.10 of tax deductions per \$100 invested in future years.

Additional information regarding Maple Leaf 2011 Energy Income may be found at www.sedar.com.

Maple Leaf 2012 Energy Income Limited Partnership

Pursuant to a prospectus dated February 29, 2012, Maple Leaf 2012 Energy Income Limited Partnership ("**Maple Leaf 2012**") had an initial closing on March 8, 2012 and a second and final closing on April 12, 2012. A total of 189,910 units were issued for gross proceeds of \$18,991,000.

Maple Leaf 2012 invested 100% of capital into three joint venture programs targeting 7 development wells located in north central Alberta and 2 wells in NW Alberta. Joint Venture 1 is a 6 well multi-frac horizontal development drilling program targeting light oil in the Cardium formation. To date, all 6 wells have been successfully drilled and are on production. Joint Venture 2 is comprised of one Belly River horizontal oil well which

has been drilled and completed, and commenced production at the beginning of April. Joint Venture 3 has participated in 2 liquid rich natural gas wells in the Wapiti/Bigstone area of NW Alberta; both of which are now on production.

Maple Leaf 2012 has distributed a total of \$27.35 per unit (\$5,194,039 total paid) in cash distributions for the 23 month period from October 2012 to August 2014, representing 49.73% of “at-risk” capital. Further to the cash distributions, investors in the partnership have also been provided with tax deductions of \$43.535 per \$100 invested and investors are expected to also realize a further \$56.47 of tax deductions per \$100 invested in future years.

Additional information regarding Maple Leaf 2012 may be found at www.sedar.com.

Maple Leaf 2012-II Energy Income Limited Partnership

Pursuant to a prospectus dated October 19, 2012, Maple Leaf 2012-II Energy Income Limited Partnership (“**Maple Leaf 2012-II**”) had an initial closing on October 26, 2012 and a second and final closing on November 29, 2012. A total of 247,152 units were issued for gross proceeds of \$24,715,200.

Maple Leaf 2012-II has invested in three joint ventures encompassing 12 wells and has acquired a non-operated oil and gas asset. Joint Venture 1 is a 4 well program in which all wells have been successfully drilled and completed. Given the significant liquids content of the gas from these wells, it will be produced to the Operators “deep cut plant” to maximize liquid recovery. For the month of June 2014 the wells were shut-in due to infrastructure work in the area but have since recommenced production. This production will be produced from the Kakwa area of NW Alberta. Joint Venture 2 was originally a 4 well program but has been increased to 5 wells all located in the Gold Creek/Wapiti area of NW Alberta. All wells are now producing. Joint Venture 3 was a 4 well program in SW Saskatchewan targeting medium quality oil. The first 2 wells of this program have now been completed and have resulted in 2 uneconomic oil wells. The Fund’s exposure on these wells was approximately only 3% of the capital of the Fund. The balance of the capital that was reserved for the other 2 wells in this joint venture has since reallocated and invested into a liquid rich natural gas opportunity in West Central Alberta. The Fund acquired a non-operated oil and gas asset in West Central Alberta for \$4,000,000 in November 2013. These assets have a 70% weighting to oil.

Maple Leaf 2012-II has distributed a total of \$13.90 per unit (\$3,015,254 total paid) in cash distributions for the 13 month period from August 2013 to August 2014, representing 25.3% of “at-risk” capital. Further to the cash distributions, investors in the partnership have also been provided with tax deductions of \$23.68 per \$100 invested and investors are expected to also realize a further \$76.32 of tax deductions per \$100 invested in future years.

Additional information regarding Maple Leaf 2012-II may be found at www.sedar.com.

Maple Leaf 2013 Oil & Gas Income Limited Partnership

Pursuant to a prospectus dated October 23, 2013, Maple Leaf 2013 Oil & Gas Income Limited Partnership (“**Maple Leaf 2013**”) had an initial closing on October 30, 2013, a second closing on November 27, 2013 and a third and final closing on December 18, 2013. A total of 129,933 units were issued for gross proceeds of \$12,993,300.

Maple Leaf 2013 closed the acquisition of petroleum and natural gas gross overriding royalties from for a total of \$7 million with an effective date of June 10, 2014. This acquisition provides unitholders with immediate cash flow from a well-diversified existing production base as well as exposure to future activities on approximately 100,000 net acres of land in Alberta. Maple Leaf 2013 closed an unrelated royalty acquisition in the Ferrier area of Alberta for total consideration of \$380,000.

Maple Leaf 2013 has entered into a confidential non-binding letter of intent with an independent oil and gas exploration and production company that, if consummated will complete the investment of 100% of the

Partnership's available capital. The Investment Manager is also currently reviewing several other joint venture investment opportunities and is confident that it will be able to invest the capital over the next several months into quality programs that meet the Maple Leaf 2013's technical and economic objectives.

Additional information regarding Maple Leaf 2013 may be found at www.sedar.com.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

Tax considerations ordinarily make the Oil & Gas Royalty Income Class Units offered hereunder most suitable for 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 Oil & Gas Royalty Income Class 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.

In the opinion of Borden Ladner Gervais LLP, counsel to the Partnership and the General Partner, and Fasken Martineau DuMoulin LLP, counsel to the Agents, the following is a summary of the principal Canadian federal income tax consequences to Oil & Gas Royalty Income Class Limited Partners of acquiring, holding and disposing of Oil & Gas Royalty Income Class Units purchased pursuant to this Offering. This summary only applies to Oil & Gas Royalty Income Class Limited Partners who are and remain, at all relevant times, individuals or corporations resident in Canada for purposes of the Tax Act and who hold their Oil & Gas Royalty Income Class Units as capital property. It is 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 will not be held by Financial Institutions at any relevant time. This summary does not apply to an Oil & Gas Royalty Income Class Limited Partner that makes a functional currency reporting election pursuant to the Tax Act.

Unless stated otherwise, this summary assumes that recourse for any financing for the acquisition of Oil & Gas Royalty Income Class Units by an Oil & Gas Royalty Income Class Limited Partner is not limited and is not deemed to be limited for the purposes of the Tax Act. (See "Taxation of Oil & Gas Royalty Income Class Limited Partners – (d) At-Risk Rules.") **Oil & Gas Royalty Income Class Limited Partners who intend to borrow to finance the purchase of Oil & Gas Royalty Income Class Units should consult their own tax advisors.**

This summary also assumes that an Oil & Gas Royalty Income Class Limited Partner will at all relevant times deal with the Partnership at arm's length for the purposes of the Tax Act. This summary does not apply to Oil & Gas Royalty Income Class Limited Partners that are partnerships, trusts, Financial Institutions, or "principal-business corporations" as defined in subsection 66(15) of the Tax Act or whose business includes trading or dealing in rights, licenses or privileges to explore for, drill for or take petroleum, natural gas or other related hydrocarbons, or an interest in which is a "tax shelter investment" for purposes of subsection 143.2(1) of the Tax Act.

This summary is based on the assumptions that the Partnership and each other partnership of which the Partnership is a member will deal at all relevant times at arm's length for purposes of the Tax Act with every Resource Company from which it has acquired any Producing Long Life Asset or Other GORR Assets. This summary assumes that each Producing Long Life Asset or Other GORR Assets acquired by the Partnership will be a "Canadian resource property" as defined in the Tax Act.

This summary assumes that the Partnership will not be a "SIFT partnership" for purposes of the Tax Act based on the advice provided by the General Partner to counsel that the Oil & Gas Royalty Income Class Units or any security of any entity affiliated with the Partnership are not and will not be listed on a stock exchange or other similar public market.

The income tax consequences for an Oil & Gas Royalty Income Class Limited Partner will depend upon a number of factors, including whether the Oil & Gas Royalty Income Class Limited Partner's Oil & Gas Royalty Income Class Units are characterized as capital property to the Oil & Gas Royalty Income Class Limited Partner, the province or territory in which the Oil & Gas Royalty Income Class Limited Partner resides, carries on business or has a permanent establishment, the amount that would be the Oil & Gas Royalty Income Class Limited Partner's

taxable income but for the Oil & Gas Royalty Income Class Limited Partner's interest in the Partnership and the legal characterization of the Oil & Gas Royalty Income Class Limited Partner as an individual, corporation, trust or partnership.

This is only a general summary and is not, and is not to be construed as, legal or tax advice to any particular prospective Subscriber. Each prospective Subscriber should consult with his, her or its tax advisors regarding the income tax consequences of an investment in Oil & Gas Royalty Income Class Units applicable to his, her or its particular circumstances. A prospective Subscriber that proposes to use borrowed funds to acquire Oil & Gas Royalty Income Class Units should consult his, her or its own tax advisors before doing so. See "Taxation of Oil & Gas Royalty Income Class Limited Partners – (d) At-Risk Rules".

This summary is based upon the facts set out in this prospectus, a certificate received by counsel from the General Partner as to certain factual matters, the current provisions of the Tax Act including the regulations (the "**Regulations**") thereunder and counsels' understanding of the current published administrative practices of the CRA. The summary also takes into account all specific proposals to amend the Tax Act and Regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof but not withdrawn 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 change in law whether by judicial, governmental or legislative decision or action (which may apply retroactively without notice and/or without "grandfathering" or other relief) and does not take into account provincial, territorial or foreign income tax legislation or considerations.

Taxation of Partnership

(a) Status of Partnership

The Partnership itself is not liable for income tax, but is required to file an annual information return. Under the Partnership Agreement, the General Partner is required to file the annual information return on behalf of all Partners. 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 incurred by it.

(b) Computation of Income

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 its capital assets. The amount of any such capital gain will generally equal the proceeds of disposition of these assets, less their tax costs to the Partnership and less any reasonable costs of disposition. However, based on the following, dispositions by the Partnership of assets acquired under an Investment Agreement will be subject to special rules that apply to Canadian resource properties and not the rules that apply to capital gains.

The General Partner has advised counsel that the Partnership will acquire Producing Long Life GORR Assets and, pursuant to Investment Agreements, Other GORR Assets, each of which will qualify as a "Canadian resource property" as defined in the Tax Act. Under the Tax Act, any right to take petroleum, natural gas or related hydrocarbons in Canada, any oil or gas well in Canada, any real property the principal value of which depends on its petroleum, natural gas or related hydrocarbon content and any right to a royalty computed by reference to the amount or value of production from an oil or gas well (or from a natural accumulation of petroleum, natural gas or from a related hydrocarbon) in Canada if the payer of the royalty has an interest in the well (or accumulation) and 90% or more of the royalty is payable therefrom, are all a "Canadian resource property." Capital gains do not arise if and to the extent that the Partnership disposes of a "Canadian resource property."

If the Partnership disposes of a Canadian resource property in a fiscal year, generally the cumulative COGPE of each Oil & Gas Royalty Income Class Limited Partner at the end of the Oil & Gas Royalty Income Class Limited Partner's taxation year that includes such fiscal year will be reduced by the amount of the Oil & Gas Royalty Income Class Limited Partner's allocated share of the Partnership's proceeds of disposition less any outlays

or expenses made or incurred for the purposes of the disposition. If there is a negative balance in an Oil & Gas Royalty Income Class Limited Partner's cumulative COGPE account in respect of a taxation year, that balance must be deducted when calculating the Oil & Gas Royalty Income Class Limited Partner's cumulative CDE account. Any resulting negative balance in an Oil & Gas Royalty Income Class Limited Partner's cumulative CDE account in respect of a taxation year must be included in the Oil & Gas Royalty Income Class Limited Partner's income for income tax purposes (and will not be taxed as a capital gain).

The income of the Partnership will also include any interest earned on funds held by the Partnership prior to investment.

The costs associated with the organization of the Partnership will not be fully deductible by the Partnership in determining its income for the fiscal period in which they are incurred. Organization expenses incurred by the Partnership are eligible capital expenditures, three-quarters of which may be deducted by the Partnership at the rate of 7% per year on a declining balance basis.

In computing its income for tax purposes, the Partnership may deduct reasonable administrative and other expenses incurred to earn income. The Partnership may generally deduct the costs and expenses of the Offering paid by the Partnership and not reimbursed at a rate of 20% per year, pro-rated where the Partnership's taxation year is less than 365 days.

Taxation of Oil & Gas Royalty Income Class Limited Partners

(a) General Rules

Subject to the restrictions described below under "At-Risk Rules," each Oil & Gas Royalty Income Class Limited Partner will be required to include (or be entitled to deduct) in computing the Oil & Gas Royalty Income Class Limited Partner's income, the Oil & Gas Royalty Income Class Limited Partner's proportionate share of the income (or loss) of the Partnership allocated to the Oil & Gas Royalty Income Class Limited Partner pursuant to the Partnership Agreement for the fiscal period of the Partnership ending in the Oil & Gas Royalty Income Class Limited Partner's taxation year. An Oil & Gas Royalty Income Class Limited Partner's share of the Partnership's income must (or loss may) be included in determining the Oil & Gas Royalty Income Class Limited Partner's income (or loss) for the year, whether or not any distribution of income has been made by the Partnership.

An Oil & Gas Royalty Income Class Limited Partner must include in computing the Oil & Gas Royalty Income Class Limited Partner's income any allocation of income by the Partnership to the Oil & Gas Royalty Income Class Limited Partner, including income sourced from Investments. See "Summary of the Partnership Agreement – Allocation of Eligible Expenditures, Income and Loss".

(b) Eligible Expenditures

The Partnership proposes to incur Eligible Expenditures by acquiring Producing Long Life GORR Assets and, pursuant to Investment Agreements, Other GORR Assets. See "The Partnership - Investment Strategies – Tax Benefits".

An Oil & Gas Royalty Income Class Limited Partner who is an Oil & Gas Royalty Income Class Limited Partner at the end of a particular fiscal period of the Partnership will be entitled to include in the Oil & Gas Royalty Income Class Limited Partner's cumulative COGPE, CDE and CEE accounts, the Oil & Gas Royalty Income Class Limited Partner's allocated share of the Eligible Expenditures incurred by the Partnership in that fiscal period based on the number of Oil & Gas Royalty Income Class Units held by the Oil & Gas Royalty Income Class Limited Partner at the end of the fiscal period or, in the event of the dissolution of the Partnership, on the date of dissolution. In computing the Oil & Gas Royalty Income Class Limited Partner's income for purposes of the Tax Act for a taxation year, the Oil & Gas Royalty Income Class Limited Partner may deduct up to 10% of the balance of the Oil & Gas Royalty Income Class Limited Partner's cumulative COGPE account and up to 30% of the balance of the Oil & Gas Royalty Income Class Limited Partner's cumulative CDE account (each on a year-by-year declining balance

basis commencing in the year the allocation is made) and up to 100% of the balance of the Oil & Gas Royalty Income Class Limited Partner's cumulative CEE account in the year the allocation is made.

An Oil & Gas Royalty Income Class Limited Partner's share of Eligible Expenditures (and other expenses or losses) of the Partnership in a fiscal year is limited to the Oil & Gas Royalty Income Class Limited Partner's "at-risk amount" in respect of the Partnership at the end of the fiscal year. If the Oil & Gas Royalty Income Class Limited Partner's share of the Eligible Expenditures is so limited, any excess will be added to the Oil & Gas Royalty Income Class Limited Partner's share, as otherwise determined, of the Eligible Expenditures incurred by the Partnership for the immediately following fiscal year (and will be potentially subject to the application of the at-risk rules in that year).

The undeducted balance of an Oil & Gas Royalty Income Class Limited Partner's cumulative COGPE, CDE and CEE accounts may be carried forward indefinitely. The cumulative COGPE, CDE and CEE account balances are reduced by deductions in respect thereof by an Oil & Gas Royalty Income Class Limited Partner made in prior taxation years and by an Oil & Gas Royalty Income Class Limited Partner's share of any amount that the Oil & Gas Royalty Income Class Limited Partner or the Partnership receives or is entitled to receive in respect of assistance or benefits in any form that relate to the Oil & Gas Royalty Income Class Limited Partner's investment in the Partnership. If, at the end of a taxation year, the reductions in calculating cumulative CDE or CEE exceed the aggregate of the cumulative CEE or CDE balance at the beginning of the taxation year and any additions thereto, the Oil & Gas Royalty Income Class Limited Partner must include the excess in income for the taxation year and the cumulative CDE or CEE account will then be adjusted to a nil balance. Any negative balance of the Oil & Gas Royalty Income Class Limited Partner's cumulative COGPE at the end of the taxation year will be deducted from the Oil & Gas Royalty Income Class Limited Partner's cumulative CDE account at that time, and the Oil & Gas Royalty Income Class Limited Partner's cumulative COGPE balance will then be adjusted to nil.

Any undeducted addition to an Oil & Gas Royalty Income Class Limited Partner's cumulative COGPE, CDE and CEE account will remain with the Oil & Gas Royalty Income Class Limited Partner after a disposition of the Oil & Gas Royalty Income Class Limited Partner's Oil & Gas Royalty Income Class Units. An Oil & Gas Royalty Income Class Limited Partner's ability to deduct such expenses will not be restricted as a result of the Oil & Gas Royalty Income Class Limited Partner's prior disposition of Oil & Gas Royalty Income Class Units unless a claim in respect of those expenditures has been previously reduced by virtue of the application of the at-risk rules. In such instances, the Oil & Gas Royalty Income Class Limited Partner's future ability to deduct such expenses relating to the Partnership may be eliminated.

Subject to restrictions in the Tax Act, certain Eligible Expenditures that are incurred by the Partnership and then allocated as CDE by the Partnership to Oil & Gas Royalty Income Class Limited Partners may be subsequently recharacterized as CEE where the expenses were incurred as CDE for the purposes of drilling or completing an oil and gas well in Canada, building an access road to the well, or preparing a site in respect of a well. Such a recharacterization may occur if the drilling or completing of the well resulted in the discovery of a natural underground reservoir containing petroleum or natural gas and no one had previously discovered such contents of the reservoir or, within 24 months after completing drilling of an oil or gas well, the well has not produced (except for certain testing or other purposes specified in the Tax Act) or if the well is abandoned and has never produced (except for those purposes). Where such recharacterization is available, the General Partner has advised counsel that the Partnership will make adjustments to allocations of Eligible Expenditures to Oil & Gas Royalty Income Class Limited Partners and former Oil & Gas Royalty Income Class Limited Partners accordingly.

As noted in more detail under "Taxation of Partnership – Computation of Income" if the Partnership disposes of a "Canadian resource property" as defined in the Tax Act, an Oil & Gas Royalty Income Class Limited Partner will be required to include an amount in income if it results in a negative balance in the Oil & Gas Royalty Income Class Limited Partner's cumulative CDE account.

(c) Deduction of Losses

Subject to the "at-risk" rules, an Oil & Gas Royalty Income Class Limited Partner's share of the business losses of the Partnership for any fiscal year may be applied against the Oil & Gas Royalty Income Class Limited

Partner's income from any other source to reduce 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.

(d) At-Risk Rules

The Tax Act limits the amount of deductions, including Eligible Expenditures and losses, that an Oil & Gas Royalty Income Class Limited Partner may claim as a result of the Oil & Gas Royalty Income Class Limited Partner's investment in the Partnership to the amount that the Oil & Gas Royalty Income Class Limited Partner has contributed to the Partnership or otherwise has "at-risk" in respect thereof. Generally, an Oil & Gas Royalty Income Class Limited Partner's "at-risk amount" will, subject to the detailed provisions of the Tax Act, be the amount actually paid by the Oil & Gas Royalty Income Class Limited Partner for Oil & Gas Royalty Income Class Units plus the amount of any Partnership income (including the full amount of any Partnership capital gains) allocated to the Oil & Gas Royalty Income Class Limited Partner for completed fiscal periods, less the aggregate amount of the Oil & Gas Royalty Income Class Limited Partner's share of Eligible Expenditures incurred by the Partnership, Partnership losses and distributions from the Partnership.

An Oil & Gas Royalty Income Class Limited Partner's at-risk amount may be reduced by certain benefits or in circumstances where amounts are owed to the Partnership by the Oil & Gas Royalty Income Class Limited Partner. For example, subject to certain exceptions in the Tax Act, a taxpayer's at-risk amount is reduced when the taxpayer is entitled, either immediately or in the future, or absolutely or contingently, to receive or obtain any amount or benefit granted for the purposes of reducing the impact of any loss that the taxpayer may sustain by virtue of being a member of a limited partnership, or by virtue of holding or disposing of partnership interests. The Partnership may enter into Investment Agreements and other agreements pursuant to which Oil and Gas Companies agree to reimburse the Partnership or pay compensation to it for costs, damages, expenses or losses incurred by it as a result of the Oil and Gas Companies' breach of their obligations under the Investment Agreement or other agreement. While this could be regarded as a benefit that is covered by the at-risk rules, the CRA generally does not regard it as such.

The ability of an Oil & Gas Royalty Income Class Limited Partner to deduct losses of the Partnership may be limited by the at-risk rules until the amount of Partnership income (including the full amount of any Partnership capital gains) allocated to the Oil & Gas Royalty Income Class Limited Partner less the amount of any distributions from the Partnership exceeds the aggregate of all losses of the Partnership allocated to the Oil & Gas Royalty Income Class 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. Although the matter is not free from doubt, Oil & Gas Royalty Income Class Units may be a tax shelter investment for those purposes. If the Oil & Gas Royalty Income Class Units are a tax shelter investment and an Oil & Gas Royalty Income Class Limited Partner has funded the acquisition of the Oil & Gas Royalty Income Class Limited Partner's Oil & Gas Royalty Income Class 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 the Oil & Gas Royalty Income Class Limited Partner may sustain by virtue of acquiring, holding or disposing of those Oil & Gas Royalty Income Class Units, Eligible Expenditures or other expenses incurred by the Partnership may be reduced by the amount of the Limited Recourse Amount to the extent that the financing can reasonably be considered to relate to such amounts. The Partnership Agreement provides that where Eligible Expenditures of the Partnership are so reduced the amount of Eligible Expenditures that would otherwise be allocated by the Partnership to the Oil & Gas Royalty Income Class Limited Partner who incurs the limited-recourse financing shall be reduced by the amount of the reduction. Where the reduction of other expenses reduces the loss of the Partnership, the Partnership Agreement provides that such reduction shall first reduce the amount of the loss that would otherwise be allocated to the Oil & Gas Royalty Income Class Limited Partner who incurs the limited-recourse financing.

The cost of a Unit to an Oil & Gas Royalty Income Class 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 Oil & Gas Royalty Income Class Units held by the Oil & Gas Royalty Income Class Limited Partner. Any such reduction may

reduce the at-risk amount of the Oil & Gas Royalty Income Class Limited Partner, thereby reducing the amount of deductions otherwise available to the Oil & Gas Royalty Income Class Limited Partner to the extent that deductions are not reduced at the Partnership level as described above.

Subscribers who propose to finance the acquisition of Oil & Gas Royalty Income Class Units should consult their own tax advisors.

(e) Disposition of Oil & Gas Royalty Income Class Units in Partnership

A disposition by an Oil & Gas Royalty Income Class Limited Partner of the Oil & Gas Royalty Income Class Limited Partner's Oil & Gas Royalty Income Class Units will result in a capital gain (or a capital loss) to the extent that the Oil & Gas Royalty Income Class Limited Partner's proceeds of disposition, net of reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Oil & Gas Royalty Income Class Units immediately prior to the disposition.

One-half of any capital gain (the "taxable capital gain") realized upon a disposition by an Oil & Gas Royalty Income Class Limited Partner of the Oil & Gas Royalty Income Class Limited Partner's Oil & Gas Royalty Income Class Units in the Partnership will be included in the Oil & Gas Royalty Income Class Limited Partner's income for the year of disposition, and one-half of any capital loss so realized (the "allowable capital loss") may be deducted by the Oil & Gas Royalty Income Class 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 Oil & Gas Royalty Income Class Limited Partner may be carried back up to three taxation years or forward indefinitely and deducted against net taxable capital gains in those other years.

Subject to any adjustment required by the tax shelter investment rules and the other detailed provisions of the Tax Act, an Oil & Gas Royalty Income Class Limited Partner's adjusted cost base of a Unit for purposes of the Tax Act will generally consist of the purchase price of the Unit, plus the Oil & Gas Royalty Income Class Limited Partner's share of any income of the Partnership for completed fiscal years of the Partnership (including the full amount of any income or capital gains realized by the Partnership, including on the disposition of any of the Partnership's assets) and minus the Oil & Gas Royalty Income Class Limited Partner's share of any losses of the Partnership for completed fiscal years of the Partnership (including the full amount of any income or capital losses realized by the Partnership), Eligible Expenditures incurred by the Partnership, and Partnership distributions.

Where, at the end of a fiscal period of the Partnership the adjusted cost base to an Oil & Gas Royalty Income Class Limited Partner of a Unit becomes a negative amount, the negative amount is deemed to be a capital gain realized by the Oil & Gas Royalty Income Class Limited Partner at that time from the disposition of the Unit and, also at that time, the Oil & Gas Royalty Income Class Limited Partner's adjusted cost base of the Unit will be increased by an amount equal to that of the deemed capital gain, so that the Oil & Gas Royalty Income Class Limited Partner's adjusted cost base of the Unit at the time will be nil.

An Oil & Gas Royalty Income Class Limited Partner that is a Canadian-controlled private corporation (as defined in the Tax Act) may be liable to pay an additional refundable tax of 6 2/3% on taxable capital gains.

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

(f) Alternative Minimum Tax on Individuals

Under the Tax Act, income tax payable by an individual (including most trusts) is the greater of an alternative minimum tax and the tax otherwise determined. In calculating taxable income for the purpose of computing the alternative minimum tax, certain deductions and credits otherwise available are disallowed and certain amounts not otherwise included, such as 80% of net capital gains, are included. Disallowed items in respect

of an Oil & Gas Royalty Income Class Limited Partner who is an individual include deductions claimed by the Oil & Gas Royalty Income Class Limited Partner in respect of the Oil & Gas Royalty Income Class Limited Partner's share of Eligible Expenditures (and other expenses and losses) incurred and allocated by the Partnership in a particular fiscal period thereof to the extent such deductions exceed the Oil & Gas Royalty Income Class Limited Partner's share of the Partnership's income. In computing adjusted taxable income for alternative minimum tax purposes, an exemption of \$40,000 is allowed to a taxpayer who is an individual, other than most *inter vivos* trusts. The current federal rate of minimum tax is 15%. Whether and to what extent the tax liability of a particular Oil & Gas Royalty Income Class Limited Partner will be increased as a result of the application of the alternative minimum tax rules will depend on the amount of the Oil & Gas Royalty Income Class Limited Partner's income, the sources from which it is derived, and the nature and amounts of any deductions he or she claims.

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

Oil & Gas Royalty Income Class Limited Partners who are individuals are urged to consult their tax advisors as to the potential application of the alternative minimum tax.

Distribution by Partnership

If a Liquidity Event is not implemented, the Partnership will distribute the Investments to Oil & Gas Royalty Income Class Limited Partners in satisfaction of their interests in the Partnership, unless the Limited Partners of each Class approve the continuation of the operations of the Partnership.

Generally, the distribution of the Partnership's assets to Oil & Gas Royalty Income Class Limited Partners will constitute a disposition by the Partnership of such assets for proceeds equal to their fair market value and a disposition by Oil & Gas Royalty Income Class Limited Partners of their Oil & Gas Royalty Income Class Units for an equivalent amount. Such a disposition by the Partnership normally gives rise to a capital gain (or capital loss); however, in circumstances where the Partnership, on its dissolution, distributes assets that are Canadian resource property as defined in the Tax Act, the proceeds of disposition less any outlays or expenses made or incurred for the purposes of the disposition will reduce each Oil & Gas Royalty Income Class Limited Partner's cumulative CDE account, and may result in an income inclusion as described above under "Taxation of Partnership – (b) Computation of Income".

Liquidity Events

The following is a summary of the principal tax consequences arising under the Tax Act in each of the Liquidity Events described under "Potential Liquidity."

(a) Sale of Investments for Cash and/or Shares

As noted under "Potential Liquidity", the Liquidity Event may be an Offer consisting of the sale of Investments to a Canadian publicly traded company in exchange for cash and/or listed securities. Following such exchange, the Partnership would distribute the cash and/or listed securities to Oil & Gas Royalty Income Class Limited Partners in satisfaction of their Units.

The Partnership's proceeds of disposition of those assets generally will be equal to the fair market value of the cash and/or listed securities received less the tax costs to the Partnership of those assets and less any reasonable costs of making the disposition. As noted previously under "Taxation of Partnership – (b) Computation of Income" the normal rules applicable to the taxation of capital gains and losses do not apply to dispositions of "Canadian resource properties" as defined in the Tax Act; rather, the transfer of such assets will result in an ordinary income inclusion for Oil & Gas Royalty Income Class Limited Partners to the extent it results in a negative balance in the Oil & Gas Royalty Income Class Limited Partners' cumulative CDE accounts.

The tax consequences on the Partnership's distribution of assets to the Oil & Gas Royalty Income Class Limited Partners are discussed under "Distribution by Partnership". Since the General Partner advises the Partnership's sale of its Investments to a Canadian publicly traded company for cash and/or listed securities likely will be followed immediately by the Partnership's distribution of that cash and/or listed securities to the Oil & Gas Royalty Income Class Limited Partners, the Partnership's adjusted cost base therein likely will equal their fair market value; therefore, the Partnership will not realize any further gain on the distribution and the Oil & Gas Royalty Income Class Limited Partners will have a disposition of their Oil & Gas Royalty Income Class Units but generally should not realize any capital gain or capital loss.

(b) Sale of Oil & Gas Royalty Income Class Units for Shares and/or Cash

Under this alternative, the Oil & Gas Royalty Income Class Limited Partners would sell their Oil & Gas Royalty Income Class Units to a Canadian public company in exchange for securities and/or cash of the Canadian public company.

A disposition by an Oil & Gas Royalty Income Class Limited Partner of his or her Oil & Gas Royalty Income Class 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 Oil & Gas Royalty Income Class Units immediately prior to the disposition (see Taxation of Oil & Gas Royalty Income Class Limited Partners – (e) Disposition of Oil & Gas Royalty Income Class Units in Partnership).

However, if the consideration paid for the Oil & Gas Royalty Income Class Units includes shares of the Canadian public company and the Oil & Gas Royalty Income Class Limited Partner and the Canadian public company jointly sign and file the form prescribed for the purposes of subsection 85(1) of the Tax Act, they may elect the proceeds of disposition of the Oil & Gas Royalty Income Class Units for the purposes of the Tax Act to be any amount that they designate provided, generally, that such amount is not greater than the fair market value of the Oil & Gas Royalty Income Class Units at the time of this transaction and not less than the greater of any amount of any non-share consideration paid to the Oil & Gas Royalty Income Class Limited Partner on the exchange and the adjusted cost base to the Oil & Gas Royalty Income Class Limited Partner of his, her or its Oil & Gas Royalty Income Class Units at the time of the exchange. Accordingly, if the sole form of consideration paid is shares of the Canadian public company it is possible for the sale to occur on a fully tax-deferred basis. In this case, the cost to the Oil & Gas Royalty Income Class Limited Partner of the shares received from the Canadian public company will be equal to the amount designated in the joint tax election noted above.

Following the sale of the Oil & Gas Royalty Class Units to the buyer, the Investments will be distributed by the Partnership to the buyer upon a redemption or purchase for cancellation of the Oil & Gas Royalty Class Units held by the buyer. The distribution of the Investments will be a taxable disposition for the Partnership and any income or gain resulting from the disposition will be allocated to the buyer. This may impact the value of the shares of the buyer that are held by an Oil & Gas Royalty Class Limited Partner.

(c) Sale of Investments for Cash

If the Partnership sells assets for cash, the Partnership's proceeds of disposition of those assets generally will be equal to the cash consideration received less the tax costs to the Partnership of those assets and less any reasonable costs of making the disposition. As noted previously under "Taxation of Partnership – (b) Computation of Income" the normal rules applicable to the taxation of capital gains and losses do not apply to dispositions of "Canadian resource properties" as defined in the Tax Act; rather, the transfer of such assets will result in an ordinary income inclusion for Oil & Gas Royalty Income Class Limited Partners to the extent it results in a negative balance in the Oil & Gas Royalty Income Class Limited Partners' cumulative CDE accounts.

The tax consequences on the Partnership's distribution of assets to the Oil & Gas Royalty Income Class Limited Partners are discussed under "Distribution by Partnership". Since the Partnership will solely distribute cash, the Partnership will not realize any further gain on the dissolution and the Oil & Gas Royalty Income Class Limited Partners will have a disposition of their Oil & Gas Royalty Income Class Units upon the dissolution but generally should not realize any capital gain or capital loss.

Tax Shelter

The federal tax shelter identification number in respect of the Partnership is TS ●. The Quebec tax shelter identification number in respect of the Partnership is QAF-●. The identification number issued for this tax shelter is to be included in any income tax return filed by the Subscriber. Issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of any Subscriber to claim any tax benefits associated with the tax shelter.

FEES, CHARGES AND EXPENSES PAYABLE BY THE PARTNERSHIP

Initial Expenses

The expenses of this Offering (including the costs of creating and organizing the Partnership, the costs of printing and preparing the prospectus, legal and audit expenses of the Offering, marketing expenses and legal and other reasonable out-of-pocket expenses incurred by the Agents and other incidental expenses) are estimated to be \$100,000 in the event that the Minimum Offering is attained and \$500,000 in the event that the Maximum Offering is attained. In addition, the Agents' fee of \$1.4375 per Unit sold under the Offering will be paid to the Agents on each Closing. The foregoing expenses will be paid by the Partnership from the Gross Proceeds. In the event the Offering expenses, other than the Agents' fee, exceed 2.0% of the Gross Proceeds, the General Partner will be responsible for the excess. See "Use of Proceeds".

General Partner's Share

As partial consideration for the General Partner providing various management, administrative, advisory, negotiating and supervisory services to the Partnership in respect of the Oil & Gas Royalty Income Class, including identifying, researching, structuring, negotiating, acquiring, advising on and administering the Investments with the Oil and Gas Companies and its other investments, and to align the compensation of the General Partner with the success of the Investments, the General Partner will be entitled to the General Partner's Share. The General Partner's Share will entitle the General Partner to 5% of all Distributions on the Oil & Gas Royalty Income Class Units and 5% of the consideration received in respect of the Oil & Gas Royalty Income Class' Liquidity Event.

Performance Bonus

Under the Partnership Agreement, the Partnership will pay to the General Partner, as partial consideration for administering, managing, supervising and operating the business and affairs of the Partnership, the Performance Bonus, being 20% of all Distributions on Oil & Gas Royalty Income Class Units made by the Partnership after Oil & Gas Royalty Income Class Limited Partners have received, in total, cumulative Distributions equal to 100% of their aggregate capital contribution to the Partnership (being the aggregate subscription price for the Oil & Gas Royalty Income Class Units subscribed for by the Oil & Gas Royalty Income Class Limited Partners). The General Partner may allocate a portion of its Performance Bonus, if any, to dealers that sell Oil & Gas Royalty Income Class Units, which may in turn be allocated to their personnel, including financial advisers.

Operating and Administrative Expenses

The Partnership will pay from the Operating Reserve and revenue from Investments, all reasonable out-of-pocket expenses incurred in connection with the operation, administration and analysis of Investments and any ongoing legal, accounting and reporting requirements of the Partnership. The Oil & Gas Royalty Income Class will bear all of the Partnership's expenses that are directly attributable to it. It is expected that these costs and expenses will include, without limitation: (a) mailing and printing expenses for periodic reports to Oil & Gas Royalty Income Class Limited Partners and for meeting materials, if any; (b) fees and disbursements payable to auditors and legal and technical advisors of the Partnership; (c) fees and disbursements payable to CDS or the Registrar and Transfer Agent, and service providers for performing certain financial, record-keeping, reporting and general administrative services and fees and disbursements; (d) taxes and ongoing regulatory filing fees; (e) any reasonable out-of-pocket expenses incurred by the General Partner or its agents in connection with its ongoing obligations to the Partnership; (f) expenditures incurred in connection with activities at Producing Long Life GORR Assets, Other GORR Assets, AMIs, Additional Wells or pursuant to Earned Interests; and (g) any expenditures which may be incurred in connection with the completion of Offers, dissolution of the Partnership and implementation of a Liquidity Event.

In addition, the Partnership will be responsible for the geological, geophysical, land, engineering and economic review, project analysis and evaluation expenses incurred in connection with the evaluation of potential Investment opportunities. The Partnership will not be responsible for the salaries of the officers and directors of CADO.

Expenses that are common expenses and not directly attributable to the Oil & Gas Royalty Income Class will be allocated pro rata between all Classes based on the relative size of the asset bases of each Class. Except to the extent the assets of an FT Class are not sufficient to satisfy its liabilities (see “Risk Factors”), none of the assets held in the Investment Portfolio will be used to pay any fees or expenses directly attributable to the FT Classes.

Except as disclosed in this Prospectus, none of the Promoter, the General Partner, or any of their respective associates or affiliates will receive any fee, commission or other compensation in connection with the performance of their obligations to the Partnership.

The only source of reimbursement for these fees, charges and expenses will be the Operating Reserve and cash flow from Investments. See “Risk Factors”.

RISK FACTORS

This is a speculative offering. There is no market through which the Oil & Gas Royalty Income Class Units may be sold and Subscribers may not be able to resell Oil & Gas Royalty Income Class Units purchased under this prospectus. An investment in the Oil & Gas Royalty Income Class 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 an Oil & Gas Royalty Income Class Limited Partner’s original investment.

This is a blind pool offering. As of the date of this prospectus, the Partnership has not identified any Investments in respect of which it will invest the Available Funds.

In addition, the purchase of Oil & Gas Royalty Income Class Units involves significant risks, including, but not limited to, the following:

Investment Risk

Return on Investment. There is no assurance that sufficient net profits or cash flow will be generated from which investors will earn the targeted minimum 12% annualized return or any specified rate of return on, or repayment of, their capital contributions to the Partnership or their investment in Oil & Gas Royalty Income Class Units or receive any Distributions.

Investments and Available Funds. Although the General Partner has agreed to use its commercially reasonable efforts, there can be no assurance that the General Partner, on behalf of the Partnership, will be able to commit all Available Funds to Investments or incur Eligible Expenditures by December 31, 2015 or at all and, therefore, the possibility exists that capital may be returned to Oil & Gas Royalty Income Class Limited Partners and Oil & Gas Royalty Income Class Limited Partners may be unable to claim anticipated deductions or credits in respect of income for income tax purposes or in the year in which Oil & Gas Royalty Income Class Limited Partners anticipated they would arise.

Reliance on the General Partner. Oil & Gas Royalty Income Class Limited Partners must rely entirely on the discretion of the General Partner with respect to the selection of the composition of the portfolio of Investments, in negotiating the terms, including pricing, of the Investments and in negotiating Offers. Such decisions will be based on a series of assumptions, many of which will be subject to change and will be beyond the control of the General Partner. Success of the Producing Long Life GORR Assets and the Oil & Gas Royalty Programs will affect the return on, and the value of, the Oil & Gas Royalty Income Class Units. No assurance can be given that the Investments will, when acquired or entered into, produce or continue to produce in the quantities forecast, or be of the quality forecast in any engineering reports relating to such properties.

No Prior Limited Partnership Experience. The General Partner is a newly established entity and has no prior experience in managing a limited partnership.

Marketability of Oil & Gas Royalty Income Class Units. There is no market through which the Oil & Gas Royalty Income Class Units may be sold and Subscribers may not be able to resell Oil & Gas Royalty Income Class Units purchased under this prospectus. No market for the Oil & Gas Royalty Income Class Units is expected to develop.

Forward Looking Information. Market conditions are continually changing and there can be no assurance the assumptions underlying forward looking statements in this Prospectus, including the Partnership's targeted minimum 12% annualized return on investment capital, will prove accurate or ultimately be achieved. Past results are not necessarily indicative of future performance.

Sector Risks

Oil and Gas Industry Risks. The business activities of Oil and Gas Companies and the Partnership are speculative and may be adversely affected by factors outside the control of those issuers. Oil and Gas Companies and the Partnership may not hold or discover commercial quantities of oil or natural gas and their profitability may be affected by adverse fluctuations in commodity prices, exchange rates, 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 taxes and government regulation, as applicable.

There are certain risks inherent in oil and natural gas exploration and production operations which could expose the Partnership to claims resulting from injury to, or death of, persons or damage to property of third parties. To the extent that any claims resulting from the activities of the Partnership exceed the net assets of the Partnership attributable to the Oil & Gas Royalty Income Class and the limits of insurance, or are not covered by insurance, it is possible that investors may not receive any return or repayment of their investment in the Partnership.

Other risks inherent in the oil and natural gas industry to which all entities, including the Partnership, are exposed include the risk of inability to sell the oil and natural gas in a timely manner, the risk of default on all or a portion of accounts receivable from the sale of the oil and/or natural gas, possible labour and equipment shortages, the risk of increases in the cost of drilling or production, management errors, water or waste disposal costs and logistics or problems and the risk of natural or man-made disasters or situations including, but not limited to, flood, fire and catastrophic weather. As a result of the foregoing, and other situations or problems which cannot be presently predicted, it is possible investors may not receive any return on, or of, their investment.

The Partnership. There is no assurance as to the profitability of the Partnership. There is no assurance that commercial quantities of oil and/or natural gas will continue to derive from or be discovered by any Investment made by the Partnership or that they will produce in the quantities forecast or expected. The Partnership will, depending on its opportunities and funds, invest with different Oil and Gas Companies in a variety of Investments. As a result, the terms of the acquisition of each Producing Long Life Asset, the terms of each Investment Agreement, the success of the various Oil & Gas Royalty Programs and the terms of any Offer are likely to be significantly different for each Investment. An investor has no control over how the General Partner allocates the Available Funds and any earnings from Investments, what Producing Long Life GORR Assets it will acquire, in what Oil & Gas Royalty Programs it will participate and with which Oil and Gas Companies the Partnership enters into Investments. It is likely that returns, losses, successes or failures may occur to significantly different degrees in the different Investments. The effect of the above cannot be accurately predicted but may be material to the return on an investor's investment.

Possible Need for Additional Funds. The only sources of cash available to pay the Oil & Gas Royalty Income Class' share of expenses of the Partnership will be the proceeds of the Offering (from which the Partnership will establish an Operating Reserve) and payments from Investments. If all Available Funds have been committed to Investments, the Operating Reserve has been fully expended and revenues from Investments are not sufficient to fund ongoing expenses, payment of such expenses will diminish the interest of Oil & Gas Royalty Income Class Limited Partners in the Investment Portfolio.

Status of Investments and Oil & Gas Royalty Programs. Investors will not be provided with specific data on the Investments which will provide the principal source of income.

Dependence on Oil and Gas Companies. The Partnership anticipates that income will be generated by the Investments. Income generated through Producing Long Life GORR Assets will be dependent on the operator's ability to manage the assets and income generated through Oil & Gas Royalty Programs will be dependent on Oil and Gas Companies' ability to select, effectively manage and develop drilling sites. To the extent that the operators and/or Oil and Gas Companies do not perform their obligations (including their obligations to expend funds on activities that constitute Eligible Expenditures, if required), the value achieved by the Partnership and returns to Oil & Gas Royalty Income Class Limited Partners could be significantly reduced. In addition, the amount of, and time of, Distributions, redemptions and/or an Offer from an Oil and Gas Company may be curtailed or delayed as a result of delays in the Partnership receiving payments under the Investment. In addition, there can be no assurance that Oil and Gas Companies will make Offers, or if they do, that any such transactions will ultimately be completed or that the Offers will be on terms acceptable to the General Partner.

Title. Reviews of the titles to the properties which constitute Producing Long Life GORR Assets and/or which will be explored and/or developed by the Oil & Gas Royalty Programs in accordance with industry standards may not preclude the possibility that an unforeseen title defect or other resource ownership dispute will arise to adversely affect or defeat the Partnership's claim to such property.

Exploration, Development and Production. Approximately 30% to 40% of the Available Funds are expected to be expended on oil and natural gas drilling with a view to exploration, development and production activities, which are high-risk ventures with uncertain prospects for success. The Partnership does not currently own any oil and natural gas interests nor has it identified any oil and natural gas participation or acquisition prospects. Moreover, if the General Partner identifies oil and natural gas participation or acquisition prospects, the General Partner may not be able to successfully conclude such participation or acquisitions on economic terms. Further, the Partnership does not have earnings to support them should the wells drilled or properties acquired prove not to be profitably productive. No assurance can be given that commercial accumulations of oil and natural gas will be discovered as a result of the efforts of Oil and Gas Companies undertaking the Oil & Gas Royalty Program(s) as part of the anticipated Investment(s). If the Partnership acquires interests in oil and natural gas assets, actual costs, reserves, production and potential value may vary significantly from what was anticipated. If all Available Funds are spent by the Partnership without making petroleum or natural gas discoveries in commercial quantities, the Partnership will have no value, and will cease operation, without any return of investment to investors.

Operating Hazards. The operations to be conducted by the Partnership in respect of the Oil & Gas Royalty Income Class will be subject to all of the operating risks normally attendant upon development, drilling and production of oil and natural gas, such as blowouts and pollution. While the General Partner intends to require that all parties who will be the operators of the properties comprising the Investments acquire insurance in accordance with standard industry practice, there is no assurance that such insurance will be available or adequate.

Industry Conditions and Competition. The Partnership will be competing with other investors in the oil and natural gas sectors. This competition may reduce the availability of Producing Long Life GORR Assets and/or Other GORR Assets, or decrease the quality of those that remain available, which could impact on returns to investors.

The oil and natural gas industry is highly competitive and the Partnership and Oil and Gas Companies must compete with many companies, many of whom have far greater financial strength, experience and technical resources. Generally, there is intense competition for the acquisition of resource properties considered to have commercial potential as well as for drilling rigs necessary to exploit such properties. If Oil and Gas Companies are unable to obtain such rigs, the Oil & Gas Royalty Programs may be delayed and the Partnership may be unable to incur and allocate in favour of the Oil & Gas Royalty Income Class Limited Partners all or part of the Eligible Expenditures as anticipated.

Prices paid for both oil and natural gas produced are subject to significant market fluctuations and will directly affect the profitability of producing any oil or natural gas reserves which may be acquired or developed by

an Investment. There is no assurance that any particular Investment will prove to be profitable or viable over the short or long term.

Regulatory Environment. Oil and natural gas operations, including lease acquisitions, are subject to extensive government regulation. Operations may be affected from time to time in varying degrees by political and environmental developments, such as restrictions on production, price controls, tax increases, expropriation of property, pollution controls and changes in conditions under which oil and natural gas may be exported.

Adherence to Investment Criteria. In assessing the risks and rewards of an investment in Oil & Gas Royalty Income Class Units, potential investors should appreciate that they are relying solely on the good faith, judgment and ability of the General Partner to make appropriate decisions with respect to the nature of the Investments selected. While the General Partner has established an investment process it intends to follow when selecting Investments, certain of the investment criteria are future oriented and require the General Partner to direct investments based upon the General Partner's assessment of the likelihood of an Investment or an Oil and Gas Company continuing to meet the Investment Strategy and the Investment Restrictions in the future. There can be no assurance that these future oriented criteria will ultimately be met by any Investment.

While the General Partner will assess each Producing Long Life GORR Asset and Oil & Gas Royalty Program in its entirety, there can be no assurance that any such asset or well in a particular Oil & Gas Royalty Program will meet all of the investment criteria. The General Partner may determine that any such Producing Long Life Asset or such an Oil & Gas Royalty Program is acceptable to the Partnership because of its overall matching to the Partnership's investment criteria for Oil & Gas Royalty Income Class assets and its prudent balance of risk and potential for economic reward.

Liquidity of Securities Received Pursuant to a Liquidity Event. Although the General Partner anticipates any securities issued pursuant to a Liquidity Event (if any) will be publicly traded on a stock exchange, there can be no assurance that such securities will be so listed or, if so listed, that the market for such securities will be an active market, which may impact on an Oil & Gas Royalty Income Class Limited Partner's ability to resell them.

Resale Restrictions May be an Issue if a Liquidity Event is not Implemented and Approval is not Sought or Received for the Continued Operation of the Partnership, and There can be No Assurance that it will be Implemented on a Tax-Deferred Basis. There are no assurances that any Liquidity Event will be proposed, receive the necessary approvals (including regulatory approvals) or be implemented. In such circumstances, each Oil & Gas Royalty Income Class Limited Partner's *pro rata* interest in the assets of the Partnership will be distributed upon the dissolution of the Partnership.

For example, if no Liquidity Event is completed and the General Partner is unable to dispose of all assets in exchange for cash or freely trading securities prior to the Termination Date, Oil & Gas Royalty Income Class Limited Partners may receive securities or other interests of Oil and Gas Companies for which there may be an illiquid market or which may be subject to resale and other restrictions under applicable securities law.

There is no assurance that an adequate market will exist for such securities. There can be no assurance that any Liquidity Event will be implemented on a tax-deferred basis or at all. For example, if the consideration received by the Partnership from a buyer for Investments comprises cash (or assets other than shares in the capital of the buyer), income tax-deferral for the Partnership may be reduced or unavailable. See "Canadian Federal Income Tax Considerations".

Available Capital. If the proceeds of the Offering of Oil & Gas Royalty Income Class Units 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 General Partner to acquire Producing Long Life GORR Assets on favorable terms or negotiate and enter into favourable Investment Agreements on behalf of the Partnership is, in part, influenced by the total amount of capital available for investment. Accordingly, if the proceeds of the Offering are significantly less than the maximum Offering, the ability of the General Partner to acquire Producing Long Life GORR Assets on

favourable terms or 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. Oil & Gas Royalty Income Class 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 Oil & Gas Royalty Income Class 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 attributable to the Oil & Gas Royalty Income Class. While the General Partner has agreed to indemnify the Oil & Gas Royalty Income Class 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.

Oil & Gas Royalty Income Class Limited Partners remain liable to return to the Partnership such part of any amount distributed to them 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 attributable to either or both of the FT Classes are not sufficient to satisfy their liabilities, the excess liabilities may be satisfied from assets in the Oil & Gas Royalty Income Class' Investment Portfolio, which will reduce the value of the Investment Portfolio.

Tax-Related Risks. The tax benefits resulting from an investment in the Partnership are greatest for a 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 Oil & Gas Royalty Income Class 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 Oil & Gas Royalty Income Class 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 Oil & Gas Royalty Income Class Units may be fundamentally altered by changes in federal or provincial income tax legislation. All of the Available Funds may not be invested in Investments. Each Oil & Gas Royalty Income Class Limited Partner will represent that he or she has not acquired Oil & Gas Royalty Income Class Units with limited-recourse borrowing for the purposes of the Tax Act, however there is no assurance that this will not occur.

There is a further risk that expenditures incurred by the Partnership 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 other agreements or with applicable income tax legislation. The Partnership may fail to comply with applicable income tax legislation. There is no assurance that the Partnership will incur or allocate Eligible Expenditures within the times on or before which it has agreed to use its commercially reasonable efforts to do so. These factors may reduce or eliminate the return on an Oil & Gas Royalty Income Class Limited Partner's investment in the Oil & Gas Royalty Income Class Units.

The federal (or Québec) alternative minimum tax could limit tax benefits available to Oil & Gas Royalty Income Class Limited Partners who are individuals or certain trusts.

Oil & Gas Royalty Income Class Limited Partners will receive the tax benefits associated with Eligible Expenditures in the years in which the Partnership incurs and allocates Eligible Expenditures and will benefit to the extent that any gains on the disposition by the Partnership of Partnership assets (other than assets that are a “Canadian resource property” as defined in the Tax Act) are capital gains rather than income for tax purposes. There is a risk that Oil & Gas Royalty Income Class 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 an Oil & Gas Royalty Income Class Limited Partner during that year. To reduce this risk, the Partnership Agreement permits the General Partner to cause the Partnership to make distributions to Oil & Gas Royalty Income Class Limited Partners in addition to monthly distributions that are to begin on or about June 30, 2015. See “Summary of the Partnership Agreement – Cash Distributions”.

If an Oil & Gas Royalty Income Class Limited Partner finances the acquisition of Oil & Gas Royalty Income Class Units with a financing for which recourse is, or is deemed under the Tax Act to be, limited, the Eligible Expenditures incurred by the Partnership will be reduced by the amount of such financing.

There is no guarantee that any Liquidity Event undertaken will not result in adverse tax consequences to a Subscriber.

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 Oil & Gas Royalty Income Class 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 Oil & Gas Royalty Income Class Limited Partners against losses, costs or damages suffered if the Oil & Gas Royalty Income Class 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, such indemnity will apply only with respect to losses in excess of the agreed capital contribution of the Oil & Gas Royalty Income Class Limited Partner and 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. Oil & Gas Royalty Income Class 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.

Financial Resources of the Partnership. The only sources of cash to pay the Oil & Gas Royalty Income Class’ share of the Partnership’s current and future expenses, liabilities and commitments, including reimbursement of operating and administrative costs incurred by the General Partner and the General Partner’s Share, will be the Operating Reserve and revenues from Investments. Accordingly, if the Operating Reserve and operating income has been expended, payment of operating and administrative costs and the General Partner’s Share will diminish the assets attributable to the Oil & Gas Royalty Income Class.

Conflicts of Interest. The Promoter, the General Partner, certain of their affiliates, certain limited partnerships whose general partner is or will be a subsidiary of the Promoter or its affiliates, and the directors and officers of the Promoter and the General Partner, 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. See “Conflicts of Interest”. Accordingly, conflicts of interest may arise between Oil & Gas Royalty Income Class Limited Partners and the directors, shareholders, officers, employees and any affiliates of the General Partner and the Promoter.

There are no assurances that conflicts of interest will not arise which cannot be resolved in a manner most favourable to Oil & Gas Royalty Income Class Limited Partners. Persons considering a purchase of Oil & Gas Royalty Income Class Units pursuant to this Offering must rely on the judgment and good faith of the shareholders, directors, officers and employees of the General Partner and the Promoter in resolving such conflicts of interest as may arise.

There is no obligation on the General Partner or the Promoter 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.

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.

Concentration Risk. Because the Partnership will invest the Available Funds in Investments in the oil and natural gas sector, the value of the Investment Portfolio may be more volatile than portfolios with a more diversified investment focus. Also, the value of the Investment Portfolio of assets may fluctuate with underlying market prices for commodities produced by that sector of the economy.

DESCRIPTION OF THE UNITS

The interests of the Oil & Gas Royalty Income Class Limited Partners in the Partnership will be divided into an unlimited number of Oil & Gas Royalty Income Class Units, of which a maximum of 1,000,000 Oil & Gas Royalty Income Class Units and a minimum of 200,000 Oil & Gas Royalty Income Class Units and 200,000 National FT Class Units and/or Québec FT Class Units (the latter two of which are not offered pursuant to this Prospectus) may be issued pursuant to the Offering. Except as otherwise expressly provided for in the Partnership Agreement, each issued and outstanding Oil & Gas Royalty Income Class Unit shall be equal to each other Oil & Gas Royalty Income Class Unit with respect to all rights, benefits, obligations and limitations provided for in the Partnership Agreement and all other matters and no Oil & Gas Royalty Income Class Unit shall have preference, priority or right in any circumstance over any other Oil & Gas Royalty Income Class Unit. At all meetings of the Limited Partners, each Oil & Gas Royalty Income Class Limited Partner will be entitled to one vote for each Unit held in respect of all matters upon which holders of Oil & Gas Royalty Income Class Units are entitled to vote. Each Oil & Gas Royalty Income Class 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 Oil & Gas Royalty Income Class Units that an Oil & Gas Royalty Income Class Limited Partner may hold in the Partnership, subject to limitations on the number of Oil & Gas Royalty Income Class Units that may be held by Financial Institutions and provisions relating to takeover bids. The minimum purchase for each Oil & Gas Royalty Income Class Limited Partner is 200 Oil & Gas Royalty Income Class Units. Additional purchases may be made in single Unit multiples of \$25.00. Fractional Oil & Gas Royalty Income Class Units will not be issued. The Oil & Gas Royalty Income Class Units constitute securities for the purposes of the *Securities Transfer Act* (Ontario) and similar legislation in other jurisdictions. See “Summary of the Partnership Agreement”.

SUMMARY 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 prospectus concerning the Partnership Agreement summarize the material provisions of the Partnership Agreement and do not purport to be complete. Reference should be made to the Partnership Agreement which will be publicly available at www.sedar.com for the complete details of these and other provisions therein.

Subscriptions

Subscriptions will be received subject to acceptance or rejection in whole or in part by the General Partner on behalf of the Partnership and the right is reserved to close the Offering of Units at any time without notice. Registrations of interests in the Units will be made only through the book-based system administered by CDS. At each Closing, non-certificated interests representing the aggregate number of Units subscribed for at such Closing will be recorded in the name of CDS or its nominee on the register of the Partnership maintained by Valiant on the date of such Closing. No certificates representing the Units will be issued. A Subscriber who purchases Units will receive only a customer confirmation from the registered dealer or broker from or through whom he or she has purchased Units and who is a CDS depository service participant.

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.

Non-Residents

Each Limited Partner will be required to represent and warrant that he, she or it is not a “non-resident” or, in the case of a partnership, not a partnership other than a “Canadian partnership”, in either case, for purposes of the Tax Act and will be required to covenant to maintain such status for the entire time that he, she or it holds Units. An Oil & Gas Royalty Income Class Limited Partner will be deemed to have disposed of his, her or its Oil & Gas Royalty Income Class Units for proceeds of disposition equal to the fair market value of his, her or its Oil & Gas Royalty Income Class Units determined by reference to the then most current Independent Reserve Report in respect of the Partnership’s Investments prior to the date on which such Oil & Gas Royalty Income Class Limited Partner ceases to be a resident of Canada or a “Canadian partnership”, as applicable, for purposes of the Tax Act. The General Partner may require those Oil & Gas Royalty Income Class Limited Partners who are non-residents of Canada for the purposes of the Tax Act or who are otherwise in contravention of the Partnership Agreement (relating to the status of Oil & Gas Royalty Income Class Limited Partners) to sell their Oil & Gas Royalty Income Class Units to qualifying purchasers within a specified period of not less than 15 days.

Units

The interests of the Limited Partners in the Partnership will be divided into an unlimited number of Units, of which a maximum of 1,000,000 Oil & Gas Royalty Income Class Units, 400,000 National FT Class Units and 400,000 Québec FT Class Units (the latter two of which are not offered pursuant to this Prospectus) and a minimum of 200,000 Oil & Gas Royalty Income Class Units and 200,000 National FT Class Units and/or Québec FT Class Units may be issued. Except as otherwise expressly provided for in the Partnership Agreement, 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 shall have preference, priority or right in any circumstances over any other Unit of the same 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 the Units of that Class are entitled to vote on. 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 Oil & Gas Royalty Income Class Limited Partner is 200 Oil & Gas Royalty Income Class Units. Additional purchases may be made in single multiples of \$25.00. Fractional Units will not be issued. Oil & Gas Royalty Income Class Units cannot be purchased by “non-residents” as defined in the Tax Act.

The Initial Limited Partner has contributed the sum of \$25.00 to the capital of the Partnership in respect of the Oil & Gas Royalty Income Class. The General Partner has contributed the sum of \$10.00 to the capital of the

Partnership in respect of the Oil & Gas Royalty Income Class. The General Partner is not required to subscribe for any Oil & Gas Royalty Income Class 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 Oil & Gas Royalty Income Class 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 CDS and to the Registrar and Transfer Agent, a form of transfer and power of attorney, substantially in the form annexed as Schedule A 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 CDS and/or the Registrar and Transfer Agent; (b) the transfer of Units must be recorded in the book-based system; (c) 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; (d) no transfer of a Unit shall cause the dissolution of the Partnership; (e) no transfer of a fractional part of a Unit shall be recognized; (f) 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 (g) 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 Oil & Gas Royalty Income Class Units are subject to the approval of the General Partner. The General Partner intends not to approve transfers of Oil & Gas Royalty Income Class Units other than in exceptional circumstances.

A transferee of Units, by executing the transfer form, agrees to become bound 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 ICA, that no holder of an equity interest in the transferee is a "tax shelter investment", as defined in the Tax Act, that the transferee is not a partnership (except a "Canadian partnership" for purposes of the Tax Act), that the transferee is not a Financial Institution, that the transferee is not a Resource Company and deals at arm's length within the meaning of the Tax Act with any Resource Company or identifies all Resource Companies with which the transferee does not deal at arm's length, that the acquisition of Units by the transferee was not, and will not be, financed through indebtedness which is a Limited Recourse Amount and that he or she will continue to comply with these representations, warranties and covenants during the time that the Units are held by him or her. If the General Partner reasonably believes the transferee has financed the acquisition of Units with indebtedness that is a Limited Recourse Amount, it will reject the transfer. The General Partner has the right to reject the transfer of Units, in whole or in part, to a transferee who it believes to be a "non-resident" for the purposes of the Tax Act, a "non-Canadian" for the purposes of the ICA, a person an interest in which is a "tax shelter investment" for purposes of the Tax Act, a Financial Institution or a partnership (except a "Canadian partnership" for purposes of the Tax Act). 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 any of 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 or the incapacity of the Partnership to pay its liabilities as they became due.

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.

Functions and Powers of the General Partner

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 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 grant security, encumbrances or restrictions on behalf of the Partnership; (d) 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; (e) to raise capital on behalf of the Partnership by offering Units for sale; (f) to develop and implement all aspects of the Partnership's communications, marketing and distribution strategy; (g) to invest Available Funds in Investments in accordance with the Investment Strategy; (h) to 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 Investments, to invest, or cause to be invested, all Available Funds in High-Quality Money Market Instruments; (j) to distribute property of the Partnership in accordance with the provisions of the Partnership Agreement; (k) to 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 (l) to 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.

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 under “Fees, Charges and Expenses Payable by the Partnership”.

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 Partnership’s Limited Partners holding Units of all Classes, 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 passed by each Class of Limited Partners; 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 Eligible Expenditures, Income and Loss

Income or loss of the Investment Portfolio (including capital gains and losses) will be allocated among the Oil & Gas Royalty Income Class Limited Partners at the end of each Fiscal Year of the Partnership in proportion to the number of Oil & Gas Royalty Income Class Units held by them at the end of that Fiscal Year. Eligible Expenditures and the income and loss of the Investment Portfolio for any Fiscal Year will be allocated among the Oil & Gas Royalty Income Class Limited Partners and the General Partner as follows: (a) Eligible Expenditures (consisting of COGPE, CDE and CEE) incurred in a particular calendar year will be allocated by the Partnership among the persons who are or were Oil & Gas Royalty Income Class Limited Partners at the end of that year; (b) 99.99% of Net Losses will be allocated to the Oil & Gas Royalty Income Class Limited Partners and 0.01% to the General Partner; (c) until the Oil & Gas Royalty Income Class Limited Partners have received, in total, cumulative Distributions equal to 100% of their aggregate capital contributions, 95% of Net Income will be allocated to the Oil & Gas Royalty Income Class Limited Partners and 5% to the General Partner; (d) after the Oil & Gas Royalty Income Class Limited Partners have received, in total, cumulative Distributions equal to 100% of their aggregate capital contributions, 75% of Net Income will be allocated to the Oil & Gas Royalty Income Class Limited Partners and 25% (consisting of the General Partner’s Share and the Performance Bonus) will be allocated to the General Partner; (e) Taxable Income or Taxable Loss, to the extent permitted under the Tax Act having regard to the allocations made in respect of previous Fiscal Periods, will be allocated in the same manner as Net Income or Net Loss; and (f) any Taxable Income or Taxable Loss which cannot be allocated under subsection (e) above will be allocated in the manner that the General Partner determines to be fair and equitable and consistent with the intent of subsection (d) above, in each case in proportion to the number of Oil & Gas Royalty Income Class Units held by them at that time, irrespective of whether an Oil & Gas Royalty Income Class Limited Partner at that time was a

subscriber for Oil & Gas Royalty Income Class Units or a transferee thereof and whether or not he or she ceased to be an Oil & Gas Royalty Income Class Limited Partner when the allocation is made.

Cash Distributions

Commencing in June, 2015, the Partnership intends, as soon as practicable after the end of each calendar month (or such other dates as the General Partner may determine), to distribute to the Oil & Gas Royalty Income Class Limited Partners (and the General Partner, to the extent it is entitled to a portion) an amount which is equal to the amount of the Distributable Cash at the end of that month. The Partnership will not have a fixed monthly distribution amount. The Partnership may also make from time to time such additional Distributions as the General Partner may determine to be appropriate.

Until such time as the Oil & Gas Royalty Income Class Limited Partners have received cumulative Distributions equal to 100% of their aggregate capital contributions, 95% of Distributions on the Oil & Gas Royalty Income Class Units will be distributed to the Oil & Gas Royalty Income Class Limited Partners and 5% to the General Partner. After the Oil & Gas Royalty Income Class Limited Partners have received Distributions equal to 100% of their aggregate capital contributions, the Partnership will distribute 75% of the Distributable Cash to the Oil & Gas Royalty Income Class Limited Partners and 25% (consisting of the General Partner's Share and the Performance Bonus) of the Distributable Cash to the General Partner.

Asset Distributions

In circumstances that the General Partner considers appropriate, the General Partner may make a Distribution to Oil & Gas Royalty Income Class Limited Partners of fully paid non-assessable shares or debt instruments under which the holder thereof has no material obligations to the debtor owned by the Partnership and any other property of the Partnership attributable to the Oil & Gas Royalty Income Class or in a combination of cash and any such shares, debt instruments or other property ("**Distributable Assets**") with fair market value, together with all cash held by the Partnership that is attributable to the Oil & Gas Royalty Income Class at that time. If a Distribution is not in the form of cash, then the General Partner, acting reasonably, may determine the value of the Distributable Assets by reference to its fair market value and for the purposes of the Partnership Agreement the value so determined shall be the amount of that Distribution. Until such time as the Oil & Gas Royalty Income Class Limited Partners have received cumulative Distributions equal to 100% of their aggregate capital contributions, 95% of any Distributable Assets that are paid out as a Distribution will be distributed to the Oil & Gas Royalty Income Class Limited Partners and 5% to the General Partner. After the Oil & Gas Royalty Income Class Limited Partners have received Distributions equal to 100% of their aggregate capital contributions, 75% of the Distributable Assets paid out as a Distribution will be distributed to the Oil & Gas Royalty Income Class Limited Partners and 25% of the Distributable Assets paid out as a Distribution will be distributed to the General Partner.

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 to which they are entitled. 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 Oil & Gas Royalty Income Class 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. See “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.

Dissolution

Unless dissolved earlier upon the occurrence of certain events stated in the Partnership Agreement, the Partnership will continue until the Termination Date and thereupon the net assets of the Partnership attributable to the Oil & Gas Royalty Income Class will be distributed to the Oil & Gas Royalty Income Class Limited Partners and the General Partner unless a Liquidity Event is implemented. Prior to the Termination Date, or such other termination date as may be agreed upon the General Partner will, in its discretion, take steps to convert all or any part of the assets of the Partnership to cash or freely trading securities and the net assets will be distributed *pro rata* to the partners. Should the liquidation of certain assets not be possible or should the General Partner consider such liquidation not to be appropriate prior to the Termination Date, such assets will be distributed to partners *in specie*, on a *pro rata* basis, subject to all necessary regulatory approvals and thereafter such property will, if necessary, be partitioned. See “Risk Factors”.

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 Oil & Gas Royalty Income Class 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.

Amendments

The General Partner may, without prior notice to or consent from any Limited Partners, amend the Partnership Agreement from time to time if such amendment is to add any provision which, in the opinion of the General Partner, is for the protection and benefit of the Limited Partners, is required to cure any manifest error or ambiguity or to correct or supplement any provision in the Partnership Agreement that may be defective or inconsistent with another provision, or is required by law. Such amendments may only be made if they will not, in the opinion of the General Partner, materially adversely affect the rights of any Limited Partner. The General Partner will notify the Limited Partners of the full details of any amendment so made within 30 days after the effective date of the amendment.

The General Partner may, with the consent of the Limited Partners given by Extraordinary Resolution, amend the Partnership Agreement provided that no amendment may be made that would have the effect of: allowing any Limited Partner to participate in the control or management of the Partnership's business; reducing, eliminating, amending or modifying the obligation of the Partnership to pay the General Partner's Share and the Performance Bonus to the General Partner; changing provisions concerning the General Partner's costs and expenses (unless the General Partner, in its sole discretion, consents thereto); reducing the interest in the Partnership of any Limited Partner; changing in any manner the allocation of net income or net loss and taxable income between the Limited Partners and the General Partner or the allocation of Eligible Expenditures among Limited Partners; changing the liability of the Limited Partners or the General Partner; changing the right of a Limited Partner or the General Partner to vote at any meeting; changing the Partnership from a limited partnership to a general partnership (unless all of the Limited Partners consent thereto); or which would result in a denial or reduction of any income tax deductions or credits related to Flow-Through Shares (*e.g.*, by rendering them "prescribed shares" or "prescribed rights" under the regulations to the Tax Act) or otherwise available to Limited Partners, but for the amendment. The Investment Strategy and Investment Restrictions in respect of the Oil & Gas Royalty Income Class may only be changed by Extraordinary Resolution duly passed by the Oil & Gas Royalty Income Class Limited Partners.

Accounting and Reporting

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 (including interim unaudited and annual audited financial statements) and other reports as are from time to time required by applicable law. The annual financial statements of each Class shall be audited by the Partnership's auditors in accordance with Canadian generally accepted auditing standards. The auditors will be asked to report on the fair presentation of the annual financial statements in accordance with IFRS. The General Partner, on behalf of the Partnership, may seek exemptions from certain continuous disclosure obligations under applicable securities laws.

The General Partner will forward, or cause to be forwarded on a timely basis, to each Limited Partner, either directly or indirectly through CDS, 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 with respect to tax shelters by the Tax Act.

The General Partner will ensure that the Partnership complies with all other reporting and administrative requirements in respect of the Royalty Income Class Units.

The General Partner is required to keep adequate books and records reflecting the activities of each Class in accordance with normal business practices and IFRS. 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.

Meetings and Voting

The Partnership will not be required to hold annual general meetings, but the General Partner may at any time convene a meeting of the Limited Partners or a meeting of any Class and will be required to convene those meetings that are required to be held. The General Partner will also be required to convene a meeting upon receipt of a request in writing of Limited Partners holding, in aggregate, in the case of a meeting regarding matters affecting all Classes, 10% or more of the Units of the Partnership outstanding or, in the case of a meeting regarding matters affecting only one of the Classes, 10% or more of the Units of the affected Class outstanding.

Holders of a Class of Units are not entitled to vote on a matter if they, as holders of such Units, are not affected by the matter. Each Limited Partner is entitled to one vote for each Unit of a Class held on matters on which a Limited Partner of such Class is entitled to vote. The General Partner is entitled to one vote in its capacity as General Partner except on a motion to remove the General Partner. Notice of not less than 21 days or more than 60 days is required to be given for each meeting. All meetings of Limited Partners are to be held in British Columbia. A Limited Partner may attend a meeting of the Partnership in person or by proxy or, in the case of a Limited Partner which is a corporation, by a representative. A quorum will consist of two or more Limited Partners present in person or by proxy and representing not less than 5% of the Units of the Partnership then outstanding or, if the matter affects any one Class, 5% of the Units of that Class then outstanding at a meeting called to consider an Ordinary Resolution and 20% of the Units of the Partnership then outstanding or, if the matter affects any one Class, 20% of the Units of that Class then outstanding at a meeting called to consider an Extraordinary Resolution. If the applicable quorum is not present at a meeting within 30 minutes after the time fixed for the meeting, the meeting, if convened pursuant to a written request of Limited Partners, will be cancelled, but otherwise will be adjourned to such date not less than ten and not more than 21 days after the original meeting date. At such adjourned meeting, those Limited Partners present in person or by proxy will constitute a quorum.

Holders of a Class of Units will vote separately, as a Class, on a matter if that Class is affected by the action in a manner different from holders of the other Class.

USE OF PROCEEDS

The Gross Proceeds of the Offering of Oil & Gas Royalty Income Class Units will be \$25,000,000 if the maximum Offering is completed, and \$5,000,000 if the minimum Offering is completed. The Partnership will use the Available Funds to invest in Investments. The Operating Reserve and revenue produced by the Investments will be used to fund the Oil & Gas Royalty Income Class' share of the ongoing operating and administrative expenses of the Partnership, which include: administrative costs such as rent, staffing costs, news releases, and regulatory reporting; the General Partner's Share; and expenses paid for geological, geophysical, land engineering and economic review.

The General Partner expects to invest approximately 60% to 70% of the Available Funds in Producing Long Life GORR Assets and the remainder in Oil & Gas Royalty Programs. Of the Producing Long Life GORR Assets, the General Partner estimates that approximately 65% will be oil or natural gas liquids assets, and the remaining approximately 35% will be assets related to the production of natural gas. With respect to the Oil and Gas Royalties, the General Partner estimates that approximately 65% of the Oil & Gas Royalty Programs will be focused on oil or natural gas liquids development, production and exploration, and the remaining approximately 35% will be focused on natural gas, with the natural gas component being principally a by-product of the exploration for and development of liquids rich gas targets. However, the actual allocation between Producing Long Life GORR Assets and Other GORR Assets, as well as between oil and gas Producing Long Life GORR Assets and Oil & Gas Royalty Programs, may vary, perhaps significantly, for a number of reasons including available opportunities and market conditions at the time investments are made.

The following table sets out the Gross Proceeds of the Offering, the Agents' Fees, the estimated expenses and the Available Funds of the maximum and minimum Offering:

	<u>Maximum Offering</u>	<u>Minimum Offering⁽³⁾</u>
Gross Proceeds to the Partnership:	\$25,000,000	\$5,000,000
Agents' fees	(\$1,437,500)	(\$287,500)
Offering expenses ⁽¹⁾	(\$500,000)	(\$100,000)
Operating Reserve ⁽²⁾	<u>(\$225,000)</u>	<u>(\$100,000)</u>
Net Proceeds available for investment (Available Funds)	<u>\$22,837,500</u>	<u>\$4,512,500</u>

- (1) The Offering expenses (including the Oil & Gas Royalty Income Class' share of the costs of creating and organizing the Partnership, the costs of printing and preparing the prospectus, legal and audit expenses of the Offering, marketing expenses and legal and other reasonable out-of-pocket expenses incurred by the Agents and other incidental expenses) in the case of the minimum Offering are expected to be \$100,000 and in the case of the maximum Offering are expected to be \$500,000. In the event Offering expenses exceed 2.0% of the Gross Proceeds, the General Partner will be responsible for the excess.
- (2) Of the Gross Proceeds, \$100,000 (in the case of the minimum Offering) or \$100,000 plus 0.5% of the Gross Proceeds (if the minimum Offering is exceeded) will be set aside as an Operating Reserve to fund the ongoing operating and administrative expenses of the Partnership. See "Fees, Charges and Expenses Payable by the Partnership".
- (3) A minimum of 200,000 Oil & Gas Royalty Class Units must be sold for the initial closing to occur. If subscriptions for a minimum of 200,000 Royalty Income Class Units have not been received within 90 days after the issuance of a final receipt for this prospectus or any amendment thereto, this Offering may not continue and the subscription proceeds will be returned to Subscribers (as defined herein), without interest or deduction. The proceeds from subscriptions will be received by the Agents or such other registered dealers as are authorized by the Agents pending the initial Closing and each subsequent Closing, if any.

The Gross Proceeds from the issue of the Oil & Gas Royalty Income Class Units will be paid to the Partnership at Closing and deposited in its bank account and managed on behalf of the Partnership by the General Partner. Pending the investment of Available Funds, 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 Partnership.

Any Available Funds that have not been committed by the Partnership for investment by December 31, 2015, will be distributed by February 15, 2016 on a *pro rata* basis to Oil & Gas Royalty Income Class Limited Partners of record as at December 31, 2015, unless the Oil & Gas Royalty Income Class Limited Partners vote to retain the funds in the Partnership by Ordinary Resolution.

The Agents will hold the 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. If the minimum Offering is not subscribed for within 90 days from the date of the issuance of the receipt for the final prospectus or any amendment thereto, this Offering may not continue and subscription proceeds received will be returned, without interest or deduction, to the Subscribers within 15 days.

PLAN OF DISTRIBUTION

The Offering

Pursuant to the Agency Agreement, the Agents have agreed to offer Oil & Gas Royalty Income Class Units for sale to the public in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec on an agency basis if, as and when issued by the Partnership. The Partnership will pay to the Agents the Agents' fees equal to 5.75% of the Subscription Price for each Unit sold to a Subscriber under the Offering and reimburse the Agents for reasonable expenses in connection with the Offering.

The Offering consists of a maximum Offering of 1,000,000 Oil & Gas Royalty Income Class Units and a minimum Offering of 200,000 Oil & Gas Royalty Income Class Units and 200,000 National FT Class Units and/or Québec FT Class Units (the latter two of which are not offered pursuant to this Prospectus). The minimum purchase is 200 Oil & Gas Royalty Income Class Units. Additional subscriptions may be made in single Unit multiples of \$25.00. The price to the public per Oil & Gas Royalty Income Class Unit was established by the General Partner.

While the Agents have agreed to use their reasonable commercial efforts to sell the Oil & Gas Royalty Income Class Units, they are not obliged to purchase any Oil & Gas Royalty Income Class Units that are not sold. The obligations of the Agents under the Agency Agreement may be terminated, and the Agents may withdraw all subscriptions on behalf of Subscribers, at the Agents' discretion, on the basis of their assessment of the state of the financial markets or upon the occurrence of certain stated events. Pursuant to the Agency Agreement, the Promoter, the Partnership and the General Partner have agreed to jointly and severally indemnify the Agents upon the occurrence of certain events.

The Offering will take place during the period commencing on the date a receipt is issued for the preliminary prospectus by the British Columbia Securities Commission and ending at the close of business on the date of the final Closing. It is expected that the initial Closing Date will be on or about ●, 2014. Subscription proceeds received by the Agents will be held by the Agents until the Closing Date. If subscriptions for 200,000 Oil & Gas Royalty Income Class Units are not obtained within 90 days from the date of the issuance of the receipt for the final prospectus or any amendment thereto, this Offering may not continue and subscription funds will be returned, without interest or deduction, to the Subscribers. If the maximum Offering of Oil & Gas Royalty Income Class Units is not achieved at the initial Closing Date, subsequent Closings may be completed on or before the date that is 90 days from the date of the issuance of the receipt for the final prospectus or any amendment thereto.

The General Partner, on behalf of the Partnership, reserves the right to accept or reject any subscription in whole or in part and to reject all subscriptions. If a subscription is rejected or accepted in part, unused monies received will be returned to the Subscriber. If all subscriptions are rejected, subscription proceeds will be returned to the Subscribers. A Subscriber whose subscription for Oil & Gas Royalty Income Class Units has been accepted by the General Partner will become an Oil & Gas Royalty Income Class Limited Partner upon the entering of his or her name in the register of Oil & Gas Royalty Income Class Limited Partners on or as soon as possible after the relevant Closing.

This Offering will close if: (a) all contracts described under "Material Contracts" have been executed and delivered to the Partnership and are valid and subsisting; (b) all conditions specified in the Agency Agreement for the closing have been satisfied or waived, and the Agents have not exercised any right to terminate the Offering; and (c) on the date of the initial Closing of the Offering, subscriptions for at least 200,000 Oil & Gas Royalty Income Class Units are accepted by the General Partner.

As of the date of this prospectus, the Partnership does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not currently intend to apply to list or quote any of its securities on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America.

Book Entry System

Subscriptions will be received subject to acceptance or rejection in whole or in part and the right is reserved to close the Offering at any time without notice. The Offering will be conducted under the book-entry system. At each Closing, non-certificated interests representing the aggregate number of Oil & Gas Royalty Income Class Units subscribed for at such Closing will be recorded in the name of CDS or its nominee on the register of the Partnership maintained by Valiant on the date of such Closing. Any purchase or transfer of Oil & Gas Royalty Income Class Units must be made through CDS depository service participants, which includes registered dealers, banks and trust companies ("CDS Participants"). Indirect access to the book-entry system is also available to other institutions that maintain custodial relationships with a CDS Participant, either directly or indirectly. Each Subscriber will receive a customer confirmation of purchase from the CDS Participant from or through whom such Subscriber purchased Oil & Gas Royalty Income Class Units, which confirmation will be in accordance with the practices and procedures of such CDS Participant.

No Oil & Gas Royalty Income Class Limited Partner will be entitled to a certificate or other instrument from the General Partner, Valiant or CDS evidencing such Oil & Gas Royalty Income Class Limited Partner's interest in or ownership of Oil & Gas Royalty Income Class Units, nor, to the extent applicable, will such Oil & Gas Royalty Income Class Limited Partners be shown on the records maintained by CDS, except through an agent who is a CDS Participant. Distributions on Oil & Gas Royalty Income Class Units, if any, will be made by the Partnership to CDS and will then be forwarded by CDS to the CDS Participants and thereafter to the Oil & Gas Royalty Income Class Limited Partners.

The General Partner, on behalf of the Partnership, has the option to terminate the book-entry system through CDS, in which case CDS will be replaced or Unit certificates in fully registered form will be issued to Oil & Gas Royalty Income Class Limited Partners as of the effective date of such termination.

The ability of a holder of a Unit to pledge his or her Unit or take action with respect thereto (other than through a CDS Participant) may be limited due to the lack of physical certificates and the rights of the Partnership under the Partnership Agreement.

CONFLICTS OF INTEREST

The General Partner will be entitled to receive certain compensation from the Partnership and the General Partner will be reimbursed for certain of its expenses by the Partnership. See "Fees, Charges and Expenses Payable by the Partnership". In addition, affiliates of the General Partner or the Promoter may, in some circumstances, be entitled to fees or other forms of compensation (including royalty interests) from Oil and Gas Companies in connection with Investments entered into by the Partnership, and such fees will be within the limitations set out in the rules and policies of the TSX-V regardless of whether the Oil and Gas Company is a reporting issuer or non-reporting issuer, unless the Oil and Gas Company is listed on another Canadian exchange (for example, the TSX or the Canadian National Stock Exchange), and that exchange imposes other requirements. Also, in the event Investments are sold to Maple Leaf Resource Corp., CADO expects to receive fees from Maple Leaf Resource Corp. in respect of the management of those assets.

The Promoter, the General Partner, certain of their affiliates, certain limited partnerships whose general partner and/or investment advisor is or will be a subsidiary of the Promoter or an affiliate of any of the General Partner or the Promoter, and the directors and officers of the Promoter and the General Partner are and/or may in the future be actively engaged in a wide range of investment and management activities, some of which are and will be similar to and competitive with those that the Partnership and the General Partner will undertake. In addition, other investment vehicles established or managed by the Promoter or their affiliates may have ownership interests in Oil and Gas Companies with whom the Partnership has entered into Investment Agreements. As a result, actual and potential conflicts of interest (including conflicts as to management's time, resources and allocation of investment opportunities) can be expected to arise in the normal course. However, the General Partner has agreed that for so long as Available Funds remain uncommitted it will first offer any oil and/or natural gas joint venture participation opportunities which are consistent with the Oil & Gas Royalty Income Class' investment objectives, strategy and investment restrictions to the Partnership before presenting them to any other person or undertaking them itself.

There is no assurance that conflicts of interest will not arise which cannot be resolved in a manner most favourable to Subscribers. There is no obligation on the General Partner or the Promoter 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. **Persons considering a purchase of Oil & Gas Royalty Income Class Units pursuant to this Offering are relying on the judgment and good faith of the General Partner and its directors and officers in resolving such conflicts of interest.**

MATERIAL CONTRACTS

The Partnership has entered into, or will enter into on or prior to the Closing Date, the following material contracts:

1. The Partnership Agreement referred to under “Summary of the Partnership Agreement”; and
2. The Agency Agreement referred to under “Plan of Distribution”.

Copies of the contracts referred to above (or drafts thereof) may be inspected during normal business hours over the course of the Offering at the registered office of the General Partner, 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia, V7X 1T2.

PROMOTERS

CADO took the initiative in establishing the Partnership and accordingly, CADO may be considered a promoter of the Partnership under applicable securities laws. In addition, the General Partner may be considered a promoter of the Partnership under applicable securities laws. CADO owns 100% of the outstanding shares of the General Partner. CADO has an indirect interest in the Performance Bonus and the General Partner’s Share paid or to be paid to the General Partner. See “Conflicts of Interest”, “Interest of Management in Material Transactions” and “Fees, Charges and Expenses Payable by the Partnership”.

CADO is a British Columbia based company that specializes in investment products focused on the Canadian natural resource sector. CADO’s executive management team has over 40 years of combined experience in structuring, syndicating, distributing and administering innovative financial products aimed at the Canadian retail investor. Many of the investment offerings that CADO has structured are tax-assisted and offer investors the potential for income, capital appreciation and liquidity.

Each of Messrs. Cartwright, Doyle, Fair and Dickson, who are directors and/or officers of the General Partner, are also directors, officers and/or shareholders of CADO. Messrs. Cartwright and Doyle together beneficially own 100% of the outstanding securities of CADO.

The registered office of CADO is 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia V7X 1T2.

LEGAL MATTERS

Neither the General Partner nor the Partnership are currently involved in any litigation or proceedings which are material either individually or in the aggregate to the continued business operations of the General Partner and/or the Partnership and, to each of their knowledge, no legal proceedings of a material nature involving the General Partner and/or the Partnership are currently contemplated by any individuals, entities or government authorities.

INTEREST OF MANAGEMENT IN MATERIAL TRANSACTIONS

The General Partner is a wholly-owned subsidiary of CADO. Certain of the directors and officers of the General Partner are also directors and officers of CADO. To the knowledge of the General Partner, except as disclosed herein under “Fees, Charges and Expenses Payable by the Partnership” and “Conflicts of Interest”, no director or officer of the General Partner has any interest in any actual material transaction involving the Partnership, or has any interest in any proposed material transaction involving the Partnership.

AUDITORS

The independent auditors of the Partnership are PricewaterhouseCoopers LLP, Chartered Accountants. The offices of the auditors of the Partnership are located at Suite 700, 250 Howe Street, Vancouver, British

Columbia V6C 3S7. PricewaterhouseCoopers LLP has advised that they are independent with respect to the Partnership within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia as at ●, 2014.

REGISTRAR AND TRANSFER AGENT

The Partnership has appointed Valiant Trust Company, at its principal offices in Vancouver, British Columbia, as the Registrar and Transfer Agent for the Oil & Gas Royalty Income Class Units.

EXPERTS

Certain legal matters arising in connection with the Offering will be passed upon, on behalf of the Partnership, and the General Partner by Borden Ladner Gervais LLP and on behalf of the Agents by Fasken Martineau DuMoulin LLP. As of the date hereof, the partners and associates of each of Borden Ladner Gervais LLP and Fasken Martineau DuMoulin LLP beneficially own, directly or indirectly, less than 1% of the outstanding securities or other property of the Partnership.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt, or deemed receipt, of a prospectus and any amendment. In certain provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to a purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. A purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

INDEPENDENT AUDITOR'S REPORT

To the Directors of Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Management Corp. in its capacity as the General Partner of Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Limited Partnership (the "Partnership"), in respect of the Oil & Gas Royalty Income CDE/COGPE Class.

We have audited the accompanying statement of financial position of the Oil & Gas Royalty Income CDE/COGPE Class as at ●, 2014 and the related notes, which comprise a summary of significant accounting policies and other explanatory information (together the financial statement).

General Partner's responsibility for the financial statement

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

Auditor's responsibility

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

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

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

Opinion

In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Oil & Gas Royalty Income CDE/COGPE Class as at ●, 2014 in accordance with those requirements of International Financial Reporting Standards relevant to preparing such a financial statement.

Chartered Accountants

250 Howe Street, Suite 700
Vancouver BC Canada V6C 3S7
●, 2014

MAPLE LEAF 2014 OIL & GAS ROYALTIES/FLOW-THROUGH LIMITED PARTNERSHIP

**OIL & GAS ROYALTY INCOME CDE/COGPE CLASS
STATEMENT OF FINANCIAL POSITION**

As at ●, 2014

(all amounts stated in Canadian dollars unless otherwise stated)

ASSETS

Current assets

Cash	\$35
Total assets	<u>\$35</u>

Net assets attributable to holders of units

General Partner Contribution	\$10
Issued and fully paid limited partnership unit.....	<u>\$25</u>
	<u>\$35</u>

Approved on behalf of Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Limited Partnership by the Board of Directors of its General Partner, Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Management Corp.

(signed) HUGH CARTWRIGHT

(signed) SHANE DOYLE

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

MAPLE LEAF 2014 OIL & GAS ROYALTIES/FLOW-THROUGH LIMITED PARTNERSHIP

NOTES TO STATEMENT OF FINANCIAL POSITION

●, 2014

(all amounts stated in Canadian dollars unless otherwise stated)

1. FORMATION OF PARTNERSHIP

Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Limited Partnership (the “Partnership”) was formed on September 15, 2014 as a limited partnership under the laws of the Province of British Columbia. The Partnership consists of three classes of limited partnership units, the National CEE FT Class units (“National FT Class Units”) and the Québec CEE FT Class units (“Québec FT Class Units”), each of which is a separate non-redeemable investment fund for securities laws purposes with its own investment portfolio and investment objectives, and the Oil & Gas Royalty Income CDE/COGPE class (“Oil & Gas Royalty Income Class”), which invests primarily in oil & gas assets. The principal purpose of the Oil & Gas Royalty Income Class is to provide limited partners with a tax-assisted investment in the exploration, development and production of oil and natural gas by acquiring currently producing assets and/or entering into investment agreements with established Oil and Gas Companies.

The General Partner of the Partnership is Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Management Corp. (the General Partner). The address of the registered office is 1200 Waterfront Centre, 200 Burrard St., Vancouver BC V7X 1T2. There has been no activity in the Partnership between its formation on September 15, 2014 and ●, 2014 except for the issuance of one initial limited partner unit of each Class and a capital contribution by the General Partner. Accordingly, no statement of operations or cash flows for the period has been presented.

At the date of formation of the Partnership, one Oil & Gas Royalty Income Class limited partnership unit was issued to Hugh Cartwright for \$25 cash.

The statement of financial position was approved and authorized for issue by the General Partner on ●, 2014.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of preparation

The statement of financial position has been prepared in accordance with International Financial Reporting Standards (IFRS) relevant to preparing a statement of financial position. The statement of financial position has been prepared under the historical cost convention. IFRS requires management to exercise its judgement in the process of applying the Oil & Gas Royalty Income Class’ accounting policies and making certain critical accounting estimates that affect the reported amounts of assets, liabilities, income and expenses during any reporting year. Actual results could differ from those estimates. The following is a summary of significant accounting policies that will be followed by the Oil & Gas Royalty Income Class in the preparation of its statements of financial position in respect of the Oil & Gas Royalty Income Class.

Functional currency and presentation currency

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

Issue costs

Issue costs incurred in connection with the offering will be charged to the net assets attributable to holders of units.

Cash and cash equivalents

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

Valuation of partnership units for transaction purposes

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

Amounts attributable to Limited Partners and General Partner

The LPA imposes a contractual obligation for the Oil & Gas Royalty Income Class to deliver a pro rata share of its net assets to the Partners on termination of the Partnership (note 1). As such, these obligations are classified as financial liabilities that are measured initially at fair value and subsequently at amortized cost. Under the amortized cost method, when the Oil & Gas Royalty Income Class revises its estimates of payments to the Partners, the Oil & Gas Royalty Income Class adjusts the amounts attributable to Partners to reflect actual and revised estimated cash flows. The Partnership recalculates the carrying amounts by computing the present value of estimated future cash flows.

Amount attributable to Limited Partners

The Limited Partners' entitlement to net assets of the Oil & Gas Royalty Income Class is recognized upon issuance of Limited Partnership Units.

The obligation to the Limited Partners is initially measured based on the cash contributed and subsequently measured based on the allocation set out in the LPA. Adjustments to amount attributable to Limited Partners are accounted for as finance cost or finance income in the statement of comprehensive loss.

Expenses related to the initial offering of the Limited Partnership Units have been accounted for as a reduction of amount attributable to Limited Partners.

Amount attributable to General Partner

The General Partner's entitlement to net assets of the Oil & Gas Royalty Income Class represents compensation for management services rendered and is recognized when funds of the Partnership are invested.

The General Partner is entitled to (a) a 5% share of all Royalty Income Class distributions (which include distribution of assets in connection with the dissolution of the Partnership); and (b) a 20% share of all distributions of the Partnership once Limited Partners receive, in total, distributions equal to 100% of their aggregated capital contribution to the Partnership.

The obligation to the General Partner is initially measured at 5% of the value of investments made and subsequently measured based on the allocation set out in the LPA. Adjustments to any amount attributable

to General Partner are accounted for as General Partner's share within operating expenses in the statement of comprehensive loss.

The general partner of the Partnership, Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Management Corp. (the "General Partner") contributed capital of \$10 to the Oil & Gas Royalty Income Class. The General Partner is a wholly-owned subsidiary of CADO Bancorp Ltd. Under the limited partnership agreement between the General Partner and each of the limited partners (the "LPA") dated September 15, 2014, 99.99% of net losses of the Partnership attributable to the Oil & Gas Royalty Income Class will be allocated to the Oil & Gas Royalty Income Class Limited Partners and 0.01% to the General Partner. Until the Oil & Gas Royalty Income Class Limited Partners have received, in total, cumulative distributions equal to 100% of their aggregate capital contributions, they will be allocated 95% of net income of the Partnership attributable to the Oil & Gas Royalty Income Class and 5% will be allocated to the General Partner. Thereafter, the Oil & Gas Royalty Income Class Limited Partners will be allocated 75% of net income of the Partnership attributable to the Oil & Gas Royalty Income Class and 25% to the General Partner. The General Partner intends to implement a Liquidity Event in late 2015, and in any event prior to December 31, 2016. If a Liquidity Event is not implemented, the Partnership will be dissolved, unless the Limited Partners of all Classes approve the continuation of the operations of the Partnership. Upon dissolution, assets will be distributed on the same basis as net income.

The Partnership will pay all costs relating to the proposed offering of Oil & Gas Royalty Income Class units in the Partnership and all ongoing operating and administrative expenses. Other than expenses directly attributable to a particular Class, these expenses will be allocated pro rata between the Portfolios based on the asset bases of each Class at the end of the month preceding the date such expenses are paid. It is expected that these costs and expenses will include, without limitation: (a) mailing and printing expenses for periodic reports to Oil & Gas Royalty Income Class Limited Partners and for meeting materials, if any; (b) fees and disbursements payable to auditors and legal and technical advisors of the Partnership; (c) fees and disbursements payable to CDS Clearing and Depository Services Inc. (or its nominee) or the Registrar and Transfer Agent, and service providers for performing certain financial, record-keeping, reporting and general administrative services and fees and disbursements; (d) taxes and ongoing regulatory filing fees; (e) any reasonable out-of-pocket expenses incurred by the General Partner or its agents in connection with its ongoing obligations to the Partnership; (f) expenditures incurred in connection with activities at Producing Long Life GORR Assets, Areas of Mutual Interests, Additional Wells or pursuant to Earned Interests; and (g) any expenditures which may be incurred in connection with the completion of Offers, dissolution of the Partnership and implementation of a Liquidity Event. In addition, the Partnership will be responsible for the geological, geophysical, land, engineering and economic review, project analysis and evaluation expenses incurred in connection with the evaluation of potential Investment opportunities. However, in the event the offering expenses exceed 2% of the gross proceeds of the offering, the General Partner will be responsible for the excess. Agents' fees are treated as costs of the offering and will be accounted for as a reduction of partners' interests. Other than expenses directly attributable to a particular Class, these expenses will be allocated pro rata between the Portfolios based on the asset bases of each Class at the end of the month preceding the date such expenses are paid.

Under the LPA, the Oil & Gas Royalty Income Class will pay to the General Partner, as partial consideration for administering, managing, supervising and operating the business and affairs of the Oil & Gas Royalty Income Class, the Performance Bonus, being a 20% share of all Distributions on the Oil & Gas Royalty Income Class units, once Oil & Gas Royalty Income Class Limited Partners have received, in total, cumulative Distributions equal to 100% of their aggregate capital contribution (being the aggregate subscription price for the Oil & Gas Royalty Income Class Units subscribed for by the Oil & Gas Royalty Income Class Limited Partners). The General Partner may allocate a portion of its Performance Bonus, if any, to dealers that sell Oil & Gas Royalty Income Class Units, which may in turn be allocated to their personnel, including financial advisers.

Technical Advisors may be paid from proceeds of this Offering (provided that such payments do not in the aggregate exceed 2% of the Gross Proceeds over the life of the Partnership) and/or from any production revenues.

Pursuant to the LPA, the General Partner is entitled to a 5% share of all Distributions on the Oil & Gas Royalty Income Class units (including distributions of assets in connection with the winding up or dissolution of the Partnership).

Taxes

The Partnership is not subject to income taxes. The income or loss for Canadian tax purposes is allocable to the Partners pursuant to the LPA, and is included in the taxable income of the Partners in accordance with the provisions of the *Income Tax Act* (Canada).

3. FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying values of cash and the Partnership's obligation for net assets attributable to holders of units approximate their fair values.

4. DISTRIBUTION POLICY

The General Partner expects that it will take three to six months to source, complete due diligence and acquire Producing Long Life GORR Assets and/or negotiate sufficient Investment Agreements to invest all the Available Funds. The General Partner expects the Producing Long Life GORR Assets will begin generating Distributable Cash within 45 days after their acquisition. However, in the case of investments in Other GORR Assets, the General Partner estimates that it will generally take three to six months after commencement of a successful Oil & Gas Royalty Program before the Oil & Gas Royalty Income Class will start receiving its royalties. As a result, distributions of Distributable Cash to Oil & Gas Royalty Income Class Limited Partners will vary in amount and timing.

The Distributable Cash generated by the Investments (if any), after deducting the Oil & Gas Royalty Income Class' share of the expenses of the Partnership, will be distributed to Oil & Gas Royalty Income Class Limited Partners on a monthly basis (or on such other basis that the General Partner determines), commencing on or about June 30, 2015. The Oil & Gas Royalty Income Class will not have a fixed monthly distribution amount and may also make from time to time such additional Distributions to Oil & Gas Royalty Income Class Limited Partners as the General Partner may determine to be appropriate.

5. PARTNERSHIP CAPITAL

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

Risks associated with financial instrument

The Oil & Gas Royalty Income Class' overall risk management program seeks to maximize the returns derived for the level of risk to which the Oil & Gas Royalty Income Class is exposed and seeks to minimize potential adverse effects on the Oil & Gas Royalty Income Class' financial performance.

Credit risk

The Oil & Gas Royalty Income Class is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As at ●, 2014, the credit risk is considered limited as the cash balance represents a deposit with an AA-rated financial institution.

Liquidity risk

Liquidity risk is the risk that the Oil & Gas Royalty Income Class will encounter difficulty in meeting obligations associated with financial liabilities.

APPENDIX A

Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Limited Partnership

Audit Committee Charter

1. Introduction

This Audit Committee Charter (the “**Charter**”) has been adopted to govern the activities, mandate, responsibilities and authority of the Audit Committee (the “**Audit Committee**”) of the Board of Directors (the “**Board**”) of Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Management Corp., in its capacity as the General Partner of Maple Leaf 2014 Oil & Gas Royalties/Flow-Through Limited Partnership (the “**Partnership**”).

2. Responsibility and Authority

The Audit Committee for the Partnership shall carry out its responsibilities in compliance with legal and regulatory requirements with respect to the employment, compensation and oversight of the Partnership’s external auditors. The Audit Committee is responsible for assisting the Board in carrying out its responsibilities relating to the Partnership’s financial accounting and reporting processes. Although the Audit Committee has been given certain powers and responsibilities under this Charter and is responsible for performing the duties set forth in this Charter, the principal role of the Audit Committee is oversight. The members of the Audit Committee are not full-time employees of the Partnership and may or may not be accountants or auditors by profession and, in any event, do not serve in such capacity. Consequently, it is not the duty of the Audit Committee to perform audits to determine that the Partnership’s financial statements and disclosures are complete and accurate or are prepared in accordance with International Financial Reporting Standards and applicable rules and regulations. Nothing in this Charter is intended to restrict the ability of the Board or the Audit Committee to alter or vary procedures in order to comply more fully with National Instrument 52-110, as amended from time to time. In furtherance of these purposes, the Audit Committee shall have the following responsibilities and authority:

a. Relationship with External Auditors

- The Audit Committee shall recommend to the Board the appointment or replacement of the external auditors;
- The Audit Committee shall be responsible for determining the compensation of the external auditors for the purpose of preparing and issuing an audit report;
- The external auditors shall report directly to the Audit Committee;
- The Audit Committee shall approve in advance all audit and permitted non-audit services with the external auditors. This includes the terms of engagement and all fees payable;
- The Audit Committee shall, on an annual basis, evaluate the qualifications, performance and independence of the external auditors (including the external auditors’ internal quality control procedures) and notify the Board and external auditors in writing of any concerns in regards to the performance of the external auditors, or the auditing methods, procedures, standard, or principles applied by the external auditors, or any other accounting or auditing issues which come to the attention of the Audit Committee;
- The Audit Committee shall consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the lead audit partner or even the external audit firm on a regular basis;

- The Audit Committee shall review and approve the Partnership's hiring policies regarding partners, employees, former partners and former employees of the Partnership's present and former external auditors;

b. Financial Statement and Disclosure Review

- The Audit Committee shall review and discuss with management and the external auditors the annual consolidated financial statements, the annual report, including the management discussion and analysis and any and all earnings press releases before making recommendations to the Board relating to the approval of these statements and before such information is publicly disclosed;
- The Audit Committee shall review with management and if deemed necessary, with the external auditors, interim financial statements, quarterly reports, including the management discussion and analysis and any and all earnings press releases before making recommendations to the Board relating to the approval of these statements and before such information is publicly disclosed;
- The Audit Committee shall review and discuss with management and the external auditors any significant financial reporting issues and judgements made in connection with the preparation of the Partnership's financial statements. This shall include the external auditors' assessment of the quality of the Partnership's accounting principles, any significant changes in the Partnership's election or application of accounting principles and any major issues relating to the adequacy of the Partnership's internal controls. Prior to the annual audited financial statements being published, the Audit Committee shall review and discuss with management written communications from the external auditors on:
 - all critical accounting policies and practices employed by the Partnership;
 - all alternative accounting treatment of financial information discussed with management since the previous report, including the ramifications of the use of alternative disclosure and treatment, the preferred treatment by the external auditors, as well as an explanatory note why the external auditors' preferred method was not adopted (if applicable);
 - other material written communications between the external auditors and management since the previous report;

c. Conduct of the Annual Audit

- The Audit Committee shall meet with the external auditors prior to the audit to discuss the planning and conduct of the annual audit, and shall meet with the external auditors as is required or appropriate in connection with the audit;

d. Compliance and Oversight

- The Audit Committee shall discuss with management and the external auditors the effect of regulatory and accounting initiatives;
- The Audit Committee shall discuss with management the Partnership's major financial risk exposures and steps management has taken to monitor and control such exposures; and

- The Audit Committee shall discuss with management and the external auditors any correspondence with regulators or governmental agencies and any employee complaints which raise material issues regarding the Partnership's accounting policies or financial statements.

3. Structure and Membership

a. Number of Qualification

The Audit Committee shall consist of three persons, unless the Board should, from time to time, determine otherwise. All members of the Audit Committee shall meet the independence, experience and financial literacy requirements of National Instrument 52-110, subject to the exemptions contained in National Instrument 52-110.

b. Selection and Removal

Members of the Audit Committee shall be appointed by the Board. The Board may remove members of the Audit Committee with or without cause.

c. Chair

Unless the Board elects a Chair of the Audit Committee, the Audit Committee shall elect a Chair by majority vote.

d. Compensation

The compensation of the Audit Committee shall be determined by the Board.

e. Term

Members of the Audit Committee shall be appointed for a term of one year and are permitted to serve an unlimited number of consecutive terms. Each member shall serve until his or her replacement is appointed, or until he or she resigns or is removed from the Board.

4. Procedures and Administration

a. Meetings

The Audit Committee shall meet as often as is deemed necessary in order to perform its responsibilities.

b. Reports to the Board

The Audit Committee shall report to the Board following meetings of the Audit Committee with respect to such matters as are relevant to the Audit Committee's discharge of its responsibilities.

c. Charter

The Audit Committee shall, on an annual basis, review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

d. Independent Advisors

The Audit Committee shall have the authority to engage independent legal and any other advisors it deems necessary or appropriate to carry out its responsibilities.

e. Annual Self-Evaluation

The Audit Committee shall evaluate its own performance on an annual basis.

5. Additional Powers

The Audit Committee shall have other such duties as may be delegated from time to time by the Board.

CERTIFICATE OF THE PARTNERSHIP AND THE PROMOTERS

Dated: October 2, 2014

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec.

(signed) Shane Doyle
Chief Executive Officer

(signed) John Dickson
Chief Financial Officer

On behalf of the Board of Directors of the General Partner

(signed) Hugh Cartwright
Director

(signed) Adam Thomas
Director

On behalf of the Promoters

CADO BANCORP LTD.

MAPLE LEAF 2014 OIL & GAS ROYALTIES/ FLOW
THROUGH MANAGEMENT CORP.

(signed) Shane Doyle
Director

(signed) Hugh Cartwright
Chairman

CERTIFICATE OF THE AGENTS

Dated: October 2, 2014

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec.

SCOTIA CAPITAL INC.

BY: (SIGNED) RAJIV BAHL

CIBC WORLD MARKETS INC.

BY: (SIGNED) MIKE SHUH

NATIONAL BANK FINANCIAL INC.

BY: (SIGNED) TIMOTHY EVANS

BMO NESBITT BURNS INC.

BY: (SIGNED) ROBIN TESSIER

GMP SECURITIES L.P.

BY: (SIGNED) ANDREW KIGUEL

MANULIFE SECURITIES
INCORPORATED

BY: (SIGNED) WILLIAM PORTER

DESJARDINS SECURITIES INC.

BY: (SIGNED) BETH SHAW

RAYMOND JAMES LTD.

BY: (SIGNED) J. GRAHAM FELL

BURGEONVEST BICK
SECURITIES LIMITED

BY: (SIGNED) VILMA JONES

CANACCORD GENUITY
CORP.

BY: (SIGNED) RON SEDRAN

DUNDEE SECURITIES LTD.

BY: (SIGNED) TONY LORIA

GLOBAL SECURITIES
CORPORATION

BY: (SIGNED) ADAM
GARVIN

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