CONFIDENTIAL OFFERING MEMORANDUM

This Offering Memorandum constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities and to those persons to whom they may be lawfully offered for sale. ***No securities commission or similar regulatory authority in Canada has reviewed this Offering Memorandum or has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.*** *No prospectus has been filed with any such authority in connection with the securities offered hereunder. This Offering Memorandum is confidential and is provided to specific prospective investors for the purpose of assisting them and their professional advisers in evaluating the securities offered hereby and is not to be construed as a prospectus or advertisement or a public offering of these securities.*

Continuous Offering **March 2, 2020**

NEWGEN EQUITY LONG-SHORT FUND LP

Limited Partnership Units

NewGen Equity Long-Short Fund LP (the "**Partnership**") (formerly, NewGen Trading Fund LP) is an Ontario limited partnership formed to invest in securities. The primary objective of the Partnership is to achieve superior absolute returns through an opportunistic trading strategy designed to exploit short-term market inefficiencies. The Partnership intends to indirectly invest, by means of the Newgen (Offshore) LP (the "**Offshore LP**"), in shares of the NewGen Equity Long/Short Fund (the "**Master Fund**"), which will invest (long and short) primarily in listed equities, but will also have the flexibility to invest in a wide range of instruments to balance risk and/or enhance returns including, but not limited to, currencies, commodities (cash-settled only), futures (including index futures), credit default swaps, options and warrants. The Partnership was formed on January 19, 2010 and will continue until it is dissolved. NewGen Trading Fund GP Limited (the "**General Partner**") is the general partner of the Partnership. **The Partnership is a related issuer of NewGen Asset Management Limited (the "Investment Manager"), the investment manager of the Partnership and an affiliate of the General Partner.** The Investment Manager will earn fees from the Offshore LP and/or the Master Fund and will not earn similar fees at the Partnership level. Also, the General Partner, if applicable, may be entitled to receive distributions from the Partnership. See "Statement of Policies". Purchasers of interests in the Partnership, in the form of limited partnership units (the "**Units**") become limited partners ("**Limited Partners**") of the Partnership and will be bound by the terms of a limited partnership agreement governing the Partnership (the "**Limited Partnership Agreement**").

SUBSEQUENT SUBSCRIPTION PRICE: NET ASSET VALUE
MINIMUM INITIAL INVESTMENT: $25,000 in Canadian or U.S. dollars, as applicable

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An unlimited number of Units, issuable in different classes, is being offered on a continuous basis. Investors purchasing Units pursuant to this Offering Memorandum will generally be issued Class B Units or Class B USD Units, denominated in Canadian and U.S. dollars, respectively. Class F Units and Class G Units, denominated in Canadian dollars, and Class F USD Units and Class G USD Units, denominated in U.S. dollars, will be available to investors who have accounts with registered dealers. Class I Units, denominated in Canadian dollars will be available to institutional investors. Class M Units will be available to associates and affiliates of the Investment Manager and its directors, officers and employees. Units are only being distributed to investors resident in various provinces in Canada pursuant to available prospectus exemptions under the securities laws of those provinces. See "The Offering". Units will be issued in series

and each new series will be issued at an opening Net Asset Value per Unit equal to the Net Asset Value of the Series 1 Units of the same class. At the end of each year, some or all series of the same class of Units may be rolled up into a single series, in the discretion of the General Partner. Subscriptions may be accepted on the first business day of each month and on such other dates as the General Partner may prescribe (each, a "**Subscription Date**") based on the Net Asset Value of the Units being subscribed for on the immediately preceding business day and on such other dates as the General Partner may prescribe (each a "**Valuation Date**"). This offering is subject to a minimum initial subscription level of $25,000. Class B Units, Class B USD Units, Class F Units, Class F USD Units, Class G Units, Class G USD Units, and Class I Units may be redeemed on a Valuation Date commencing six (6) months following the purchase of such Units by the Limited Partner and upon not less than five (5) days' written notice to the General Partner. Class M Units are subject to a one (1) year lock-up period during which they may not be redeemed (subject to the General Partner's discretion to waive this lock-up period in extraordinary circumstances).

These securities carry risk of loss. A subscription for Units should be considered only by persons financially able to maintain their investment and who can bear the risk of loss associated with an investment in the Partnership. As there is no market for these securities, it may be difficult or even impossible for the purchaser to sell them.

There is no market through which the Units may be sold and none is expected to develop. The Units are also subject to resale restrictions under the Partnership's Limited Partnership Agreement and applicable securities legislation. Redemptions may be suspended and/or redemption proceeds paid partly in cash and partly in kind if there is insufficient liquidity in the Partnership. There are certain additional risk factors associated with investing in the Units. Investors should consult their own professional advisers to assess the income tax, legal and other aspects of the investment. See "Risk Factors" and "Transfer or Resale".

No person is authorized to give away any information or to make any representation not contained in this Offering Memorandum and any information or representation, other than that contained in this Offering Memorandum, must not be relied upon. This Offering Memorandum is a confidential document furnished solely for the use of prospective purchasers who, by acceptance hereof, agree that they shall not transmit, reproduce or make available this document or any information contained in it.

Persons who receive this Offering Memorandum must inform themselves of, and observe, all applicable restrictions with respect to the acquisition and disposition of Units under applicable securities legislation.

Subscribers are urged to consult with an independent legal adviser prior to signing the Subscription Agreement for the Units and to carefully review the Limited Partnership Agreement delivered with this Offering Memorandum.

CERTAIN INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM MAY CONSTITUTE "FORWARD-LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "ANTICIPATE," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE," OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. DUE TO VARIOUS RISKS AND UNCERTAINTIES, INCLUDING THOSE SET FORTH UNDER "RISK FACTORS", ACTUAL EVENTS OR RESULTS OR THE ACTUAL PERFORMANCE OF THE PARTNERSHIP MAY DIFFER MATERIALLY FROM THOSE REFLECTED OR CONTEMPLATED IN SUCH FORWARD-LOOKING STATEMENTS.

ALL REFERENCES TO "DOLLARS" OR "$" ARE TO CANADIAN DOLLARS UNLESS OTHERWISE INDICATED.

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SUMMARY

The following is a summary of the principal features of this offering and should be read together with the more detailed information contained elsewhere in this Offering Memorandum.

The Partnership:	NewGen Equity Long-Short Fund LP (the "**Partnership**"), a limited partnership formed under the laws of the Province of Ontario on January 19, 2010.
Investment Objective and Activities:	The Partnership's principal investment objective is to, directly or indirectly, by means of the Newgen (Offshore LP) (the "**Offshore LP**"), invest in shares of the Newgen Equity Long/Short Fund (the "**Master Fund**"), to achieve superior absolute returns through an opportunistic trading strategy designed to exploit short-term market inefficiencies. The Partnership has obtained exemptive relief from the Ontario Securities Commission to allow an investment into securities of a related issuer.
The Master Fund	The Newgen Equity Long/Short Fund is incorporated under the Companies Law (Revised) of the Cayman Islands as an exempted company limited by shares. Investors of the Partnership are entitled to receive from the Manager, or its affiliate, on request and free of charge, a copy of the offering memorandum of the Master Fund, which generally has the same investment objectives and strategies as the Partnership. There is no assurance that the Master Fund's investment objective will be achieved, and results may vary substantially over time. Any investment strategy pursued for the Master Fund is in the absolute and sole discretion of the Investment Manager. The Master Fund is under no obligation to advise existing or potential investors of a change in investment styles or strategies.
The General Partner:	NewGen Trading Fund GP Limited (the "**General Partner**") is a corporation incorporated under the laws of the Province of Ontario. The General Partner was instrumental in the formation of the Partnership and is responsible for approving and monitoring the Partnership's various service providers, including the Investment Manager. In exchange for its services, the General Partner may receive a share of Partnership profits. See "The General Partner" and "Profit Allocation".
The Investment Manager:	NewGen Asset Management Limited (formerly known as "New Generation Advisors Limited") (the "**Investment Manager**") is a corporation incorporated under the laws of the Province of Ontario. The Investment Manager was engaged by the General Partner to direct the affairs of the Partnership, by the general partner of the Offshore LP to direct the affairs of the Offshore LP, and by the board of directors of the Master Fund, to direct the affairs of the Master Fund. It provides day-to-day management services to the Partnership, the Offshore LP and the Master Fund, including, directly or indirectly, the management of both the Partnership's, the Offshore LP's and the Master Fund's portfolio on a discretionary basis and distribution of the Units of the Partnership, units of the Offshore LP, and shares of the Master Fund. See "The Investment Manager".

The Offering:

Eight (8) classes of limited partnership units (the "**Units**") are currently being offered in series.

Class B Units. Class B Units are available to all investors who meet the minimum investment criteria. Class B Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly, share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "Profit Allocation"). Class B Units are subject to a six (6) month lock-up period during which they may not be redeemed (as described under "Redemptions").

Class B USD Units. Class B USD Units are available in U.S. dollars to all investors who meet the minimum investment criteria. Class B USD Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly, share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "Profit Allocation"). Class B USD Units are subject to a six (6) month lock-up period during which they may not be redeemed (as described under "Redemptions").

Class F Units. Class F Units are available to investors who maintain an investment account through a registered dealer and who are subject to a periodic asset based fee and who meet the minimum investment criteria. Class F Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly, share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "Profit Allocation"). Class F Units are subject to a six (6) month lock-up period during which they may not be redeemed (as described under "Redemptions").

Class F USD Units. Class F USD Units are available in U.S. dollars to investors who maintain an investment account through a registered dealer and who are subject to a periodic asset based fee and who meet the minimum investment criteria. Class F USD Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly, share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "Profit Allocation"). Class F USD Units are subject to a six (6) month lock-up period during which they may not be redeemed (as described under "Redemptions").

Class G Units. Class G Units are available to investors who maintain an investment account through a registered dealer and who are subject to commission charges on transactions and who meet the minimum investment criteria. Class G Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly, share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "Profit Allocation"). Class G Units are subject to a six (6) month lock-up period during which they may not be redeemed (as described under "Redemptions").

Class G USD Units. Class G USD Units are available in U.S. dollars to investors who maintain an investment account through a registered dealer and who are subject to commission charges on transactions and who meet the minimum investment criteria. Class G USD Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly, share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "Profit Allocation"). Class G USD Units are subject to a six (6) month lock-up period during which they may not be redeemed (as described under "Redemptions").

Class I Units. Class I Units will be issued to institutional and other investors at the discretion of the General Partner for an initial investment of at least $10 million or such other amount acceptable to the General Partner. Class I Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly, share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "Profit Allocation"). Class I Units are subject to a six (6) month lock-up period during which they may not be redeemed (as described under "Redemptions").

Class M Units. Class M Units will generally only be issued to associates and affiliates of the Investment Manager and its directors, officers and employees and to managed account clients who, directly or indirectly, pay fees directly to the Investment Manager. Class M Units are not charged a management fee, nor do they share profits with the General Partner, but are subject to a one (1) year lock-up period during which they may not be redeemed (as described under "Redemptions").

Class A Units and Class H Units, denominated in Canadian and U.S. dollars, respectively, were, but no longer offered under this Offering Memorandum.

The Investment Manager will not be paid any fee by the Partnership if the Investment Manager indirectly receives the same fee from the Offshore LP and/or the Master Fund.

A new series of Units within each class will generally be issued each month. The Partnership is authorized to issue additional classes of Units from time to time containing financial terms and conditions that may differ from those set forth herein. Such new classes of Units may have preferential terms to the Units currently being offered, including, but not limited to, management fees, profit allocation and redemptions.

The Units are being distributed only pursuant to available prospectus exemptions in Canada to investors (a) who are accredited investors under the *Securities Act* (Ontario) or National Instrument 45-106, as applicable, (b) who are non-individuals that invest a minimum of $150,000 in the Partnership (or the U.S. dollar equivalent, in the case of Class B USD Units, Class F USD Units and Class G USD Units), or (c) to whom Units may otherwise be sold without a prospectus under applicable securities legislation.

	All Classes are denominated in Canadian dollars for subscription, redemption and valuation purposes, except Class B USD Units, Class F USD Units, Class G USD Units and Class H units, which are denominated in U.S. dollars. See "The Offering", "Limited Partnership Agreement – The Units" and "Investment Management Agreement".
Price per Unit:	$100 or USD $100 for Class B USD Units, Class F USD Units and Class G USD Units, as applicable, for Series 1 Units of a class and, for subsequent series, the Net Asset Value of the Series 1 Units of the respective class.
Minimum Individual Investment:	The minimum initial investment for all classes of units, except for Class I Units and Class M Units, is $25,000 in Canadian or U.S. dollars, as applicable. The minimum initial investment for Class I Units is $10 million in Canadian. The minimum initial investment may be reduced for accredited investors in the sole discretion of the Investment Manager. Each additional investment must be in an amount that is not less than $10,000 in the applicable currency. For investors who are not accredited investors and are not individuals, the additional investment must be in an amount that is not less than $150,000 (or the U.S. dollar equivalent in the case of Class B USD Units, Class F USD Units, Class G USD Units), unless (a) the investor initially acquired Units of the Partnership for an acquisition cost of not less than $150,000 (or the U.S. dollar equivalent in the case of Class B USD Units, Class F USD Units, Class G USD Units) and, at the time of the additional investment, the Units then held by the investor have an acquisition cost or a Net Asset Value equal to at least $150,000 (or the U.S. dollar equivalent in the case of Class B USD Units, Class F USD Units, Class G USD Units), or (b) another exemption is available. At the time of making each additional investment, unless a new Subscription Agreement is executed, each investor will be deemed to have repeated and confirmed to the General Partner the covenants and representations contained in the Subscription Agreement delivered by the investor to the General Partner at the time of the initial investment. See "Minimum Individual Subscriptions".
Subscription Procedure:	Subscriptions for Units must be made by completing and executing the subscription and power of attorney form provided by the General Partner and by forwarding to the General Partner such form together with payment of the subscription price (including through the facilities of FundSERV). Subscription orders may be sent to the General Partner by courier, priority post, or electronic means (including through the facilities of FundSERV). Subscriptions will be accepted on a monthly basis, being on the first business day in each month or on such other date as the General Partner may permit (each, a "**Subscription Date**"), subject to the General Partner's discretion to refuse subscriptions in whole or in part. A fully-completed Subscription Agreement and subscription proceeds (in the form of a cheque, bank draft or

confirmation of wire transfer) must be received by the General Partner no later than 4:00 p.m. (Toronto time) on the designated Subscription Date in order for the subscription to be accepted as at that date; otherwise the subscription will be processed as at the next Subscription Date. If a subscription is accepted by the General Partner on a Subscription Date, the Units issued to the investor will be issued based on the Net Asset Value of the Units being subscribed for on the immediately preceding business day or on such other date as the General Partner may permit (each a "**Valuation Date**"). See "The Offering".

Offering Documents: Unitholders of the Fund may request free of charge a copy of the offering memorandum, and/or the annual and/or interim financial statements of the Master Fund at any time.

Series Roll-up: At the end of each year, the General Partner may roll some or all series of the same class of Units into a single series in order to reduce the number of outstanding series of such class. This will be accomplished by amending the Net Asset Value per Unit of all such series so that they are the same, and consolidating or subdividing the number of Units of each such series so the aggregate Net Asset Value of Units held by a Limited Partner does not change. See "The Offering".

Redemptions: Redemptions of Units will be permitted on a monthly basis, on the last business day of each month or on such other date as the General Partner may permit (each, a "**Redemption Date**"), pursuant to written notice that must be received by the Partnership at least five (5) days' prior to the applicable Redemption Date. Redemption requests received through the FundSERV network are considered an acceptable form by the General Partner.

The General Partner, in its sole discretion, may permit redemptions of Units at other times or otherwise modify or waive such redemption conditions and requirements for redemptions of any Limited Partner's Units at any time.

The redemption price shall equal the Net Asset Value per Unit of the applicable class and series of Units being redeemed, determined as of the close of business on the relevant Redemption Date minus an amount equal any distribution payable to the General Partner on such date (to the extent not already reflected in Net Asset Value of the redeemed Units) as further described under "Profit Allocation".

A Limited Partner may redeem its Class A Units, Class B Units, Class B USD Units, Class F Units, Class F USD Units, Class G Units, Class G USD Units or Class I Units after such Units have been held by the redeeming Limited Partner for a minimum of six (6) months from the date of issuance. Class M Units are subject to a one (1) year lock-up period during which they may not be redeemed (collectively, the "**Lock-Up Period**").

Units redeemed prior to the expiration of the Lock-Up Period will be subject to a redemption fee of five percent (5%) of the Redemption Price of the Units being redeemed payable to the Partnership. The General Partner, in its sole discretion, may waive the Lock-Up Period in extraordinary circumstances.

If all of a Limited Partner's Units are to be redeemed, the General Partner may, in its sole discretion, hold back up to 5% of the Net Asset Value of such Units pending completion of the Partnership's annual year-end audit. The balance owing on redemption proceeds shall be paid out within thirty (30) days of the completion of such audit.

Redemptions may be deferred in certain circumstances, including where the Manager and/or the General Partner is of the opinion, in its sole discretion, that there are insufficient liquid assets in the Partnership, the Offshore LP and/or the Master Fund to fund such redemptions entirely in cash or that the liquidation of assets would be to the detriment of the Partnership generally.

In the event the General Partner suspends redemptions of Partnership Units, or if redemptions of the Offshore LP or the Master Fund are suspended, then within twenty (20) business days of such suspension, a meeting of affected Limited Partners of the affected class will be called, and a vote (to be decided by simple majority of participating Limited Partners of the relevant class) will be held to determine whether the redemption of Units will continue to be suspended (as advised by the General Partner), the Partnership wound-up or other course of action is to be taken (the "**Suspension Vote**").

Should the Suspension Vote determine that the suspension of redemptions may continue, then thereafter there shall be no determination of the Net Asset Value of the Partnership until the Manager and/or the General Partner declares the suspension at an end, except that the suspension shall terminate, in any event, on the first business day on which:

- the condition giving rise to the suspension shall have ceased to exist; and
- no other condition under which suspension is authorized shall exist.

During any suspension of valuation, the subscription, redemption, transfers and conversions of Units of the relevant class or series will also be suspended, and any unprocessed redemption requests may be withdrawn during the period of suspension.

Should the Suspension Vote determine that the Partnership be wound up, then the General Partner shall immediately take steps to wind up the Partnership in accordance with the provision of the relevant laws of the Province of Ontario.

The General Partner has the right to require a Limited Partner to redeem some or all of the Units owned by such Limited Partner on a Redemption Date at the Net Asset Value per Unit thereof, by notice in writing to the Limited Partner given at least fourteen (14) days before the designated Redemption Date, which right may be exercised by the General Partner in its absolute discretion.

If a Limited Partner requests a redemption of Units and, as a result of such redemption, the Limited Partner will hold Units having a Net Asset Value of $25,000 or less, the General Partner may require the Limited Partner to redeem the balance of such Limited Partner's Units.

Transfer of Resale: Units may only be transferred with the consent of the General Partner and transfers will generally not be permitted. The transfer or resale of Units (which does not include a redemption of Units) is also subject to restrictions under applicable securities legislation. Accordingly, redemption of the Units in accordance with the provisions set out herein is likely to be the only means of liquidating an investment in the Partnership. See "Transfer or Resale".

Management Fees: The Investment Manager will be entitled to directly or indirectly receive a monthly management fee (the "**Management Fee**") in arrears, on each Valuation Date that is the last business day of each calendar month, in an amount that is equal to 1/12 of:

- 1.8% of the aggregate Net Asset Value of the Class A Units as at such date (determined before deduction of an Incentive Distribution, if any, allocable to Class A Units);
- 2% of the aggregate Net Asset Value of the Class B Units and Class B USD Units as at such date (determined before deduction of an Incentive Distribution, if any, allocable to Class B Units and Class B USD Units);
- 1% of the aggregate Net Asset Value of the Class F Units and Class F USD Units as at such date (determined before deduction of an Incentive Distribution, if any, allocable to Class F Units and Class F USD Units); and
- 2% of the aggregate Net Asset Value of the Class G Units and Class G USD Units as at such date (determined before deduction of an Incentive Distribution, if any, allocable to Class G Units and Class G USD Units).

No Management Fee will be payable by the Partnership in respect of Class M Units. In respect of Class I Units and Class H Units, the Investment Manager will negotiate the applicable Management Fee with each investor subscribing.

The Investment Manager will also not be paid a Management Fee by the Partnership if the Investment Manager indirectly receives the same fee from the Offshore LP and/or the Master Fund.

See "Investment Management Agreement" and "Net Asset Value".

Management fees payable by the Partnership, if any, are subject to any applicable federal and provincial taxes and will be deducted as an expense of the applicable class of Units in the calculation of the Net Asset Value of such class of Units.

The Investment Manager may, in its sole discretion, waive or modify the Management Fee for Limited Partners that are members, employees or affiliates of the Investment Manager or the General Partner, relatives of such persons, as well as for certain large or strategic investors. This may be effected through the creation of additional classes, subclasses or series of Units or by a separate agreement entered into between such Limited Partners and the Investment Manager.

Payment of Expenses: The Partnership is responsible for, and the General Partner and Investment Manager shall be entitled to reimbursement from the Partnership for, all costs and operating expenses actually incurred by them in connection with the organization of the Partnership and the ongoing activities of the Partnership, including but not limited to:

(i) third party fees and administrative expenses of the Partnership, which include Investment Manager's fees, accounting and legal costs, insurance premiums, custodial fees, registrar and transfer agency fees and expenses, bookkeeping and recordkeeping costs, Limited Partner communication expenses, organizational expenses, the cost of maintaining the Partnership's existence, regulatory fees and expenses, and all reasonable extraordinary or non-recurring expenses; and

(ii) fees and expenses relating to the Partnership's portfolio investments, including the cost of securities, interest on borrowings and commitment fees and related expenses payable to lenders and counterparties, brokerage fees, commissions and expenses, banking fees and third party reconciliation services.

See "Limited Partnership Agreement – Expenses".

Profit Allocation: Limited Partners will effectively share in net profits and net losses of the Partnership by increases or decreases in the Net Asset Value of Class A Units, Class B Units, Class B USD Units, Class F Units, Class F USD Units, Class G Units, Class G USD Units and Class I Units (following adjustment for any distributions payable to the General Partner in respect of such Units).

The Investment Manager, directly or indirectly, and the General Partner may also share in the profits of the Partnership by receiving distributions from the Partnership:

(a) on the last Valuation Date in each year, based on the increase, if any, in the Net Asset Value of each Class A Unit, Class B Unit, Class B USD Unit, Class F Unit, Class F USD Unit, Class G Unit, Class G USD Unit and/or Class I Unit outstanding on such date (including Units to be redeemed on such date), and

(b) on any Redemption Date that is not the last Valuation Date in a year, based on the increase, if any, in the Net Asset Value of each Class A Unit, Class B Unit, Class B USD Unit, Class F Unit, Class F USD Unit, Class G Unit, Class G USD Unit and/or Class I Unit redeemed on such date.

Except with respect to Class I Units, such distributions ("**Incentive Distributions**") are, directly or indirectly, equal to 20% of the positive amount, if any, obtained when the High Water Mark for each such Unit is subtracted from the Adjusted Net Asset Value of such Unit on such Valuation Date or Redemption Date (if such amount is negative, the distribution in respect of such Unit shall be zero). With respect for Class I Units, the Investment Manager will negotiate the applicable Incentive Distribution with each Investor subscribing for Class I Units. Any distribution paid to the Investment Manager and/or the General Partner will be deducted from the Net Asset Value (or redemption proceeds, as the case may be) of the respective Units.

Class M Units will not share in net profits or net losses of the Partnership.

"**Adjusted Net Asset Value**" of a Unit on any date is equal to the Net Asset Value of such Unit on such date (calculated after deduction of the Management Fee and general expenses but before deduction of the Incentive Distribution, if any, allocable to such Unit) plus the amount of any distributions paid to the Limited Partner in respect of such Unit since the date as at which the High Water Mark of such Unit was established.

"**High Water Mark**" in respect of a Unit as at any date means, (i) during the year in which it was issued, its subscription price, and thereafter (ii) the highest Class Net Asset Value per Unit recorded on the last Business Day of any previous fiscal year. The High Water Mark of a Unit will be appropriately adjusted in the event of a consolidation or subdivision of Units.

The Investment Manager and the General Partner will also not receive any Incentive Distributions from the Partnership if the Investment Manager or another related party receives the same fee from the Offshore LP and/or the Master Fund.

The Investment Manager and the General Partner may, in their sole discretion, waive or modify the Incentive Distributions for Limited Partners that are members, employees or affiliates of the Investment Manager or the General Partner, or the relatives of such Limited Partners and for certain large or strategic investors. This may be effected through the creation of additional classes, subclasses or series of Units or by a separate agreement entered into between such Limited Partners and the General Partner.

Allocations for Tax Purposes:

Net income for taxation purposes, dividends and taxable capital gains of the Partnership for taxation purposes in each fiscal year will be allocated as at the last day of such year to (i) the General Partner generally equal to the distributions received by it, if any, and payable in that year, and (ii) to Limited Partners who hold Units at any time during such year (and in certain cases to Limited Partners who held Units at any time in the previous fiscal year) generally based on the number, class and series held by such Limited Partners, the dates of purchase and/or redemption, the respective Net Asset Values of each class and series of Units, the fees paid or payable in respect of each class and series of Units, distributions if any paid to the General Partner in respect of each class and series of Units, and the date of realization of each such item of income, gain or loss, as the case may be. The Limited Partners will be allocated 99.999% of net losses; the remaining 0.001% shall be allocated to the General Partner. See "Limited Partnership Agreement – Allocation of Income and Loss".

Distributions to Limited Partners:	Distributions of allocated income may be made to Limited Partners from time to time at the discretion of the General Partner. The General Partner has no current intention to make any such distributions. See "Limited Partnership Agreement – Distributions".
Fiscal Year End:	December 31 in each year.
Term:	The Partnership has no fixed term. Dissolution may only occur on thirty (30) days' written notice by the General Partner to each Limited Partner, or sixty (60) days following the removal of the General Partner (unless the Limited Partners vote to appoint a replacement General Partner and continue the Partnership) in accordance with the Limited Partnership Agreement.
Financial Reporting:	Audited financial statements will be available and, where requested, delivered to Limited Partners within ninety (90) days of each fiscal year end. Unaudited interim financial statements for the first six (6) months of each fiscal year will be available and, where requested, delivered to Limited Partners within sixty (60) days of the end of such period. Unaudited financial information respecting the Net Asset Value per Unit will be provided on a monthly basis. See "Limited Partnership Agreement – Reports to Limited Partners".
Tax Considerations:	While this Offering Memorandum contains a general description of certain Canadian federal income tax considerations, it is provided for information purposes only and does not purport to be a complete analysis of all potential tax considerations that may be relevant to an investment in Units. A Limited Partner of the Partnership will be required to include (or, subject to the "at risk" rules, be entitled to deduct), in computing his, her or its income for income tax purposes for a taxation year, his, her or its share of the income (or loss) of the Partnership, which will be allocated in accordance with the provisions of the Limited Partnership Agreement regardless of whether such income has been distributed to the Limited Partner. **Each investor should satisfy himself, herself or itself as to the Canadian federal and provincial tax consequences of an investment in Units by obtaining advice from his, her or its own tax advisor.** See "*Certain Canadian Federal Income Tax Considerations"*. **Units will <u>not</u> be "qualified investments" under the *Income Tax Act* (Canada) 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.**
Limited Liability:	Unless the Limited Partner takes part in the control of the business of the Partnership, the liability of each Limited Partner for the debts, liabilities, obligations and losses of the Partnership will be limited to the amount of capital contributed by the Limited Partner. See "Limited Partnership Agreement – Liability" and "Risk Factors".

Release of Confidential Information:	Under applicable securities and anti-money laundering legislation, the General Partner, the Investment Manager and/or the Administrator are required to collect and may be required to release confidential information about Limited Partners and, if applicable, about the beneficial owners of corporate Limited Partners, to regulatory or law enforcement authorities.
Risk Factors:	Investors should consider a number of factors in assessing the risks associated with investing in Units including those generally associated with the investment techniques used by the Investment Manager. See "Risk Factors".
Sales Commission:	There is no commission payable by the purchaser to the General Partner or the Investment Manager upon the purchase of the Units, however purchasers of Units may pay a negotiated fee if purchasing through a dealer. Subject to applicable law, the Investment Manager may pay, out of the fees received by the Investment Manager from the Partnership, (a) negotiated referral fee to dealers or other persons in connection with a sale of Class B Units and (b) trailing commission to dealers or other persons in connection with a sale of Class G Units and Class G USD Units.
Legal Counsel:	Fasken Martineau DuMoulin LLP, Toronto, Ontario
Auditors:	KPMG LLP, Toronto, Ontario
Prime Brokers	Scotia Capital Inc., Toronto, Ontario CIBC World Markets Inc., Toronto, Ontario BMO Capital Markets, Toronto, Ontario National Financial Services LLC, Boston, MA, USA National Bank Financial Inc., Toronto, ON
Administrator:	SGGG Fund Services Inc., Toronto, Ontario

THE PARTNERSHIP

NewGen Equity Long-Short Fund LP (formerly known as NewGen Trading Fund LP and NewGen Mining Fund LP) (the "**Partnership**") was formed under the laws of Ontario and became a limited partnership by filing a Declaration of Limited Partnership under the *Limited Partnerships Act* (Ontario) (the "**LP Act**") on January 19, 2010. On January 21, 2014, the Partnership changed its name from NewGen Mining Fund LP to NewGen Trading Fund LP and on March 1, 2017 the Partnership changed its name from NewGen Trading Fund LP to NewGen Equity Long-Short Fund LP). The Partnership is governed by an amended and restated limited partnership agreement, as amended from time to time, amended and restated on November 23, 2018 (the "**Limited Partnership Agreement**"). The principal place of business of the Partnership and of the general partner of the Partnership, NewGen Trading Fund GP Limited (the "**General Partner**") is Commerce Court North, Suite 2900, 25 King Street West, P.O. Box 405, Toronto, Ontario M5L 1G3. See "Limited Partnership Agreement" below. Investors become limited partners of the Partnership (the "**Limited Partners**") by acquiring interests in the Partnership designated as limited partnership units (the "**Units**").

THE GENERAL PARTNER

The General Partner was incorporated under the *Business Corporations Act* (Ontario) on January 15, 2010. On January 21, 2014, the General Partner changed its name from NewGen Mining Fund GP Limited to NewGen Trading Fund GP Limited. The General Partner may act as general partner of other limited partnerships, but does not presently carry on any other business operations and currently has no significant assets or financial resources. The shareholders of NewGen Asset Management Limited (the "**Investment Manager**") own all of the issued and outstanding common shares of the General Partner. The General Partner may also become a Limited Partner by purchasing Units.

The General Partner is generally responsible for management and control of the business and affairs of the Partnership in accordance with the terms of the Limited Partnership Agreement. The General Partner has engaged the Investment Manager to carry out its duties, including management of the Partnership on a day-to-day basis, management of the Partnership's portfolio and distribution of the Units of the Partnership, but remains responsible for supervising the Investment Manager's activities on behalf of the Partnership. In exchange for its services, the General Partner may receive a share of Partnership profits. See "Profit Allocation".

David Dattels is the sole director and officer and the majority beneficial owner of the General Partner.

THE INVESTMENT MANAGER

The General Partner has engaged the Investment Manager to direct the day-to-day business, operations and affairs of the Partnership, including management of the Partnership's portfolio on a discretionary basis and distribution of the Units of the Partnership. The Investment Manager may delegate certain of these duties from time to time with the consent of the General Partner. See "Investment Management Agreement".

The Investment Manager is a corporation incorporated under the laws of the Province of Ontario. The principal place of business of the Investment Manager is Commerce Court North, Suite 2900, 25 King Street West, P.O. Box 405, Toronto, Ontario M5L 1G3. It is registered in the categories of investment fund manager ("**IFM**"), portfolio manager ("**PM**"), and exempt market dealer ("**EMD**") in Ontario, IFM and EMD in Newfoundland and Labrador and Quebec, PM and EMD in Alberta, and EMD in British Columbia, Saskatchewan and Manitoba. David Dattels is the majority beneficial owner of the Investment Manager.

The ownership of the Investment Manager is available upon request by contacting the Investment Manager at (416) 941-9111. The name and municipality of residence of the directors and senior officers of the Investment Manager and the office held by them (being their principal occupations) are as follows:

Name and Municipality of Residence	Office with the Investment Manager
David Dattels, CFA, Toronto, Ontario	President and Director

David Dattels, CFA

David Dattels is the President of the Investment Manager and is co-Portfolio Manager for the Partnership, the Newgen (Offshore) LP (the "**Offshore LP**") and the NewGen Equity Long/Short Fund (the "**Master Fund**"). He has 16 years of capital markets experience with a background in fundamental research across a wide range of sectors. Prior to founding the Investment Manager in 2009, he worked at RAB Capital PLC, a UK based hedge fund manager, where was co-manager of the RAB Special Situation Fund (>$2 billion AUM), which was rated the Best Energy & Natural Resources Fund by Hedge Funds Review in 2007 and ranked No. 1 in Barron's Hedge Fund 50 Global rankings in 2007. Mr. Dattels was also a mining analyst for Canaccord Adams based in London, focusing on gold and base metal companies. He graduated in 2001 from the University of Western Ontario with a BA (Hons) in Economics and is a CFA Charterholder.

INVESTMENT OBJECTIVE AND ACTIVITIES OF THE PARTNERSHIP

Investment Objective

The Partnership's principal investment objective is to achieve superior absolute returns through an opportunistic trading strategy designed to exploit short-term market inefficiencies. The Partnership may achieve its investment objective by investing in the Offshore LP, which is a related party, that invests in the Master Fund, a company incorporated under the Companies Law (Revised) of the Cayman Islands, that has the same investment objective and characteristics as the Partnership.

The Investment Manager will directly, or indirectly through the Master Fund, implement a number of investment techniques in pursuing the Partnership's investment objectives. Such techniques may directly or indirectly include investing both long and short, engaging in hedging strategies in order to mitigate market exposure, investing in listed and over-the-counter derivative instruments and arbitrage strategies (e.g., establishing simultaneous long and short positions in order to capture mispricing of assets) and employing leverage in the implementation of the foregoing investment strategies. The Partnership's portfolio will directly, or indirectly through the Master Fund, consist primarily of publicly-traded securities. The Partnership will directly or indirectly hold no more than 10% of its net asset value in "illiquid" assets (as defined in National Instrument 81-102 *Investment Funds* ("**NI 81-102**")).

The Investment Manager will directly, or indirectly through the Master Fund, seek investment opportunities in all sectors and will evaluate opportunities across all market caps, as long as liquidity is available to correspond with the short-term nature of trades. The Investment Manager will directly or indirectly attempt to minimize market risk by maintaining low net exposure and appropriate cash levels depending on market conditions. In pursuing its investment objectives, the Partnership may directly, or indirectly through the Master Fund, trade, buy, sell (including sell short), and otherwise acquire, hold, dispose of (using margin and other forms of leverage) and deal in financial instruments and other rights and interests including, without limitation, listed and unlisted, registered and unregistered securities of various international issuers, including, but not limited to, equity and equity related securities (e.g., common stock, preferred stock, stock warrants and rights, convertible securities, "new issues" and indices related to any of

the foregoing), exchange traded funds ("**ETFs**"), hedge funds, futures contracts and options on futures contracts traded on or subject to the rules of international exchanges or other boards of trade, swap contracts and forward contracts, currencies, commodities, debentures, warrants, debt instruments and other fixed income securities (corporate, derivative and governmental, rated and unrated), as well as listed and over-the-counter options and other derivative instruments (including credit derivatives) on all of the above instruments, and rights to acquire the same of public and private issuers throughout the world; other instruments, rights and interests in personal property, and such other instruments or interests as the Investment Manager deems appropriate (hereinafter referred to collectively as "**Financial Instruments**").

Additionally, the Partnership may directly, or indirectly through the Master Fund, maintain assets in cash, deposit, call or current accounts or invest in short-term instruments, such as short-term debt instruments, money market funds, government securities, certificates of deposit, bankers' acceptances or similar temporary investments, to meet the expense needs of the Partnership and/or to fund redemptions or for such other purposes as may be determined by the Investment Manager.

The foregoing description of the Partnership's investment strategy represents the Investment Manager's present intentions in view of current market conditions and other factors. The Investment Manager may vary the foregoing investment objectives and strategy to the extent it determines that doing so will be in the best interest of the Partnership.

There is no assurance that the Partnership's investment objective will be achieved, and results may vary substantially over time. Any investment strategy pursued for the Partnership is in the absolute and sole discretion of the Investment Manager. The Partnership is under no obligation to advise existing or potential investors of a change in investment styles or strategies.

Investment Strategies and Restrictions

The Partnership's investment policy is to directly, or indirectly through the Master Fund, invest in a wide range of securities and financial instruments referred to above. The Partnership is unlikely to restrict this policy by applying any investment restrictions in relation to its Units. From time to time it may carry a significant cash holding or directly, or indirectly through the Master Fund, invest in a single security or instrument.

Portfolio concentration will, directly or indirectly, generally be no more than or no less than 15% of the Partnership's overall Net Asset Value in any individual investment.

The Partnership may directly, or indirectly through the Master Fund, utilise leverage to implement its investment policy. The leverage limit will be 200% of the Net Asset Value as of the date of the borrowing. The Partnership's borrowing levels will be within the discretion of the Investment Manager and will be monitored on a regular basis.

The Partnership will, directly or indirectly, hold no more than 10% of its net assets in securities of other investment funds except for the Offshore LP, the Master Fund, securities of a money market fund (as defined in NI 81-102) and securities that are "index participation units" (as defined in NI 81-102) issued by an investment fund.

Statutory Caution

The foregoing disclosure of the Investment Manager's, direct and indirect, investment strategies and intentions may constitute "forward-looking information" for the purpose of Ontario securities legislation, as it contains statements of the Investment Manager's intended course of conduct and future

operations of the Partnership. These statements are based on assumptions made by the Investment Manager of the success of its investment strategies in certain market conditions, relying on the experience of the Investment Manager's officers and employees and their knowledge of historical economic and market trends. Investors are cautioned that the assumptions made by the Investment Manager and the success of its investment strategies are subject to a number of mitigating factors. Economic and market conditions may change, which may materially impact the success of the Investment Manager's intended strategies as well as its actual course of conduct. Investors are urged to read "Risk Factors" below for a discussion of other factors that will impact the operations and success of the Partnership.

NEWGEN EQUITY LONG/SHORT FUND

NewGen Equity Long/Short Fund (the "**Master Fund**") is incorporated in the Cayman Islands as an exempted company limited by shares. It was incorporated on August 29, 2011. It was initially formed to act as exempted mutual fund under the Mutual Funds Law (Revised) of the Cayman Islands but registered under section 4(3) of that law in December 2016 and became a regulated mutual fund as at that date. Similar to the Partnership, the Master Fund's principal investment objective is to achieve superior absolute returns through an opportunistic trading strategy designed to exploit short-term market inefficiencies. Mr. David Dattels, Victor Murray and Ian Burns are the directors of the Master Fund. The Investment Manager is also the investment manager of the Master Fund. The Master Fund offers shares that are generally the same as the Units offered by the Partnership and are generally offered on the same terms as the Units of the Partnership are offered to investors.

The board of directors of the Master Fund have also engaged the Manager to carry out the day-to-day business, operations and affairs of the Master Fund, including management of the Master Fund's portfolio and distribution of shares of the Master Fund.

WHO SHOULD INVEST

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

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

(a) A "non-resident", a partnership other than a "Canadian partnership", a "tax shelter", a "tax shelter investment", or any entity an interest in which is a "tax shelter investment" or in which a "tax shelter investment" has an interest, within the meaning of the *Income Tax Act* (Canada) (the "**Tax Act**"); and

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

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

Any Limited Partner whose status changes in that regard shall be deemed to have ceased to be a Limited Partner (for all purposes other than taxation and liability) immediately prior to the date on which such status changes and shall thereafter only be entitled to receive from the Partnership an amount equal to the lesser of the Net Asset Value of such Limited Partner's Units as at the date on which he or she ceases

to be a Limited Partner and the Net Asset Value of such Units as at the date the General Partner learns that such Limited Partner's status has changed, less all such deductions as provided in the Limited Partnership Agreement, as if such Limited Partner voluntarily redeemed his or her Units.

In addition, any Limited Partner that is or becomes a "financial institution" within the meaning of section 142.2 of the Tax Act (as same may be amended or replaced from time to time) shall disclose such status to the General Partner at the time of subscription (or when such status changes) and the General Partner may (if the General Partner determines that it is in the best interest of the Partnership and the other Limited Partners to do so) restrict the participation of any such Limited Partner or require any such Limited Partner at any time to redeem all or some of such Limited Partner's Units. A Limited Partner that fails to identify itself as a financial institution shall indemnify and hold harmless the Partnership and each other Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by the Partnership or such other Limited Partner, as the case may be, that result from or arise out of such failure. Any Limited Partner who is or who becomes a financial institution after becoming a Limited Partner shall (if the General Partner determines it would be prejudicial to the Partnership and the other Limited Partners not to) be deemed to have, immediately prior to the date on which it becomes a financial institution (or the date of issue of Units to such financial institution, whichever is later), redeemed (or rescinded its subscription for) some or all of such Limited Partner's Units to the extent necessary to result in financial institutions owning in the aggregate Units having a Net Asset Value that is less than one-half of the Net Asset Value of all of the Units, and shall be entitled to receive from the Partnership as redemption proceeds an amount equal to the lesser of the Net Asset Value of such redeemed Units as at the date on which it is deemed to have redeemed such Units and the Net Asset Value of such Units as at the date the General Partner learns that such Limited Partner is a financial institution, less all such deductions as provided in the Limited Partnership Agreement as if such Limited Partner voluntarily redeemed its Units.

FUND RISK CLASSIFICATION

The Investment Manager identifies the investment risk level of the Fund as an additional guide to help you decide whether the Fund is right for you. The Investment Manager's determination of the risk rating for the Fund is guided by the methodology recommended by the Fund Risk Classification Task Force (the "**Task Force**") of the Investment Fund Institute of Canada ("**IFIC**"). IFIC recommends that the most easily understood form of risk in this context is historical volatility risk as measured by the standard deviation of fund performance. The use of standard deviation as a measurement tool allows for a reliable and consistent quantitative comparison of the Fund's relative volatility and related risk. Standard deviation is widely used to measure volatility of return.

The Partnership's risk is measured using rolling 1, 3 and 5-year standard deviation and comparing these values against other investment funds and an industry standard framework. The standard deviation represents, generally, the level of volatility in returns that an investment fund has historically experienced over the set measurement periods. Since, the Partnership's strategy was incepted on February 1, 2014, it has a historical performance of less than five years. However, as noted above, the Partnership's investment strategies are substantially the same as the NewGen Equity Long-Short Fund, which has a strategy inception of July 21, 2012.

The Investment Manager uses standard deviation data from the Partnership from February 1, 2014 to present and data from the NewGen Equity Long-Short Fund from July 21, 2012 to January 31, 2014. In doing so, the Investment Manager derives standard deviation data for 3 and 5-year periods. However, other types of risk, both measurable and non-measurable, may exist. Additionally, just as historical performance may not be indicative of future returns, the Partnership's and NewGen Equity Long-Short Fund's benchmark's historical volatility may not be indicative of its future volatility of the Partnership.

In accordance with the methodology described above and comparing the calculated implied standard deviation of the Partnership's and NewGen Equity Long-Short Fund's to the standard deviation range as recommended by the Fund Risk Classification Task Force (the "**Task Force**") of IFIC in the chart below, the Investment Manager has rated the Fund's investment risk as Medium on the following risk scale:

Low	Low to Medium	**MEDIUM**	Medium to High	High

The risk ratings set forth in the table above do not necessarily correspond to an investor's risk tolerance assessment. Investors are advised to consult their own professional advisors for advice regarding an individual investor's personal circumstances. Although monitored on a semi-annual basis, the Investment Manager's reviews the investment risk level of the Fund on an annual basis and each time a material change is made to the Fund's investment strategies and/or investment objective.

The standardized risk classification methodology used to identify the investment risk level of the Fund is available on request, at no cost, by calling (416) 941-9111 or by writing to Commerce Court North Suite 2900, 25 King Street West, P.O. Box 405, Toronto, Ontario, M5L 1G3.

THE OFFERING

Units are being offered on a continuous basis to investors resident in each of the provinces and territories of Canada in which the units are lawfully being offered pursuant to prospectus exemptions through a registered dealer in those jurisdictions (the "**Offering Jurisdictions**"). The offering may only be made in the Offering Jurisdictions and is restricted to persons who have the capacity and competence to enter into and be bound by the Limited Partnership Agreement. Units may be acquired directly from the Investment Manager or from a participating dealer.

The General Partner has designated Class A Units, Class B Units, Class B USD Units, Class F Units, Class F USD Units, Class G Units, Class G USD Units, Class H Units, Class I Units and Class M Units. The following eight (8) classes of Units, issuable in series are currently being offered:

Class B Units. Class B Units are available to all investors who meet the minimum investment criteria. Class B Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly, share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "*Profit Allocation*").

Class B USD Units. Class B USD Units are available in U.S. dollars to all investors who meet the minimum investment criteria. Class B USD Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly, share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "*Profit Allocation*").

Class F Units. Class F Units are available to investors who maintain an investment account through a registered dealer and who are subject to a periodic asset based fee and who meet the minimum investment criteria. Class F Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly, share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "*Profit Allocation*").

Class F USD Units. Class F USD Units are available in U.S. dollars to investors who maintain an investment account through a registered dealer and who are subject to a periodic asset based fee and who meet the minimum investment criteria. Class F USD Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly,

share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "*Profit Allocation*").

Class G Units. Class G Units are available to investors who maintain an investment account through a registered dealer and who are subject to commission charges on transactions and who meet the minimum investment criteria. Class G Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly, share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "*Profit Allocation*").

Class G USD Units. Class G USD Units are available in U.S. dollars to investors who maintain an investment account through a registered dealer and who are subject to commission charges on transactions and who meet the minimum investment criteria. Class G USD Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly, share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "*Profit Allocation*").

Class I Units. Class I Units will be issued to institutional and other investors at the discretion of the General Partner for an initial investment of at least $10 million or such other amount acceptable to the General Partner. Class I Units are charged, directly or indirectly, a management fee (as described under "Investment Management Agreement") and, directly or indirectly, share profits, with the General Partner, if applicable, through Incentive Distributions (as described under "*Profit Allocation*").

Class M Units. Class M Units will generally only be issued to associates and affiliates of the Investment Manager and its directors, officers and employees and to managed account clients who, directly or indirectly, pay fees directly to the Investment Manager. Class M Units are not charged a management fee, nor do they share profits with the General Partner, but are subject to a one (1) year lock-up period during which they may not be redeemed (subject to the General Partner's discretion to waive this lock-up period in extraordinary circumstances).

Class A Units and Class H Units were, but no longer offered under this Offering Memorandum.

The Investment Manager will not be paid any fee by the Partnership if the Investment Manager indirectly receives the same fee from the Offshore LP and/or the Master Fund.

A new series of Units within each class will generally be issued each month.

All classes are denominated in Canadian dollars for subscription, redemption and valuation purposes, except Class B USD Units, Class F USD Units and Class G USD Units, which are denominated in U.S. dollars.

There is no commission payable by a purchaser to the General Partner or Investment Manager upon the purchase of the Units. Subscribers may pay negotiated commissions to their dealers (minimum investment requirements are net of any such fees). Subject to applicable law, the Investment Manager may pay, out of the fees received by the Investment Manager from the Partnership, (a) negotiated referral fee to dealers or other persons in connection with a sale of Class B Units and (b) trailing commission to dealers or other persons in connection with a sale of Class G Units and Class G USD Units.

Prospectus Exemptions

Units are being sold under available exemptions from the prospectus requirements under the *Securities Act* (Ontario) or National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**"), as

applicable. Unless an investor can establish to the General Partner's satisfaction that another exemption is available, this will generally require that each investor is investing as principal (and not for or on behalf of any other persons) and is either an "accredited investor" pursuant to *Securities Act* (Ontario) or NI 45-106, as applicable, or, outside of Alberta, is a non-individual investing a minimum amount of $150,000, or the U.S. dollar equivalent in the case of Class B USD Units, Class F USD Units and Class G USD Units (the "**Minimum Investment Exemption**"). This minimum amount is net of any front end commissions paid by an investor to his or her agent. Investors (other than individuals) that are not accredited investors, or are accredited investors solely on the basis that they have net assets of at least $5,000,000, must also represent to the General Partner (and may be required to provide additional evidence at the request of the General Partner to establish) that such investor was not formed solely in order to make private placement investments which may not have otherwise been available to any persons holding an interest in such investor. The so-called "Offering Memorandum Exemption" is not being relied on, nor is the Minimum Investment Exemption being relied on, in Alberta, and investors do not have the benefit of certain additional protections that NI 45-106 gives to investors when an issuer relies on the Offering Memorandum Exemption.

Purchasers will be required to make certain representations in the Subscription Agreement and the General Partner will rely on such representations to establish the availability of the exemptions from prospectus requirements described above. No subscription will be accepted unless the General Partner is satisfied that the subscription is in compliance with applicable securities laws.

Minimum Individual Investment

The minimum initial investment for an investor, which may be reduced for accredited investors in the discretion of the Investment Manager, in each of: (i) Class B Units, Class F Units and Class G Units is $25,000; (ii) Class B USD Units, Class F USD Units and Class G USD Units is $25,000 USD; and (iii) Class I Units is $10 million.

Each additional investment must be in an amount that is not less than $10,000 in the applicable currency. For investors who are not accredited investors and are not individuals, the additional investment must be in an amount that is not less than $150,000 (or the U.S. dollar equivalent in the case of Class B USD Units, Class F USD Units and Class G USD Units), unless (a) the investor initially acquired Units of the Partnership for an acquisition cost of not less than $150,000 (or the U.S. dollar equivalent in the case of Class B USD Units, Class F USD Units and Class G USD Units) and, at the time of the additional investment, the Units then held by the investor have an acquisition cost or a Net Asset Value equal to at least $150,000 (or the U.S. dollar equivalent in the case of Class B USD Units, Class F USD Units and Class G USD Units), or (b) another exemption is available.

At the time of making each additional investment, unless a new Subscription Agreement (as defined below) is executed, each investor will be deemed to have repeated and confirmed to the General Partner the covenants and representations contained in the Subscription Agreement delivered by the investor to the General Partner at the time of the initial investment.

Accredited Investors

A list of criteria for an accredited investor is set out in the Subscription Agreement delivered with this Offering Memorandum, and generally includes individuals who have net investment assets of at least $1,000,000, or personal income of at least $200,000, or combined spousal income of at least $300,000, in the previous two years with reasonable prospects of same in the current year.

Subscription Procedure

Subscriptions for Units must be made by completing and executing the subscription and power of attorney form (the "**Subscription Agreement**") provided by the General Partner and by forwarding to the General Partner such form together with payment of the subscription price (including through the facilities of FundSERV). Subscription orders may be sent to the General Partner by courier, priority post, or electronic means (including through the facilities of FundSERV).

Subscriptions will be accepted on a monthly basis, being on the first business day in each month or on such other date as the General Partner may permit (each, a "**Subscription Date**"), subject to the General Partner's discretion to refuse subscriptions in whole or in part. A fully-completed Subscription Agreement and subscription proceeds (in the form of a cheque, bank draft or confirmation of wire transfer) must be received by the General Partner no later than 4:00 p.m. (Toronto time) on the designated Subscription Date in order for the subscription to be accepted as at that date; otherwise the subscription will be processed as at the next Subscription Date.

The General Partner may in its discretion accept subscription payments in kind, provided the assets so tendered fall within the Partnership's investment mandate (such assets to be valued in the same manner as the Partnership's other portfolio assets). If a subscription is accepted by the General Partner on a Subscription Date, the Units issued to the investor will be issued based on the Net Asset Value of the Units being subscribed for on the immediately preceding business day or on such other date as the General Partner may permit (each a "**Valuation Date**"). Units will be issued in series and, on the first closing, Units designated by the General Partner as Series 1 Units will be issued at a price per Unit of $100 or USD$100 in the case of Class B USD Units, Class F USD Units and Class G USD Units. On each successive Subscription Date on which Units are issued, a new series of Units will be issued at an opening Net Asset Value per Unit equal to the Net Asset Value per Unit of the Series 1 Units of the same class on the immediately preceding Valuation Date. The General Partner may change this policy in its sole discretion.

At the end of each year, and following the payment of all fees and expenses of the Partnership, the General Partner may determine that some or all series of the same class of Units will be redesignated as Series 1 Units (or other series, in the discretion of the General Partner) in order to reduce the number of outstanding series of each class. This will be accomplished by amending the Net Asset Value per Unit of all such series so that they are the same, and consolidating or subdividing the number of Units of each such series so the aggregate Net Asset Value of Units held by a Limited Partner does not change. Limited Partners' rights will not be affected in any way as a result of this process.

Subscription funds provided prior to a Subscription Date will be kept in a segregated account. Subscriptions for Units are subject to acceptance or rejection in whole or in part by the General Partner in its sole discretion. In the event a subscription is rejected, any subscription funds forwarded by the subscriber will be returned without interest or deduction.

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

Know-Your-Client and Suitability

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

Offering Documents

Unitholders of the Fund may request free of charge a copy of the offering memorandum, and/or the annual and/or interim financial statements of the Master Fund at any time.

TRANSFER OR RESALE

As the Units offered by this Offering Memorandum are being distributed pursuant to exemptions from the prospectus requirements under applicable securities legislation, the resale of these securities by investors is subject to restrictions. An investor should refer to applicable provisions in consultation with a legal adviser. Furthermore, no transfers of Units may be effected unless the General Partner, in its sole discretion, approves the transfer and the proposed transferee. There is no market for these Units and no market is expected to develop, therefore it may be difficult or even impossible for the purchaser to sell the Units.

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

REDEMPTIONS

Subject to the six (6) month lock-up period applicable to Class A Units, Class B Units, Class B USD Units, Class F Units, Class F USD Units, Class G Units, Class G USD Units and Class I Units, and the one (1) year lock-up period applicable to Class M Units, a Limited Partner is entitled to redeem some or all of such Limited Partner's Units on the last business day of each month or on such other date as the General Partner may permit (each, a "**Redemption Date**"), pursuant to written notice that must be received by the Partnership at least five (5) days prior to the applicable Redemption Date. Redemption requests received through the FundSERV network are considered an acceptable form by the General Partner.

The General Partner may, at any time and in its sole discretion, permit redemptions at any other times or otherwise modify or waive any of the conditions or requirements for redemptions for any Limited Partners, including affiliates of the General Partner and the Investment Manager, without notice to or the consent of any Limited Partners.

The redemption price shall equal the Net Asset Value per Unit of the applicable class and series of Units being redeemed, determined as of the close of business on the relevant Redemption Date, less a deduction equal to the disposition expenses (including brokerage fees and/or market spread) incurred to enable the Partnership to fund such redemption. There will also be deducted from redemption proceeds, to the extent that it is not already reflected in the Net Asset Value of the Units being redeemed, an amount equal to any distribution payable to the General Partner in respect of such Units, if any, as further described

under “Profit Allocation”. Redemption price will be paid in Canadian dollars, except Class B USD Units, Class F USD Units and Class G USD Units, which will be paid in U.S. dollars.

If all of a Limited Partner’s Units are to be redeemed, the General Partner may, in its sole discretion, hold back up to 5% of the Net Asset Value of such Units pending completion of the Partnership’s annual year-end audit. The balance owing on redemption proceeds shall be paid out within thirty (30) days of the completion of such audit.

If a redeeming Limited Partner owns Units of more than one series, Units will be redeemed on a “first in, first out” basis, meaning that Units of the earliest series of the applicable class owned by the Limited Partner will be redeemed first, at the redemption price for Units of such series, until such Limited Partner no longer owns Units of such series (although this policy may be amended depending on tax considerations).

The General Partner will not permit redemptions (either in whole or in part) at any time the General Partner is of the opinion in its sole discretion that there are insufficient liquid assets in the Partnership to fund such redemptions or that the liquidation of assets would be to the detriment of the Partnership generally.

In the event the General Partner suspends redemptions of Partnership Units, or if redemptions of the Offshore LP or the Master Fund are suspended, then within twenty (20) business days of such suspension, a meeting of affected Limited Partners of the affected class will be called, and a vote (to be decided by simple majority of participating Limited Partners of the relevant class) will be held to determine whether the redemption of Units will continue to be suspended (as advised by the General Partner), the Partnership wound-up or other course of action is to be taken (the “**Suspension Vote**”).

Should the Suspension Vote determine that the suspension of redemptions may continue, then thereafter there shall be no determination of the Net Asset Value of the Partnership until the Manager and/or the General Partner declares the suspension at an end, except that the suspension shall terminate, in any event, on the first business day on which:

- the condition giving rise to the suspension shall have ceased to exist; and
- no other condition under which suspension is authorized shall exist.

During any suspension of valuation, the subscription, redemption, transfers and conversions of Units of the relevant class or series will also be suspended, and any unprocessed redemption requests may be withdrawn during the period of suspension. Should the Suspension Vote determine that the Partnership be wound up, then the General Partner shall immediately take steps to wind up the Partnership in accordance with the provision of the relevant laws of the Province of Ontario.

The General Partner has the right to require a Limited Partner to redeem some or all of the Units owned by such Limited Partner on a Redemption Date designated by the General Partner at the Net Asset Value per Unit thereof, by notice in writing to the Limited Partner given at least fourteen (14) days before the designated Redemption Date, which right may be exercised by the General Partner in its absolute discretion. If a Limited Partner requests a redemption of Units and, as a result of such redemption, the Limited Partner will hold Units having a Net Asset Value of $25,000 or less, the General Partner may require the Limited Partner to redeem the balance of such Limited Partner’s Units.

NET ASSET VALUE

The Net Asset Value of the Partnership and the Net Asset Value per Unit of each class and series of Units will be determined as of 4:00 p.m. (Toronto time) on each Valuation Date by the General Partner, or a third party engaged by the General Partner for that purpose (in either case, the "**NAV Administrator**"), in accordance with the Limited Partnership Agreement.

The Net Asset Value of each series will generally increase or decrease proportionately with the increase or decrease in the Net Asset Value of the Partnership (before deduction of class-specific and series-specific fees, expenses and other deductions), and the Net Asset Value per Unit shall be determined (after deduction of class-specific and series-specific fees, expenses and other deductions) by dividing the Net Asset Value of each series by the number of Units of such series outstanding.

Valuation Principles

The fair market value of the assets and the amount of the liabilities of the Partnership (the net result of which is the "**Net Asset Value**" of the Partnership) will be calculated in Canadian dollars in such manner as the NAV Administrator, in consultation with the Investment Manager, shall determine from time to time, subject to the following:

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

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

(iii) Any securities which are not listed or dealt in upon any public securities exchange, with the exception of the Offshore LP and the Master Fund, will be valued at the earlier of the last financing price or grey market price (if available). The Investment Manager may adjust the value of the unlisted securities to account for any other meaningful circumstances including business updates or movements in the listed prices of comparable securities. The process of valuing investments for which no published market exists is based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investments and may differ from the prices at which the investments may be sold.

(iv) Securities of the Offshore LP and the Master Fund will both be valued based on the net asset value established by such fund for its investment portfolio assets.

(v) The Investment Manager will at its discretion determine the appropriate discount, if any, on shares that are purchased with a restriction associated therewith.

(vi) Securities held in private issuers are recorded at cost unless an upward adjustment is considered appropriate and supported by persuasive and objective evidence such as a significant equity financing by an unrelated investor at a transaction price higher than the valuation price. Downward adjustments to valuation price are made when there is evidence of other than a temporary decline in value as indicated by the assessment of the financial condition of the investment based on third-party financing, operational results, forecasts, and other developments since the previous valuation price was established. Options and warrants held in private issuers are carried at cost unless there is an upward or downward adjustment of the underlying privately-held company supported by persuasive and objective evidence such as significant subsequent equity financing by an unrelated investor at a transaction price higher or lower than the valuation price.

(vii) All Partnership property valued in a foreign currency and all liabilities and obligations of the Partnership payable by the Partnership in foreign currency shall be converted into Canadian funds by applying the rate of exchange obtained from the best available sources by the NAV Administrator to calculate Net Asset Value.

(viii) Each transaction of purchase or sale of portfolio securities effected by the Partnership will be reflected in the computation of the Net Asset Value of the Partnership on the trade date.

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

(x) Short positions will be marked-to-market, i.e. carried as a liability equal to the cost of repurchasing the securities sold short applying the same valuation techniques described above.

(xi) All other liabilities shall include only those expenses paid or payable by the Partnership, including accrued contingent liabilities; however (A) organizational and start-up expenses may both be amortized by the Partnership over a 60 (sixty) month period; and (B) expenses and fees allocable only to a class and series of Units shall not be deducted from the Net Asset Value of the Partnership prior to determining the Net Asset Value of each class and series, but shall thereafter be deducted from the Net Asset Value so determined for each such class and series.

The General Partner and the Investment Manager may determine such other rules as they deem necessary from time to time, which rules may deviate from Canadian generally accepted accounting principles ("**GAAP**") and from International Financial Reporting Standards ("**IFRS**").

Net asset value calculated in this manner will be used for the purpose of calculating the Investment Manager's (and other service providers') fees, as applicable, and the General Partner's distributions, if any, and will be published net of all paid and payable fees and distributions. Such Net Asset Value will be used

to determine the subscription price and redemption value of Units. To the extent that such calculations are not in accordance with GAAP or IFRS, the financial statements of the Partnership will include a reconciliation note explaining any difference between such published Net Asset Value and Net Asset Value for financial statement reporting purposes (which must be calculated either in accordance with GAAP or with IFRS).

For the purposes of reporting, the Net Asset Value per Unit of each class and series of Units will be calculated in Canadian dollars, but will be converted to U.S. dollars by applying the rate of exchange obtained from the best available sources by the NAV Administrator for Class B USD Units, Class F USD Units and Class G USD Units, and corresponding series.

INVESTMENT MANAGEMENT AGREEMENT

In order to set out the duties of the Investment Manager, the Partnership has entered into an Amended and Restated Investment Management Agreement (the "**Investment Management Agreement**") with the Investment Manager dated as of November 23, 2018. Pursuant to the Investment Management Agreement, which may be amended from time to time, the Investment Manager shall direct the affairs of the Partnership and provide day-to-day management services to the Partnership, including management of the Partnership's portfolio on a discretionary basis and distribution of the Units of the Partnership, and such other services as may be required from time to time. The Investment Manager may delegate certain of these duties from time to time with the consent of the General Partner.

Pursuant to the Investment Management Agreement, the Investment Manager will be entitled to, directly or indirectly, receive a monthly management fee (the "**Management Fee**") in arrears, on each Valuation Date that is the last business day of each calendar month, in an amount that is equal to 1/12 of:

- 1.8% of the aggregate Net Asset Value of the Class A Units as at such date (determined before deduction of an Incentive Distribution, if any, allocable to Class A Units);
- 2% of the aggregate Net Asset Value of the Class B Units and Class B USD Units as at such date (determined before deduction of an Incentive Distribution, if any, allocable to Class B Units and Class B USD Units);
- 1% of the aggregate Net Asset Value of the Class F Units and Class F USD Units as at such date (determined before deduction of an Incentive Distribution, if any, allocable to Class F Units and Class F USD Units); and
- 2% of the aggregate Net Asset Value of the Class G Units and Class G USD Units as at such date (determined before deduction of an Incentive Distribution, if any, allocable to Class G Units and Class G USD Units).

No Management Fee will be payable by the Partnership in respect of Class M Units. In respect of Class I Units and Class H Units, the Investment Manager will negotiate the applicable Management Fee with each investor.

The Investment Manager will also not be paid a Management Fee by the Partnership if the Investment Manager indirectly receives the same fee from the Offshore LP and/or the Master Fund.

The Management Fee, as applicable, is subject to any applicable federal and provincial taxes and will be deducted as an expense of the Partnership in the calculation of the Net Asset Value of the Partnership (attributable to the Units to which they relate).

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

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

PRIME BROKERAGE AGREEMENT

The Partnership has appointed Scotia Capital Inc., Canadian Imperial Bank of Commerce, Bank of Montreal, National Financial Services LLC and National Bank Financial Inc. (the "**Prime Brokers**") as prime brokers in respect of the Partnership's portfolio transactions. The Prime Brokers will provide prime brokerage services to the Partnership, directly or indirectly, under the terms of an institutional prime brokerage account agreement (the "**Prime Broker Agreement**"), entered into between the Partnership and each of the Prime Brokers. These services may include the provision, directly or indirectly, to the Partnership of trade execution, settlement, reporting, securities financing, stock borrowing, stock lending, foreign exchange and banking facilities, and are provided solely at the discretion of the Prime Brokers. The Partnership may also, directly or indirectly, utilise other brokers and dealers for the purposes of executing transactions for the Partnership. The Prime Brokers do not provide a custody service for investments of the Partnership held on the books of the Prime Brokers, but rather assumes possession of and a security interest in the assets as part of their prime brokerage function in accordance with the terms of the applicable Prime Broker Agreement. Assets not required as margin on borrowings are required to be segregated (from the Prime Brokers' own assets) under the rules of the Investment Industry Regulatory Organization of Canada, which regulates the Prime Brokers, but the Partnership's assets, directly or indirectly, may be commingled with the assets of other clients of the Prime Brokers. Furthermore, the Partnership's cash and free credit balances on account with the Prime Brokers are not , directly or indirectly, segregated and may be used by the Prime Brokers in the ordinary conduct of their business, and the Partnership is an unsecured creditor in respect of those assets. The Partnership may request delivery of any assets not required by the Prime Brokers for margin or borrowing purposes.

The Partnership has agreed to indemnify the Prime Brokers for losses they may incur in acting in any capacity under the applicable Prime Broker Agreement other than losses incurred as a result of the bad faith, wilful default, fraud or gross negligence of the person claiming indemnity. Neither the Prime Brokers nor any brokers appointed has or will have investment discretion in relation to the Partnership and no responsibilities shall be taken by any of the brokers for any of the assets of the Partnership held by other brokers.

The applicable Prime Brokerage Agreement may be effectively terminated at any time by either party (subject to the restriction on the ability of the Partnership to receive delivery of assets held by the Prime Brokers as security against any margin or other borrowings).

PROFIT ALLOCATION

Limited Partners will effectively share in net profits and net losses of the Partnership by increases or decreases in the Net Asset Value of their Units (following adjustment for any Incentive Distributions payable to the General Partner in respect of such Units).

The Investment Manager, directly or indirectly, and the General Partner, if applicable, will share in the profits of the Partnership by receiving incentive distributions from the Partnership:

(a) on the last Valuation Date in each year, based on the increase, if any, in the Net Asset Value of each Class A Unit, Class B Unit, Class B USD Unit, Class F Unit, Class F USD Unit, Class G Unit, Class G USD Unit and/or Class I Unit outstanding on such date (including Units to be redeemed on such date), and

(b) on any Redemption Date that is not the last Valuation Date in a year, based on the increase, if any, in the Net Asset Value of each Class A Unit, Class B Unit, Class B USD Unit, Class F Unit, Class F USD Unit, Class G Unit, Class G USD Unit and/or Class I Unit redeemed on such date.

Except with respect to Class I Units, such distributions ("**Incentive Distributions**") are, directly or indirectly, equal to 20% of the positive amount, if any, obtained when the High Water Mark for each such Unit is subtracted from the Adjusted Net Asset Value of such Unit on such Valuation Date or Redemption Date (if such amount is negative, the distribution in respect of such Unit shall be zero). With respect to each Class I Units, the Investment Manager will negotiate the applicable Incentive Distributions with each investor subscribing for Class I Units. Any distribution paid to the General Partner will be deducted from the Net Asset Value (or redemption proceeds, as the case may be) of the respective Units.

"**Adjusted Net Asset Value**" of a Unit on any date is equal to the Net Asset Value of such Unit on such date (calculated after deduction of the Management Fee and general expenses but before deduction of the Incentive Distribution, if any, allocable to such Unit) plus the amount of any distributions paid to the Limited Partner in respect of such Unit since the date as at which the High Water Mark of such Unit was established.

"High Water Mark" in respect of a Unit as at any date means, (i) during the year in which it was issued, its subscription price, and thereafter (ii) the highest Net Asset Value per Unit recorded on the last business day of any previous fiscal year. The High Water Mark of a Unit will be appropriately adjusted in the event of a consolidation or subdivision of Units.

The Investment Manager and the General Partner will also not receive any Incentive Distributions from the Partnership if the Investment Manager or another related party receives the same fee from the Offshore LP and/or the Master Fund.

The Investment Manager and the General Partner may, in their sole discretion, waive or modify the Incentive Distributions for Limited Partners that are members, employees or affiliates of the Investment Manager or the General Partner, or the relatives of such Limited Partners and for certain large or strategic investors. This may be effected through the creation of additional classes, subclasses or series of Units or by a separate agreement entered into between such Limited Partners and the General Partner.

LIMITED PARTNERSHIP AGREEMENT

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

The Units

The Partnership may issue an unlimited number of Units. Units may be designated by the General Partner as being Units of a series. Each issued and outstanding Unit of a series shall be equal to each other

Unit of the same series with respect to all matters. The respective rights of the holders of Units of each series will be proportionate to the Net Asset Value of such series relative to the Net Asset Value of each other series. Each Unit carries with it a right to vote, with one vote for each $1.00 of Net Asset Value attributed to such Unit (the Net Asset Value of all Units held by a Limited Partner shall be aggregated for the purpose of determining voting rights and converted to Canadian dollars in the case of Class B USD Units, Class F USD Units, Class G USD Units). Fractional Units may be issued. A person wishing to become a Limited Partner shall subscribe for Units by means of a subscription form and power of attorney. The acceptance of any such subscription in whole or in part shall be subject to the General Partner in its sole discretion. See Article 3 - The Units in the Limited Partnership Agreement.

On the first closing, Units of each class designated by the General Partner as Series 1 Units will be issued at a Net Asset Value per Unit of $100 or USD$100 in the case of Class B USD Units, Class F USD Units, Class G USD Units. On each successive Subscription Date on which Units are issued, a new series of Units will be issued at a Net Asset Value per Unit to be determined by the General Partner (the General Partner's current policy is to issue Units of subsequent series at an opening Net Asset Value per Unit equal to the Net Asset Value per Unit of the Series 1 Units of the same class). All changes in Net Asset Value (i.e. all income and expenses, and all unrealized gains and losses) of the Partnership shall be borne proportionately by each class and series of Units based on their respective Net Asset Values, except as follows: (i) subscription proceeds received by the Partnership in respect of a series of Units shall accrue to the Net Asset Value of such series; (ii) all redemption proceeds paid out by the Partnership in respect of a Unit of a series shall be deducted from the Net Asset Value of such series; and (iii) any distributions payable to the General Partner, and any management fees and redemption fees payable to the Investment Manager and all other fees and expenses incurred in respect of a Unit of a series shall be deducted from the Net Asset Value of such series.

The General Partner may in its discretion create different classes of Units. Each class may be subject to different fees, may have a different profit-sharing arrangement with the General Partner, and may have such other features as the General Partner may determine. As at the date hereof, the General Partner has designated ten (10) classes: Class A Units, Class B Units, Class B USD Units, Class F Units, Class F USD Units, Class G Units, Class G USD Units, Class H Units, Class I Units and Class M Units. The Class B Units, Class B USD Units, Class F Units, Class F USD Units, Class G Units, Class G USD Units, Class I Units and Class M Units, having the attributes described in this Offering Memorandum. The Class A units and Class H Units were, but no longer are offered. The General Partner may redesignate a Limited Partner's Units from one class to another (and amend the number of such Units so that the Net Asset Value of the Limited Partner's aggregate holdings remains unchanged) and will do so in accordance with the Limited Partnership Agreement. The General Partner also has the discretion to rename a series or convert a series of Units into another series without otherwise affecting the attributes of such series. The General Partner may also subdivide or consolidate Units of one or more series from time to time, in a manner different than other series, provided that the Net Asset Value per Unit for such series is adjusted such that the aggregate Net Asset Value for such series is unchanged. (The General Partner intends to exercise this discretion at the end of each year to reduce the number of outstanding series of each class.) See Article 3 – The Units in the Limited Partnership Agreement.

Allocation of Income and Loss

Net income for taxation purposes, dividends and taxable capital gains of the Partnership in each fiscal year will be allocated as at the last day of such year to (i) the General Partner generally equal to any distributions received by it and payable in that year, and (ii) to Limited Partners who held Units at any time during such year (and in certain cases to Limited Partners who held Units at any time in the previous fiscal year) based on the number, class and series held by such Limited Partners, the dates of purchase and/or redemption, the respective Net Asset Values of each class and series of Units, the fees paid or payable in

respect of each class and series of Units, distributions if any paid to the General Partner in respect of each class and series of Units, and the date of realization of each such item of income, gain or loss, as the case may be. The Limited Partners will be allocated 99.999% of net losses; the remaining 0.001% shall be allocated to the General Partner.

The General Partner may adopt and amend an allocation policy from time to time intended to fairly and equitably allocate income or loss given the particular circumstances. See Section 4.7 – Allocations in the Limited Partnership Agreement.

Distributions

The Investment Manager, directly or indirectly, and the General Partner, if applicable, will receive distributions from the Partnership based on the increase in the Net Asset Value of each Unit on the last Valuation Date in each year and upon the redemption of such Unit, as more fully described above under "Profit Allocation". Distributions payable to the General Partner may differ from class to class. Such distributions will, directly or indirectly, be deducted from the Net Asset Value of such Unit (or, in the case of a redemption, from the redemption proceeds). Neither the Investment Manager nor the General Partner will be required to repay any distributions if distributions received, directly or indirectly, on a redemption of Units in a fiscal year exceed the Partnership's net profits in that year.

Net profit of the Partnership allocated to the Partners for any fiscal period may be distributed in whole or in part from time to time or at any time in the sole discretion of the General Partner. No payment may be made to a Limited Partner from the assets of the Partnership if the payment would reduce the assets of the Partnership to an insufficient amount to discharge the liabilities of the Partnership to persons who are not the General Partner or a Limited Partner. See Section 4.8 – Distributions in the Limited Partnership Agreement.

All distributions are paid in Canadian dollars, except those on Class B USD Units, Class F USD Units and Class G USD Units, which will be paid in U.S. dollars.

Redemptions

Redemption rights are described above under the heading "Redemptions". Also, see Article 5 - Redemption in the Limited Partnership Agreement.

Authority and Duties of the General Partner

The General Partner has the full power and authority to do such acts and things and to execute and deliver such documents as it considers necessary or desirable in connection with the offering and sale of the Units and for carrying on the activities of the Partnership for the purposes summarized herein and described more fully in the Limited Partnership Agreement.

The General Partner shall exercise the powers and discharge its duties honestly, in good faith, and with a view to the best interests of the Partnership and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. See Article 6 - Management of Limited Partnership in the Limited Partnership Agreement.

Expenses

The Partnership is responsible for all costs incurred in connection with the organization and ongoing activities of the Partnership, including but not limited to:

(i) third party fees and expenses, which include Investment Manager's fees, accounting and legal costs, insurance premiums, custodial fees, registrar and transfer agency fees and expenses, bookkeeping and recordkeeping costs, Limited Partner communication expenses, organizational expenses, the cost of maintaining the Partnership's existence and regulatory fees and expenses, and all reasonable extraordinary or non-recurring expenses; and

(ii) fees and expenses relating to the Partnership's portfolio investments, including the cost of securities, interest on borrowings and commitment fees and related expenses payable to lenders and counterparties, brokerage fees, commissions and expenses, banking fees and a third party reconciliation services.

Each class of Units is responsible for the expenses specifically relating to that class and a proportionate share of expenses that are common to all classes of Units. The Investment Manager shall allocate expenses to each class of Units in its sole discretion, as it deems fair and reasonable in the circumstances.

Class B USD Units, Class F USD Units and Class G USD Units are denominated in U.S. dollars, but the Partnership's assets are invested in assets denominated in Canadian and other currencies. In respect of Class B USD Units, Class F USD Units and Class G USD Units, the Investment Manager intends to enter into foreign exchange forward contracts to hedge the Partnership's exposure to the U.S. dollar. The cost, profit and loss of such hedging activities related to the Class B USD Units, Class F USD Units and Class G USD Units will be borne by each such class, respectively.

To the extent that such expenses are borne by the General Partner or Investment Manager, the General Partner or Investment Manager, as the case may be, shall be reimbursed by the Partnership from time to time. Expenses attributable to a particular class or series of Units will be deducted from the Net Asset Value of such class or series. See Section 6.2 – Expenses in the Limited Partnership Agreement.

Power of Attorney

The Limited Partnership Agreement contains a limited power of attorney in favour of the General Partner in connection with all matters related to the operation of the Partnership, and authorizes the General Partner to, for example, execute documents on behalf of each Limited Partner (including tax elections and amendments to the Limited Partnership Agreement). See Section 6.4 – Power of Attorney in the Limited Partnership Agreement

Management Fee

The Limited Partnership Agreement provides that the Partnership shall pay, directly or indirectly, to the Investment Manager an ongoing management fee calculated and payable as a percentage of the Net Asset Value of the Partnership, or of any class of Units, as the General Partner may determine (and as the Investment Manager may agree). (Such fees are described above under "Investment Management Agreement"). The Investment Manager must give to the Limited Partners not less than sixty (60) days' notice of any proposed change to the method of calculation of such fee, if, as a result of such change, such fee will be paid more frequently or could result in increased fees being paid by the Partnership. See Section 7.2 - Fees in the Limited Partnership Agreement.

Liability

Subject to the provisions of the LP Act, the liability of each Limited Partner for the liabilities and obligations of the Partnership is limited to the amount the Limited Partner contributes or agrees in writing to contribute to the Partnership, less any such amounts properly returned to the Limited Partner. A Limited Partner may lose his, her or its status as a limited partner and the benefit of limited liability if such Limited Partner takes part in the control of the business of the Partnership or if certain other provisions of the LP Act are contravened. Where a Limited Partner has received the return of all or part of the Limited Partner's contributed capital, the Limited Partner is nevertheless liable to the Partnership or, following the dissolution of the Partnership, to its creditors for any amount, not in excess of the amount returned with interest (calculated at a rate per annum equal to the prime commercial lending rate of the Partnership's bankers), necessary to discharge the liabilities of the Partnership to all creditors who extended credit or whose claims otherwise arose before the return of the contributed capital. See Section 8.2 - Limited Liability of Limited Partners in the Limited Partnership Agreement.

Furthermore, if after a distribution or redemption payment the General Partner determines that a Limited Partner was not entitled to all or some of such distribution or redemption payment, the Limited Partner shall be liable to the Partnership to return the portion improperly distributed or paid, together with interest at a rate per annum equal to the prime commercial lending rate of the Partnership's bankers if repayment of such excess amount is not made by the Limited Partner within fifteen (15) days of receiving notice of such overpayment. The General Partner may set off and apply any sums otherwise payable to a Limited Partner against such amounts due from such Limited Partner, provided that there shall be no right of set-off against a Limited Partner in respect of amounts owed to the Partnership by a predecessor of such Limited Partner. See Section 4.12 - Repayments and Section 8.2 – Limited Liability of limited Partners in the Limited Partnership Agreement.

The General Partner shall be liable for the debts, obligations and any other liabilities of the Partnership in the manner and to the extent required by the LP Act and as set forth in the Limited Partnership Agreement to the extent that Partnership assets are insufficient to pay such liabilities.

The General Partner will indemnify and hold harmless each Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by such Limited Partner that result from or arise out of such Limited Partner not having unlimited liability as set out in the Limited Partnership Agreement, other than any liability caused by or arising out of any act or omission of such Limited Partners. See Article 8 - Liabilities of Partners in the Limited Partnership Agreement.

Reports to Limited Partners

Within ninety (90) days after the end of each fiscal year, the General Partner will forward to each Limited Partner an annual report for such fiscal year consisting of (i) upon request, audited financial statements for such fiscal year together with a report of the auditors on such financial statements; (ii) a report on allocations to the Limited Partners' Contributed Capital accounts and taxable income or loss and distributions of cash to the General Partner and the Limited Partners for such fiscal period; and (iii) tax information to enable each Limited Partner to properly complete and file his or her tax returns in Canada in relation to an investment in Units.

The General Partner will forward to each Limited Partner, upon request, unaudited interim financial statements for the first six (6) months of each fiscal year within sixty (60) days after the end of such period. The General Partner will forward to each Limited Partner monthly unaudited financial information respecting the Net Asset Value per Unit within thirty (30) days after the end of each month. See Article 11 - Books, Records and Financial Information in the Limited Partnership Agreement.

Fiscal Year

The fiscal year of the Partnership shall end on December 31 in each calendar year.

Amendment

The General Partner may, without prior notice to or consent from any Limited Partner, amend the Partnership Agreement (i) to create additional classes of Units and set the terms thereof, (ii) to protect the interests of the Limited Partners, if necessary, (iii) to cure any ambiguity or clerical error or to correct or supplement any provision contained therein which may be defective or inconsistent with any other provision if such amendment does not and shall not in any manner adversely affect the interests of any Limited Partner as a Limited Partner, (iv) to reflect any changes to any applicable legislation, or (v) in any other manner provided that such amendment does not and shall not adversely affect the interests of any existing Limited Partner as a Limited Partner in any manner. The Partnership Agreement may be amended at any time by (i) the General Partner with the consent of the Limited Partners given by Special Resolution (as defined in the Limited Partnership Agreement), or (ii) the General Partner without the consent of the Limited Partners provided the Limited Partners are given not less than sixty (60) days written notice prior to the effective date of the amendment (together with a copy of the amendment and an explanation of the reasons for the amendment), and each Limited Partner is given the opportunity to redeem all of such Limited Partner's Units prior to the effective date of such amendment (in such event the General Partner shall be deemed to have waived, to the extent necessary, any lock-up and notice periods, and to have waived any redemption deductions for Units that are redeemed in the specified period). See Article 13 - Amendment of Agreement in the Limited Partnership Agreement.

Term

The Partnership has no fixed term. Dissolution may only occur (i) at any time on thirty (30) days' written notice by the General Partner to each Limited Partner, or (ii) on the date which is sixty (60) days following the removal of the General Partner, unless the Limited Partners agree by Ordinary Resolution to appoint a replacement General Partner and the Partnership. See Article 12 – Termination of Partnership in the Limited Partnership Agreement.

EXPENSES MASTER TRUST

The Master Fund is responsible for all costs incurred in connection with its organization and ongoing activities of the Master Fund which are substantially similar to those of the Partnership and the Fund.

Each class of shares of the Master Fund is also responsible for the expenses specifically relating to that class of shares of the Master Fund and proportionate share of expenses that are common to all classes of shares of the Master Fund. The Manager shall allocate expenses to each class of shares of the Master Fund in its sole discretion, as it deems fair and reasonable in the circumstances.

To the extent that such expenses are borne by the Manager, the Manager shall be reimbursed by the Master Fund from time to time. Expenses attributable to a particular class of shares of the Master Fund will be deducted from the net asset value of such class of shares.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable, as of the date of this Offering Memorandum, to a Limited Partner who acquires Units pursuant to this offering. This summary is applicable only to a person who subscribes, as

principal, for Units in the Partnership pursuant to the terms of this Offering Memorandum and who, for purposes of the Tax Act and at all relevant times, is an individual (other than a trust), is a resident of Canada, deals at arm's length with the General Partner, the Partnership and the Investment Manager, is not affiliated with the General Partner, the Partnership and the Investment Manager, and holds Units in the Partnership as capital property (a "**Holder**"). Units will generally be considered to be capital property to a Holder, provided that the Holder does not hold the Units in the course of carrying on a business and has not acquired the Units in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder (i) that is a "financial institution" as defined in subsection 142.2(1) of the Tax Act, (ii) that is a "specified financial institution" as defined in the Tax Act, (iii) that reports its "Canadian tax results", as defined in the Tax Act, in a currency other than Canadian currency, (iv) an interest in which would be a "tax shelter investment" as defined in the Tax Act, (v) that has, directly or indirectly, a "significant interest" as defined in subsection 34.2(1) of the Tax Act in the Partnership, (vi) of which any affiliate of the Partnership is or was at any relevant time a "foreign affiliate" for any purpose of the Tax Act, or (vii) that has entered into or will enter into, with respect to the Units, a "derivative forward agreement" as that term is defined in the Tax Act. Such Holders are urged to consult their own tax advisors. In addition, this summary does not address the deductibility of interest expense or other expenses incurred by a Holder in connection with debt incurred in connection with the acquisition or holding of Units.

This summary is also not applicable to a Holder who holds more than one class of Units at any particular time. The Canada Revenue Agency (the "**CRA**") has expressed the view that all interests in a particular partnership held by a taxpayer (such as different classes of Units) should be treated as a single property for purposes of the Tax Act, including for purposes of determining the adjusted cost base of such interests. Holders who intend to hold more than one class of Units should consult their own tax advisors in this regard. This summary assumes that at all times: (i) the Partnership is a "Canadian partnership" as defined in the Tax Act, (ii) the Partnership (and each Unit) is not a "tax shelter" or "tax shelter investment", each as defined in the Tax Act, (iii) the Partnership is not a "SIFT partnership" as defined in the Tax Act, (iv) Units that represent more than 50% of the fair market value of all interests in the Partnership are held by unitholders that are not "financial institutions" as defined in the Tax Act, and (v) no interest in any unitholder is a "tax shelter investment" as defined in the Tax Act. However, no assurances can be given in this regard.

This summary is based upon the current provisions of the Tax Act, the regulations thereunder (the "**Regulations**"), all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Offering Memorandum (the "**Tax Proposals**") and the current published administrative policies and assessing practices of the CRA. Except as described in the immediately preceding sentence, this summary does not take into account or anticipate any changes in law or administrative policy or assessing practice, whether by legislative, regulatory, administrative or judicial action. Furthermore, this summary does not take into account provincial, territorial or foreign income tax legislation or considerations. This summary assumes that the Tax Proposals will be enacted as proposed, but no assurance can be given in this regard. No ruling has been sought from the CRA as to the tax position of the Partnership or the Limited Partners.

This summary is of a general nature only and is not intended, nor should it be construed, to be legal or tax advice to any particular prospective investor. The income and other tax consequences to a Holder of acquiring, holding or disposing of Units in the Partnership vary according to the status of the Holder, the province or territory in which the Holder resides or carries on business and the Holder's own particular circumstances. **Each Holder should obtain independent advice regarding the income tax consequences under federal and provincial tax legislation of acquiring, holding and disposing of Units based on such Holder's own particular circumstances.**

Taxation of the Master Fund and the Offshore LP

Based on the organization of the Master Fund as a Cayman Islands corporation, the Master Fund should at all times be a non-resident of Canada for Canadian tax purposes. Based on the organization of Offshore LP as an exempted limited partnership registered in the Cayman Islands, Offshore LP should be a non-resident of Canada as well as regarded as a flow-through vehicle for Canadian tax computation purposes.

Each of the Master Fund and the Offshore LP intends to organize its affairs so that it is not considered to be carrying on business in Canada, and in doing so the following activities will be undertaken:

(a) it is intended that the general affairs of the Master Fund will be managed and directed by its board of directors outside of Canada and that the general affairs of the Offshore LP will be managed and directed by its general partner, Newgen GP Ltd., outside of Canada;

(b) the Master Fund and the Offshore LP will not, directly or through its agents, direct/sell any promotion of investments in itself principally to persons who are resident in Canada;

(c) the Master Fund and the Offshore LP will not file any document with a public authority in Canada in accordance with the securities legislation of Canada or of any province; and

(d) at no time will investments in the Master Fund or the Offshore LP be beneficially owned by persons and partnerships that are affiliated with the Investment Manager whom either together or separate exceed 25% of the fair market value of all investments in the Master Fund or the Offshore LP.

If the Master Fund holds an investment that is "taxable Canadian property" for purposes of the Tax Act, the Master Fund should be subject to tax under the Tax Act on gains from the disposition of such investment. Certain investment income, such as interest and dividends, earned by the Master Fund from Canadian sources should be subject to withholding tax of 25% under Part XIII of the Tax Act. Certain other types of investment income earned by the Master Fund from Canadian sources, such as certain income from derivative transactions entered into with Canadian counterparties, may not attract Canadian withholding tax.

Taxation of the Partnership

Under the Tax Act, the Partnership itself is not liable for Canadian federal income tax. However, the income or loss of the Partnership will be computed for each fiscal period as if it were a separate person resident in Canada. The fiscal period of the Partnership will end on December 31 each year. The income or loss of the Partnership, for purposes of the Tax Act, may differ from its income or loss for accounting purposes and may not be matched by cash distributions.

In computing its income or loss for income tax purposes, the Partnership will generally be entitled to deduct its expenses in its fiscal period in which they are incurred provided that such expenses are reasonable and their deduction is permitted by the Tax Act. The Partnership may generally deduct the costs and expenses of issuing Units pursuant to this offering, incurred by the Partnership and not reimbursed, at the rate of 20% per year pro-rated where the Partnership's fiscal year is less than 365 days.

The characterization of any gain or loss realized by the Partnership from the disposition of an investment as either a capital gain or loss or ordinary income or loss will be based on the facts and circumstances relating to the particular disposition.

For purposes of the Tax Act, all amounts relating to the Partnership, including any income or loss arising from activities outside Canada, must be expressed in Canadian dollars using the exchange rate quoted by the Bank of Canada on the date such amounts first arose, or such other rate of exchange as is accepted by the CRA.

Pursuant to section 94.1 of the Tax Act, if a taxpayer holds or has an interest in an "offshore investment fund property" in a taxation year, the taxpayer is required to include in computing its income a prescribed return, reduced to the extent the taxpayer receives income from the investment. An offshore investment fund property includes a share of the capital stock of a non-resident corporation that derives its value primarily from portfolio investments and it may reasonably be considered that one of the main reasons for the taxpayer acquiring the interest in such property was to benefit from the portfolio investments in such a manner that the taxes on the income, profits and gains therefrom for any particular year were significantly less than the tax that would have been applicable if such income, profits and gains had been earned directly by the taxpayer.

Taxation of Limited Partners

The income or loss of the Partnership for Canadian federal income tax purposes for each fiscal period of the Partnership will be allocated among the partners holding Units (or deemed to be holding Units) at any time during that fiscal period, in accordance with the Limited Partnership Agreement. In general, a Holder's share of any income or loss of the Partnership from a particular source (including its share of any taxable gain or allowable capital loss) will retain its character as such, and any provisions of the Tax Act applicable to that type of income or loss will apply to the share of such income or loss allocated to the Holder.

A Holder's share of the Partnership's income must (or loss may, subject to the "at-risk rules" described below) be included (or deducted) in determining the Holder's income (or loss) for the Holder's taxation year in which the Partnership fiscal period ends, whether or not any distribution has been made by the Partnership.

Subject to the "at-risk rules" and "alternative minimum tax rules" discussed below, a Holder's allocated share of the losses from any source (other than allowable capital losses) of the Partnership for any fiscal period may generally be applied against the Holder's income from any source in order to reduce the Holder's overall net income in the relevant taxation year and, to the extent such amount exceeds other income for that year, generally may be carried back three years and forward 20 years and deducted in computing taxable income for such other years to the extent and under the circumstances described in the Tax Act.

A Holder's allocated share of the allowable capital losses of the Partnership for any fiscal period may generally be applied against the Limited Partner's taxable capital gains in the relevant taxation year and, to the extent such amount exceeds such taxable capital gains, may be carried back three years and carried forward indefinitely against taxable capital gains realized in such other years to the extent and under the circumstances described in the Tax Act.

The "at-risk rules" contained in the Tax Act generally provide that, notwithstanding the income or loss allocation provisions of the Tax Act, a Holder's allocated share of the losses (other than allowable capital losses) of the Partnership for a fiscal period will be deductible by the Holder in computing its income for a taxation year only to the extent that its share of such losses does not exceed its "at-risk amount" in respect of the Partnership at the end of the fiscal period. In general terms, a Holder's "at-risk amount" in respect of the Partnership at the end of a fiscal period of the Partnership is equal to (i) the adjusted cost base to the Holder of its Units at that time, plus (ii) subject to certain adjustments, the Holder's share of the

income from all sources of the Partnership for the fiscal period, less (iii) subject to certain exceptions, all amounts owing by the Holder (or by a person or partnership which does not deal at arm's length with the Holder) to the Partnership (or to a person or partnership that does not deal at arm's length with the Partnership) and less (iv) subject to certain exceptions, any amount or benefit which the Holder (or a person who does not deal at arm's length with the Holder) is entitled to receive where the amount or benefit is intended to reduce the impact of any loss the Holder might sustain by virtue of being a member of the Partnership or of holding or disposing of its Units.

A Holder's share of the losses of the Partnership that is not deductible by the Holder in a taxation year as a result of the application of the "at-risk rules" is considered to be that Holder's "limited partnership loss" in respect of the Partnership for the year. Such a limited partnership loss may be deducted by the Holder in any subsequent taxation year against any income for that year from the Limited Partnership to the extent, generally, that the Holder's "at-risk amount" at the end of the Partnership's last fiscal period ending in that year exceeds the Holder's share of any losses of the Partnership from a business or property for that fiscal period in accordance with the rules contained in the Tax Act.

Disposition of Units

A Holder who disposes, or is deemed to have disposed, of a Unit will generally realize a capital gain (or a capital loss) to the extent that the proceeds of disposition of the Unit, net of any reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base to the Holder of the Unit. In general, the adjusted cost base to a Holder of a Unit at a particular time will be equal to the actual cost of the Unit plus, subject to certain adjustments, the Holder's allocated share of the income of such Partnership from any source for all fiscal periods of the Partnership ending before the particular time, less, subject to certain adjustments, the Holder's allocated share of the losses of such Partnership from any source for all fiscal periods of the Partnership ending before the particular time (other than any portion of the losses not deducted by reason of the application of the at-risk rules) and the amount of any distributions made to the Holder by the Partnership before the relevant particular time.

The allocated income for a fiscal period will not be added to the adjusted cost base of the Units until after the end of that fiscal period. If a Holder disposes of all of his, her or its Units, income or loss of the Partnership allocated to such Holder for the year of disposition will be added to or subtracted from his, her or its adjusted cost base of the Units as if that year was a completed fiscal year. Where the adjusted cost base to a Holder of his, her or its Units is negative at the end of a fiscal period of the Partnership, the negative amount will be deemed to be a capital gain of the Holder. The adjusted cost base of the Holder's Units will be increased by the amount of this deemed capital gain.

In general, one-half of a capital gain must be included in computing the income of a Holder (a "taxable capital gain"), and one-half of a capital loss (an "allowable capital loss") must be deducted by a Holder from taxable capital gains realized in the year and, to the extent that such allowable capital losses exceed taxable capital gains in the year, generally may be applied against net taxable capital gains realized in any of the three years preceding the year or any year following the year, to the extent and under the circumstances described in the Tax Act.

Special rules in the Tax Act may apply to disallow the one-half treatment on all or a portion of a capital gain realized on a disposition of Units to a tax-exempt person or a non-resident person. Holders contemplating such a disposition should consult their own tax advisors in this regard.

Dissolution of the Partnership

On the dissolution of the Partnership, Holders will generally be considered to have disposed of their Units for proceeds of disposition equal to the fair market value of the property received or receivable by them on the dissolution and the Partnership will be deemed to have disposed of, and the Holders will be deemed to have acquired, such property at its fair market value.

A capital gain (or capital loss) will be realized by a Holder on the disposition of such Units to the extent that such proceeds, net of reasonable disposition costs, exceed (or are less than) the adjusted cost base of the Holder's Units, calculated as described above. Any income, capital gain or loss realized by the Partnership on the disposition of property in the fiscal period ending as a result of the dissolution of the Partnership will be included in the income or loss of the Partnership for that fiscal period and allocated to the partners in accordance with the Limited Partnership Agreement.

Alternative Minimum Tax

A Holder subject to the alternative minimum tax rules in the Tax Act must generally calculate the minimum tax payable without deducting certain partnership losses allocated to the Holder and associated carrying charges from adjusted taxable income. The realization of a capital gain on the disposition of Units or the realization by the Partnership of a capital gain may give rise to an increased liability for alternative minimum tax. Holders should consult their own tax advisors for advice respecting the application of the alternative minimum tax rules in their particular circumstances.

Filing Requirements

Each Holder will generally be required to file an income tax return reporting its share of the income or loss of the Partnership. While the Partnership will provide each Holder with the information required for income tax purposes pertaining to the Holder, the Partnership will not prepare or file income tax returns on behalf of any Holder. Each person who is a partner of the Partnership at any time in a fiscal period of the Partnership is required to make and file an information return in respect of that period in prescribed form, including the income or loss of the Partnership for that period and the allocation of such income or loss among the partners. The filing of an annual information return by the General Partner on behalf of all Holders will satisfy this requirement, and the General Partner is required to make such filing.

Non-Eligibility for Investment by Tax Deferred Plans

Units will not be "qualified investments" under the Tax Act 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.

INTERNATIONAL TAX REPORTING

Pursuant to the Canada-United States Enhanced Tax Information Exchange Agreement and related Canadian legislation found in Part XVIII of the Tax Act, "reporting Canadian financial institutions" have certain due diligence and reporting obligations in respect of their "U.S. reportable accounts". The Partnership falls within the meaning of "reporting Canadian financial institution" and may be required to provide information to the Canada Revenue Agency (the "**CRA**") in respect of its respective Limited Partners who are "US reportable accounts". Accordingly, Limited Partners may be requested to provide information to the Partnership to identify U.S. persons holding the Units. If a Limited Partner is a U.S. person (including a U.S. citizen) or if a Limited Partner does not provide the requested information, Part XVIII of the Tax Act will generally require information about the Limited Partner's investments held in the financial account maintained by the Partnership to be reported to the CRA, unless the investments are held

within a registered plan. The CRA is expected to provide that information to the U.S. Internal Revenue Service.

In addition, Part XIX of the Tax Act was enacted to implement the Organization for Economic Co-operation and Development Common Reporting Standard (the "**CRS**"), which will require the Partnership to provide information to the CRA about accounts maintained for individuals and entities whose residency for tax purposes is in a jurisdiction other than Canada. The CRA will then provide that information to foreign jurisdictions with which it has established a partnership in the context of the CRS. The Partnership were required to begin collecting information on new client accounts no later than July 1, 2017. Beginning in 2018, the Partnership will report the information collected in 2017 (and other information, generally related to distributions from, and value of, the accounts) on any new Limited Partners whose residency for tax purposes is in a jurisdiction other than Canada. Any holders of pre-existing accounts whose residency for tax purposes is in a jurisdiction other than Canada will be reported to the CRA starting in 2019. Each subsequent year, the accounts of the preceding year will be reported.

If the Partnership is unable to comply with its obligations under Part XVIII and Part XIX of the Tax Act, it could face the imposition of withholding taxes and/or penalties under the Tax Act, which could affect the net asset value of the Partnership and may result in reduced investment returns to Limited Partners of such Fund. The administrative cost of compliance with Part XVIII and Part XIX of the Tax Act may also cause an increase in the operating expenses of the Partnership, further reducing returns to Limited Partners. If a Limited Partner does not provide the information required to comply with obligations under Part XVIII and Part XIX of the Tax Act, the Limited Partner's Units may be redeemed by the Investment Manager. Limited Partners should consult with their own tax advisors regarding the possible implications of the reporting obligations for them and their investments.

RISK FACTORS

Before investing, prospective investors should carefully consider the following risks. Because at any time all or substantially all of the Partnership's assets are indirectly invested through the Offshore LP in shares of the Master Fund, risks related to an investment in the Partnership will be significantly the same as those for investments in the Master Fund. The risk of loss in investing in the Partnership can be substantial. An investment in the Partnership carries risk and is not intended as a complete investment program. A subscription for Units should be considered only by persons financially able to maintain their investment and who can bear the risk of loss associated with an investment in the Partnership. Investors should review closely the investment objective and investment strategies to be utilized by the Partnership as outlined herein to familiarize themselves with the risks associated with an investment in the Partnership.

Risks Associated with an Investment in the Partnership

Marketability and Transferability of Units

There is no market for the Units and their resale, transfer and redemption are subject to restrictions imposed by the Limited Partnership Agreement and applicable securities legislation. See "*Transfer or Resale*". Consequently, holders of Units may not be able to liquidate their investment in a timely manner and the Units may not be readily accepted as collateral for a loan.

Reliance on Investment Manager and Track Record

The success of the Partnership will be primarily dependent upon the skill, judgment and expertise of the Investment Manager and its principals. Although persons involved in the management of the Partnership and the service providers to the Partnership have had long experience in their respective fields

of specialization, the Partnership's operating and/or performing history is not that long and may limit a prospective investor's ability to evaluate the Partnership's likely performance. Investors should be aware that the past performance by those involved in the investment management of the Partnership should not be considered as an indication of future results.

In the event of the loss of the services of the Investment Manager, or of a key person of the Investment Manager, the business of the Partnership may be adversely affected.

Income

An investment in the Partnership is not suitable for an investor seeking an income from such investment, as the Partnership does not intend to distribute to its Limited Partners income earned by it.

Changes in Trading Approach

The Investment Manager may alter its trading approach in the Partnership and/or the Master Fund, without prior approval by, or notice to, a Limited Partner or a a shareholder (such as the Partnership), as applicable, if the Manager determines that such change is in the best interest of the Partnership and/or the Master Fund.

Liquidity of Investment

An investment in the Partnership provides limited liquidity. There is no market for the Units and their resale, transfer and redemption are subject to restrictions imposed by the Limited Partnership Agreement, including consent by the General Partner, and applicable securities legislation. See "*Transfer or Resale*". Consequently, holders of Units may not be able to liquidate their investment in a timely manner and the Units may not be readily accepted as collateral for a loan. In certain circumstances, the General Partner may suspend redemption rights. See "*Redemptions*".

Tax Liability

Net Asset Value of the Partnership and Net Asset Value per Unit will be marked to market and therefore calculated on the basis of both realized trading gains and losses and accrued, unrealized gains and losses. In computing each Limited Partner's share of income or loss for tax purposes, only realized gains and other factors, including the date of purchase or redemption of Units by a Limited Partner in a fiscal year, will be taken into account. Therefore, the change in Net Asset Value of a Limited Partner's Units may differ from his share of income and loss for tax purposes. Furthermore, investors may be allocated income for tax purposes and not receive any cash distributions from the Partnership.

Tax-Related Risks

Canadian federal and provincial tax aspects should be considered prior to investing in Units. See "*Certain Canadian Federal Income Tax Considerations*". The discussion of income tax considerations therein is based upon current Canadian federal income tax laws and regulations and the Tax Proposals. There can be no assurance that tax laws will not be changed in a manner that adversely affects a Limited Partner's return.

Units may not be purchased by any investor who is a "non-resident", a partnership other than a "Canadian partnership", a "tax shelter", a "tax shelter investment", or any entity an interest in which is a "tax shelter investment" or in which a "tax shelter investment" has an interest, all within the meaning of the Tax Act, or a partnership which does not have a prohibition against investment by the foregoing persons.

Subscriptions for Units and holding of Units by a Limited Partner that is or becomes a "financial institution" within the meaning of the Tax Act may be restricted. While the Partnership will obtain representations from each investor with respect to these issues, in the event that any of those representations is or becomes inaccurate, there could be significant adverse tax consequences to the Partnership and all Limited Partners.

The Tax Act contains rules relating to the federal income taxation of publicly traded trusts and partnerships and their investors (the "**SIFT Rules**"). The SIFT Rules generally do not apply to partnerships, the interests in which are not listed or traded on a stock exchange or other public market. The Partnership intends to conduct its affairs in such a manner as to ensure that the Partnership is not a "SIFT partnership" and will not be subject to the SIFT Rules. No assurance, however, can be given that the SIFT Rules will not apply in a manner that adversely affects the Partnership or a Limited Partner.

Notwithstanding that a distribution is not made in any particular year, the Partnership will be required to allocate any income to Limited Partners each year. As a result, Limited Partners would be required to pay income taxes on any such income that is allocated to them even though they have not received a distribution from the Partnership to utilize to pay such income taxes. There can be no assurance that this will not happen over a number of successive years or from time over the existence of the Partnership.

All investors will be responsible for the preparation and filing of their own tax returns in respect of their investment in Units. Costs associated with the preparation and filing of such returns may be material. Potential investors should consult their own tax advisors for the specific Canadian federal and provincial and foreign tax consequences to them. See "*Certain Canadian Federal Income Tax Considerations*".

Possible Loss of Limited Liability

Under the LP Act, the General Partner has unlimited liability for the debts, liabilities, obligations and losses of the Partnership to the extent that they exceed the assets of the Partnership. The liability of each Limited Partner for the debts, liabilities, obligations and losses of the Partnership is limited to the value of money or other property the Limited Partner has contributed or agreed to contribute to the Partnership. In accordance with the LP Act, if a Limited Partner has received a return of all or part of the Limited Partner's contribution to the Partnership, the Limited Partner is nevertheless liable to the Partnership, or where the Partnership is dissolved, to its creditors, for any amounts not in excess of the amount returned with interest, necessary to discharge the liabilities of the Partnership to all creditors who extended credit or whose claims arose before the return of the contribution. **The limitation of liability of a Limited Partner may be lost if a Limited Partner takes part in the control of the business of the Partnership.**

Funding Deficiencies

Other than with respect to the possible loss of the limited liability as outlined above, no Limited Partner shall be obligated to pay any additional assessment on the Units held or subscribed. However, if, as a result of a distribution by the Partnership, the Partnership's capital is reduced and the Partnership is unable to pay its debts as they become due, the Limited Partners may have to return to the Partnership any such distributions received by them to restore the capital of the Partnership. If the Partnership does not have sufficient funds to meet its requirements and must default because the deficiency is not funded, Limited Partners may lose their entire investment in the Partnership.

Side Letters

The Manager or the General Partner, on behalf of the Partnership, or the Manager on behalf of the Master Fund, may from time to time, without the approval of or notice to any Limited Partner or shareholder of the Master Fund, as applicable, enter into agreements ("**Other Agreements**") with certain prospective investors or existing Limited Partners or shareholders of the Master Fund, whereby such shareholders, Limited Partners or investors may be subject to terms and conditions that are more advantageous than those set forth here. For example, such terms and conditions may provide for special redemption rights, rebates or reductions in fees to be paid by the shareholder, Limited Partner or other investor, rights to receive reports from the Master Fund and/or Partnership on a more frequent basis or that include information not provided to other shareholders or Limited Partners or investors (including, without limitation, more detailed information regarding portfolio positions) and such other rights as may be negotiated with such shareholders, Limited Partners or other investors. Any such Other Agreements will be solely at the discretion of Manager or the General Partner, as applicable, and may, among other things, be based on the size of the shareholder's or Limited Partner's or investor's investment in the Master Fund and/or Partnership, as applicable, an agreement by such shareholder or Limited Partner or other investor to maintain a minimum investment in the Master Fund and/or Partnership, as applicable, for a specified period of time, or other similar commitment by the shareholder, Limited Partner or other investor.

Not a Public Mutual Fund

The Partnership is not subject to the restrictions placed on public mutual funds to ensure diversification and liquidity of the Partnership's portfolio. The Partnership's strategy to invest all or substantially all of its assets indirectly in shares of the Master Fund is permitted by a discretionary relief order of the Ontario Securities Commission.

Custody Risk and Broker or Dealer Insolvency

Neither the Master Fund nor the Partnership controls the custodianship of all of its securities. The Master Fund's and the Partnership's assets, as applicable, may be held in one or more accounts maintained for the Master Fund and/or Partnership, as applicable, by its prime brokers or at other brokers. Such brokers are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Master Fund's and/or the Partnership's assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a prime broker or any sub-custodians, agents or affiliates, it is impossible to generalize about the effect of their insolvency on the Master Fund and/or the Partnership and its assets, as applicable. Investors should assume that the insolvency of any of the prime brokers or such other service providers would result in the loss of all or a substantial portion of the Master Fund's and/or the Partnership's assets held by or through such prime broker and/or the delay in the payment of withdrawal proceeds.

Trading Errors

In the course of carrying out trading and investing responsibilities on behalf of the Partnership or the Master Fund, employees of the Investment Manager may make "trading errors" - i.e., errors in executing specific trading instructions. Examples of trading errors include: (i) buying or selling an investment asset at a price or quantity that is inconsistent with the specific trading instructions generated by a particular strategy; or (ii) buying rather than selling a particular investment asset (and vice versa). Trading errors are an intrinsic factor in any complex investment process, and will occur notwithstanding the exercise of due care and special procedures designed to prevent trading errors. Trading errors are, therefore, distinguishable from errors in judgment, due diligence or other factors leading to a specific trading instruction being generated, as well as from unauthorized trading or other improper conduct by employees of the Investment Manager. Consequently, the Investment Manager will (unless the Investment Manager otherwise

determines) treat all trading errors (including those which result in losses and those which result in gains), directly or indirectly, as for the account of the Partnership, unless they are the result of conduct by the Investment Manager which is inconsistent with the Investment Manager's standard of care.

Changes in Investment Strategy

The Investment Manager may alter its strategy without prior approval by the Limited Partners if the General Partner and the Investment Manager determine that such change is in the best interest of the Partnership.

Potential Indemnification Obligations

Under certain circumstances, the Master Fund and/or the Partnership might be subject to significant indemnification obligations, as applicable, in favour of the Manager, the General Partner, other service providers to the Master Fund and/or the Partnership or certain persons related to them. The Master Fund and the Partnership will not carry any insurance to cover such potential obligations and, to the Manager's and the General Partner's knowledge, none of the foregoing parties will be insured for losses for which the Master Fund and/or the Partnership has agreed to indemnify them, as applicable. Any indemnification paid by the Master Fund and/or the Partnership would reduce the Master Fund's and/or the Partnership's net asset value, as applicable.

Valuation of the Partnership's Investments

While the Master Fund and the Partnership are both independently audited by their auditor on an annual basis in order to ensure as fair and accurate a pricing as possible, valuation of the Master Fund's and the Partnership's securities and other investments may involve uncertainties and judgmental determinations and, if such valuations should prove to be incorrect, the net asset value of the Master Fund and/or the Partnership could be adversely affected. Independent pricing information may not at times be available regarding certain of the Master Fund's and/or the Partnership's securities and other investments. Valuation determinations will be made in good faith in accordance with the constating documents of the Master Fund and the Limited Partnership Agreement.

Although the Partnership generally will indirectly through the Master Fund invest in exchange-traded and liquid over-the-counter securities, the Partnership and/or the Master Fund may from time to time have some of its assets in investments which by their very nature may be extremely difficult to value accurately. To the extent that the value assigned by the Partnership and/or the Master Fund to any such investment differs from the actual value, the net asset value per Partnership Unit and/or the net asset value per share of the Master Fund, as applicable, may be understated or overstated, as the case may be. In light of the foregoing, there is a risk that a Limited Partner or a shareholder of the Master Fund who redeems all or part of its Partnership Units or shares of the Master Fund while the Partnership or Master Fund holds such investments, as applicable, will be paid an amount less than such Limited Partner or shareholder would otherwise be paid if the actual value of such investments is higher than the value designated by the Partnership or Master Fund, as applicable. Similarly, there is a risk that such Limited Partner or shareholder might, in effect, be overpaid if the actual value of such investments is lower than the value designated by the General Partner or Manager, as applicable, in respect of a redemption. In addition, there is risk that an investment in the Partnership by a new Limited Partner (or an additional investment by an existing Limited Partner) or an investment by a new shareholder in the Master Fund (or an additional investment by an existing shareholder in the Master Fund) could dilute the value of such investments for the other Limited Partners or shareholders in the Master Fund, as applicable, if the actual value of such investments is higher than the value designated by the General Partner and/or Manager, as applicable. Further, there is risk that a new Limited Partner (or an existing Limited Partner that makes an additional investment) or a new

shareholder in the Master Fund (or an existing shareholder in the Master Fund that makes an additional investment), as applicable, could pay more than it might otherwise if the actual value of such investments is lower than the value designated by the General Partner and/or the Manager, as applicable. Neither the Partnership nor the Master Fund intends to adjust its net asset value retroactively.

Possible Effect of Redemptions

Substantial redemptions of Partnership Units or shares of the Master Fund could require the Partnership and/or the Master Fund, as applicable, to liquidate positions more rapidly than otherwise desirable to raise the necessary cash to fund redemptions and achieve a market position appropriately reflecting a smaller asset base. Such factors could adversely affect the value of the Partnership Units redeemed or shares of the Master Fund redeemed, and of the Partnership Units and shares of the Master Fund, as applicable, remaining outstanding.

Charges to the Partnership and Master Fund

The Partnership and the Master Fund are both obligated to pay administration fees, brokerage commissions and legal, accounting, filing and other expenses regardless of whether the Partnership and/or the Master Fund, as applicable, realizes profits.

Trading Costs

The Partnership and/or the Master Fund, as applicable, may engage in a high rate of trading activity resulting in correspondingly high costs being borne by the Partnership and/or the Master Fund.

Lack of Independent Experts

Each of the Master Fund, Partnership, the Manager and the General Partner have consulted with the same legal counsel regarding the formation and terms of the Master Fund, the Partnership and the offering of shares of the Master Fund and Units of the Partnership, as applicable. The shareholders of the Master Fund and the Limited Partners have not, however, been independently represented. Therefore, to the extent that the Master Fund, the Partnership, the shareholders of the Master Fund, the Limited Partners or this offering could benefit by further independent review, such benefit will not be available. Each prospective investor should consult his or her own legal, tax and financial advisers regarding the desirability of purchasing Units and the suitability of investing in the Partnership.

Potential Conflicts of Interest

The business of the Manager is the trading of accounts for its clients. The orders of the Master Fund and/or the Partnership, as applicable, will be executed in competition with the other accounts managed by the Manager. The Manager generally trades all accounts under management in a parallel fashion, where lots and prices are distributed proportionally, according to equity. Using this method of allocation and executions, no account or accounts can be traded “in front of” or have positions opposite of the other accounts under management. Since the Manager may manage common interests for accounts on different financial terms, there may be an incentive to favour certain accounts over others. However, it is generally the policy and practice of the Manager never to favour any account over another. Clients should be aware however, that the Manager may trade accounts differently based on the dictates of the individual clients. For example, a client may request the Manager to exclude a designated market in trading for the account. As a result client portfolios with similar mandates may not have identical portfolios.

Unaudited Financial Statements

At the time of a redemption by a shareholder of the Master Fund or by a Limited Partner, an interim closing will occur on the basis of unaudited financial statements. Because there may be a greater risk of error when unaudited financial statements are used, individual shareholders of the Master Fund (such as indirectly the Partnership) and Limited Partners may be adversely affected by errors, if any, in such unaudited financial statements.

No Involvement of Unaffiliated Selling Agent

The Manager and General Partner are under common control and ownership. Consequently, no outside selling agent unaffiliated with such parties has made any review or investigation of the terms of this offering, the structure of the Master Fund, the Partnership or the background of the Manager and/or the General Partner.

Possible Effect of Distributions

The General Partner may receive distributions based on net realized and unrealized income and gains in a year, which distributions might theoretically exceed taxable income and taxable capital gains in such year. The Partnership will not be entitled to claim such difference as an expense nor will the General Partner have an obligation to the Partnership to repay any such distribution, having an adverse effect on the net asset value of the Partnership Units.

Possible Negative Impact of Regulation of Hedge Funds

The regulatory environment for hedge funds is evolving and changes to it may adversely affect the Partnership and/or the Master Fund. To the extent that regulators adopt practices of regulatory oversight in the area of hedge funds that create additional compliance, transaction, disclosure or other costs for hedge funds, returns of the Partnership and/or the Master Fund may be negatively affected. In addition, the regulatory or tax environment for derivative and related instruments is evolving and may be subject to modification by government or judicial action that may adversely affect the value of the investments held by the Partnership and/or the Master Fund, as applicable. The effect of any future regulatory or tax change on the portfolio of the Partnership and/or the Master Fund, as applicable, is impossible to predict.

Currency Exchange Exposure and Currency Hedging

Although the Partnership Units and shares of the Master Fund will be issued in exchange for Canadian dollars or U.S. dollars, as applicable, the Partnership's and/or the Master Fund's investments, as applicable, may be made in other currencies. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency exchange rates. The Manager will enter into foreign exchange forward contracts to hedge the Partnership's and/or the Master Fund's foreign exchange exposure, as applicable, including with respect to the Class B USD Units, Class F USD Units and Class G USD Units of the Partnership (which are denominated in U.S. dollars) relative to the Canadian dollar, which is the valuation currency of the Partnership. The Manager may also engage in other hedging activities to minimize currency exposures to the extent possible, however, the success of any hedging activities undertaken by the Manager cannot be guaranteed.

Legal, Tax and Regulatory Risks

Legal, tax and regulatory changes to laws or administrative practice could adversely affect the Partnership and/or the Master Fund. Interpretation of law or administrative practice may affect the

characterization of the Partnership's and/or the Master Fund's earnings as capital gains or income, which may increase the level of tax borne by the investor as a result of increased allocations of taxable income from the Partnership and/or the Master Fund, as applicable. The Partnership and/or the Master Fund may receive dividends on shares held in foreign companies and such dividends may be subject to foreign withholding taxes. Changes to foreign tax laws could adversely affect the net amount of dividends received by the Partnership and/or the Master Fund, as applicable.

Risks Associated with the Partnership's Underlying Investments

Investment and Trading Risks in General

All trades made by the Manager risk the loss of capital. The Manager may utilize trading techniques or instruments, which can, in certain circumstances, maximize the adverse impact to which a client's account may be subject. No guarantee or representation is made that the Partnership's and/or the Master Fund's investment program, as applicable, will be successful, and investment results may vary substantially over time. Many unforeseeable events, including actions by various government agencies, and domestic and international economic and political developments may cause sharp market fluctuations that could adversely affect the Partnership's and/or the Master Fund's portfolio and performance.

Industry Risk

The Partnership and the Master Fund each intend, as applicable, to seek investment opportunities in all sectors and across all market caps. Some of these investments may be highly susceptible to fluctuations in the underlying price of commodities (which are themselves highly volatile). Additionally as the Partnership and/or the Master Fund may, as applicable, invest internationally, the Partnership's and/or the Master Fund's investments, as applicable, will also be at risk from volatility in global currency exchange rates.

General Economic and Market Conditions

The success of the Partnership's and/or the Master Fund's activities may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the Partnership's and/or the Master Fund's investments, as applicable. Unexpected volatility or illiquidity could impair the Partnership's and/or the Master Fund's profitability or result in losses.

Liquidity of Underlying Investments

Some of the securities in which the Partnership and/or the Master Fund, as applicable, intends to invest may be thinly traded. There are no restrictions on the investment of Partnership assets and/or Master Fund assets in illiquid securities. It is possible that the Partnership and/or the Master Fund, as applicable, may not be able to sell or repurchase significant portions of such positions without facing substantially adverse prices. If the Partnership and/or the Master Fund is required to transact in such securities before its intended investment horizon, the performance of the Partnership and/or the Master Fund, as applicable, could suffer.

Availability of Investment Strategies

The identification and exploitation of the investment strategies pursued by the Partnership and/or the Master Fund, as applicable, involves a high degree of uncertainty. No assurance can be given that the

Manager will be able to locate suitable investment opportunities in which to deploy all of the Partnership's and/or the Master Fund's capital.

Portfolio Turnover

Neither the Partnership nor the Master Fund has placed any limits on the rate of its portfolio turnover and portfolio securities may be sold without regard to the time they have been held when, in the opinion of the Manager, investment considerations warrant such action. A high rate of portfolio turnover involves correspondingly greater expenses than a lower rate.

Highly Volatile Markets

The prices of financial instruments in which the Partnership's assets and/or the Master Fund's assets may be invested can be highly volatile and may be influenced by, among other things, specific corporate developments, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Partnership and the Master Fund, as applicable, are also subject to the risk of the failure of any of the exchanges on which the Partnership's and/or the Master Fund's positions, as applicable, trade or of their clearinghouses.

Fixed Income Securities

The Partnership and/or the Master Fund, as applicable, may invest in bonds or other fixed income securities of U.S., Canadian and other issuers, including, without limitation, bonds, notes and debentures issued by corporations; debt securities issued or guaranteed by the federal, state or provincial government in the United States or Canada or a governmental agency; and commercial paper. Fixed income securities pay fixed, variable or floating rates of interest. The value of fixed income securities in which the Partnership and/or the Master Fund, as applicable, invests will change in response to fluctuations in interest rates. In addition, the value of certain fixed-income securities can fluctuate in response to perceptions of credit worthiness, political stability or soundness of economic policies. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk). If fixed income investments are not held to maturity, the Partnership and/or the Master Fund, as applicable, may suffer a loss at the time of sale of such securities.

Equity Securities

To the extent that the Partnership and/or the Master Fund, as applicable, holds equity portfolio investments, it will be influenced by stock market conditions in those jurisdictions where the securities held by the Partnership and/or the Master Fund, as applicable, are listed for trading and by changes in the circumstances of the issuers whose securities are held by the Partnership and/or the Master Fund, as applicable. Additionally, to the extent that the Partnership and/or the Master Fund, as applicable, holds any foreign investment, it will be influenced by world political and economic factors and by the value of the Canadian dollar as measured against foreign currencies that will be used in valuing the foreign investment positions held by the Partnership and/or the Master Fund, as applicable.

Options

Selling call and put options is a highly specialized activity and entails greater than ordinary investment risk. The risk of loss when purchasing an option is limited to the amount of the purchase price of the option, however investment in an option may be subject to greater fluctuation than an investment in the underlying security. In the case of the sale of an uncovered option there can be potential for an unlimited loss. To some extent this risk may be hedged by the purchase or sale of the underlying security.

Small Companies

The Partnership and/or the Master Fund, as applicable, may invest a portion of its assets in small and/or unseasoned companies. While smaller companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger companies. In addition, in many instances, the frequency and volume of their trading may be substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations. When making large sales, the Partnership and/or the Master Fund, as applicable, may have to sell portfolio holdings at discounts from quoted prices or may have to make a series of small sales over an extended period of time due to the trading volume of smaller company securities.

Purchases of Securities

The Partnership and/or the Master Fund, as applicable, may make purchases of securities that the Manager believes to be undervalued or that may be the subject of acquisition attempts, exchange offers, cash tender offers or corporate reorganisations. There can be no assurances that securities which the Manager believes to be undervalued are in fact undervalued, or that undervalued securities will increase in value. Further, in such cases, a substantial period of time may elapse between the Partnership's and/or the Master Fund's, as applicable, purchase of the securities and the acquisition attempt or reorganisation. During this period, a portion of the Partnership's and/or the Master Fund's, as applicable, funds would be committed to the securities purchased and the Partnership and/or the Master Fund, as applicable, may finance such purchase with borrowed funds on which it would have to pay interest.

Shorting

Selling a security short ("**shorting**") involves borrowing a security from an existing holder and selling the security in the market with a promise to return it at a later date. Should the security increase in value during the shorting period, losses will incur to the Partnership and/or the Master Fund, as applicable. There is in theory no upper limit to how high the price of a security may go. Another risk involved in shorting is the loss of a borrow, a situation where the lender of the security requests its return. In cases like this, the Partnership and/or the Master Fund, as applicable, must either find securities to replace those borrowed or step into the market and repurchase the securities. Depending on the liquidity of the security shorted, if there are insufficient securities available at current market prices, the Partnership and/or the Master Fund, as applicable, may have to bid up the price of the security in order to cover the short position, resulting in losses to the Partnership and/or the Master Fund, as applicable.

Currency and Exchange Rate Risks

The Partnership's and/or the Master Fund's cash assets may be held in currencies other than the Canadian dollar, and gains and losses in securities transactions may be in currencies other than the Canadian dollar. Accordingly, a portion of the income received by the Partnership and/or the Master Fund, as applicable, will be denominated in non-Canadian currencies. The Partnership and/or the Master Fund, as

applicable, nevertheless will compute and distribute its income in Canadian dollars. Thus changes in currency exchange rates may affect the value of the Partnership's and/or the Master Fund's, as applicable, portfolio and the unrealized appreciation or depreciation of investments. Further, the Partnership and/or the Master Fund, as applicable, may incur costs in connection with conversions between various currencies. The Manager may also engage in other hedging activities to minimize currency exposures to the extent possible, however, the success of any hedging activities undertaken by the Manager cannot be guaranteed.

Counterparty and Settlement Risk

Some of the markets in which the Partnership and/or the Master Fund, as applicable, will affect its transactions may be "over-the-counter" or "interdealer" markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. This exposes the Partnership and/or the Master Fund, as applicable, to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Partnership and/or the Master Fund, as applicable, to suffer a loss. In addition, in the case of a default, the Partnership and/or the Master Fund, as applicable, could become subject to adverse market movements while replacement transactions are executed. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Partnership and/or the Master Fund, as applicable, has concentrated its transactions with a single or small group of counterparties. Neither the Partnership nor the Master Fund is restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. Moreover, neither the Partnership nor Master Fund nor the Manager has an internal credit function which evaluates the creditworthiness of its counterparties. The ability of the Partnership and/or the Master Fund, as applicable, to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Partnership and/or the Master Fund, as applicable.

Leverage

The Partnership and the Master Fund may use financial leverage by borrowing funds against the assets of the Partnership and/or the Master Fund, as applicable. Leverage increases both the possibilities for profit and the risk of loss for the Partnership and/or the Master Fund, as applicable. From time to time, the credit markets are subject to periods in which there is a severe contraction of both liquidity and available leverage. The combination of these two factors can result in leveraged strategies being required to sell positions typically at highly disadvantageous prices in order to meet margin requirements, contributing to a general decline in a wide range of different securities. Illiquidity can be particularly damaging to leveraged strategies because of the essentially discretionary ability of dealers to raise margin requirements, requiring leveraged strategy to attempt to sell positions to comply with such requirements at a time when there are effectively no buyers in the market at all or at any but highly distressed prices. These market conditions have in the past resulted in major losses to a substantial number of private investment funds. Such conditions, although unpredictable, can be expected to recur.

Data Security and Privacy Breaches

The cybersecurity risks faced by the Manager, the General Partner and the Partnership, service providers and Limited Partners have increased in recent years due to the proliferation of cyber-attacks that target computers, information systems, software, data and networks. Cyber-attacks include, among other things, unauthorized attempts to access, disable, modify or degrade information systems and networks, the introduction of computer viruses and other malicious codes such as "ransomware", and fraudulent "phishing" emails that seek to misappropriate data and information or install malware on users' computers.

The potential effects of cyber-attacks include the theft or loss of data, unauthorized access to, and disclosure of, confidential personal and business-related information, service disruption, remediation costs, increased cyber-security costs, lost revenue, litigation and reputational harm which can materially affect the Partnership. The Manager and the General Partner continuously monitors security threats to its information systems and implements measures to manage these threats, however the risk to the Manager, the General Partner and the Partnership and therefore the Limited Partners cannot be fully mitigated due to the evolving nature of these threats, the difficulty in anticipating such threats and the difficulty in immediately detecting all such threats.

General

The foregoing statement of risks does not purport to be a complete explanation of all the risks involved in purchasing Units of the Partnership. Potential investors should read this entire Offering Memorandum and consult with their legal, tax and financial advisers, before making a decision to invest in Partnership Units.

STATEMENT OF POLICIES

As a portfolio manager, the Investment Manager may occasionally face conflicts between its own interests and those of its clients, or between the interests of one client and the interests of another. The Investment Manager has adopted certain policies to minimize the occurrence of such conflicts or to deal fairly where those conflicts cannot be avoided. In no case will the Investment Manager put its own interests ahead of those of its clients.

Fairness Policy

As an adviser in the category of portfolio manager, the Investment Manager and its employees shall conduct themselves with integrity and honesty and act in an ethical manner in all of their dealings with the Investment Manager's clients.

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

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

The Investment Manager shall exercise diligence and thoroughness on taking an investment action on behalf of the Partnership as it does with all of its clients and the Investment Manager shall have a reasonable and adequate basis for such actions, supported by appropriate research and investigations.

Before initiating an investment transaction for the Partnership, the Investment Manager will consider its appropriateness and suitability. The Investment Manager will manage the Partnership's account within the guidelines set out herein.

The Investment Manager shall ensure that each client account is supervised separately and distinctly from our other clients' accounts. The Investment Manager owes a duty to each client and, therefore, the Investment Manager has an obligation to treat each client fairly.

It may be determined, however, that the purchase or sale of a particular security is appropriate for more than one client account, i.e. that particular client orders should be aggregated or "bunched", such that in placing orders for the purchase or sale of securities, the Investment Manager may pool the Partnership's

order with that of another client or clients. Simultaneously placing a number of separate, competing orders may adversely affect the price of a security. Therefore, where appropriate, when bunching orders, and allocating block purchases and block sales, it is the Investment Manager's policy to treat all clients fairly and to achieve an equitable distribution of bunched orders. All new issues of securities and block trades of securities will be purchased for, or allocated amongst, all applicable accounts of our clients in a manner the Investment Manager considers to be fair and equitable.

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

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

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

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

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

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

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

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

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

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

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

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

The above sets out in general terms the standards of fairness that the Investment Manager and its employees will exercise in its dealings with the Partnership and all of its clients.

Soft Dollar Arrangements

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

To the extent that the terms offered by more than one dealer are considered by the Investment Manager to be comparable, the Investment Manager may, in its discretion, choose to purchase and sell portfolio securities from and to or through dealers who provide research, data, statistical and other services to the Investment Manager in respect of their management of the Partnership. These arrangements are known as soft dollar arrangements and are intended to reduce some of the Investment Manager's administrative costs. The Investment Manager will only enter into such arrangements in accordance with industry standards when it is of the view that such arrangements are for the benefit of the investment funds it manages, however not all brokerage arrangements will benefit all funds at all times. The Investment Manager has an obligation to make a good faith determination that the Partnership receives reasonable benefit from any research goods and services received, relative to the amount of brokerage commission paid. The Investment Manager intends to limit these arrangements but will enter into such arrangements in accordance with applicable law when it is of the view that such arrangements are for the benefit of the investment funds it manages.

The Investment Manager is provided with research and data, from time to time, from the dealers with whom it places trades, directly or indirectly, for the Partnership, as well as for other investment funds it manages. Names of the dealer(s) that provided the Investment Manager with such research and data services in connection with the portfolio transactions for the Partnership during the last financial year of the Partnership will be provided on request by contacting the Investment Manager.

All soft dollar agreements are documented and are conducted in accordance with applicable law.

Personal Trading

The Investment Manager has adopted a policy intended to restrict and monitor all personal trading by the employees of the Investment Manager in order to ensure that there is no conflict between such personal trading and the interests of the investment funds managed by the Investment Manager and the Investment Manager's other clients.

Referral Arrangements

The Investment Manager may enter into referral arrangements whereby it pays a fee for the referral of a client to the Investment Manager or to one of the funds it manages. No such payments will be made unless the referred investors are first advised of the arrangement and all applicable securities laws are complied with.

Related and Connected Issuers

The Investment Manager is registered in the categories of investment fund manager ("**IFM**"), portfolio manager ("**PM**"), and exempt market dealer ("**EMD**") in Ontario, IFM and EMD in Newfoundland and Labrador and Quebec, PM and EMD in Alberta, and EMD in British Columbia, Saskatchewan and Manitoba. As a result, potential conflicts of interest could arise in connection with the Investment Manager acting in these capacities. As an exempt market dealer, the Investment Manager intends only to sell interests in related and/or connected limited partnerships and other pooled funds organized by the Investment Manager, and will not be remunerated by such limited partnerships or other pooled funds for acting in that capacity.

The Investment Manager may from time to time be deemed to be related or connected to one or more issuers for purposes of the disclosure and other rules of the securities laws referred to above, including the Partnership, the Offshore LP and the Master Fund. The Investment Manager is prepared to act as an adviser and as a dealer in the ordinary course of its business to and in respect of securities of any such related or connected issuer. In any such case, these services shall be carried out by the Investment Manager in the ordinary course of its business as an adviser and a dealer in accordance with its usual practices and procedures and in accordance with all applicable disclosure and other regulatory requirements.

The Investment Manager acts as the manager of the Partnership and, directly or indirectly, earns fees for managing the Partnership. The Investment Manager acts as an EMD in connection with the marketing and sale of units of the Partnership. However, no commissions are paid to the Investment Manager in connection with the sale of such Units. The General Partner is an affiliate of the Investment Manager and may receive distributions of profits from the Partnership. David Dattels is the sole officer and director of the General Partner and of the Investment Manager. Mr. Dattels is majority beneficial owner of the Investment Manager and the majority beneficial owner of the General Partner. From time to time, other employees of the Investment Manager and/or the General Partner may be permitted to acquire equity of the Investment Manager and/or the General Partner. **Accordingly, the Partnership, the Offshore LP and the Master Fund may be considered a related and/or connected issuer of the Investment Manager under applicable securities legislation.**

Statement of Related Registrants

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

The Investment Manager has no related registrants.

ANTI-TERRORISM AND ANTI-MONEY LAUNDERING LEGISLATION

The Investment Manager, General Partner and the Fund are required to comply with all applicable laws, regulations and administrative pronouncements concerning money laundering and other criminal activities ("**Anti-Money Laundering Laws**"). In furtherance of those efforts, an investor for Units will be

required to provide certain information and documentation and make a number of representations to the Investment Manager and General Partner regarding the source of subscription monies and other matters. The Subscription Agreement contains detailed guidance on whether identification verification materials will need to be provided with the Subscription Agreement and, if so, a list of the documents and information required.

A Limited Partner will be required to promptly notify the Investment Manager and General Partner if, to the knowledge of the Limited Partner, any of its representations with respect to Anti-Money Laundering Laws cease to be true and accurate. A Limited Partner must agree to provide to the Investment Manager and General Partner, promptly upon receipt of the Manager or General Partner's written request therefor, any additional information regarding the Limited Partner or their authorized signatory(ies) and/or beneficial owner(s) that the Investment Manager and General Partner deem necessary or advisable to ensure compliance with all Anti-Money Laundering Laws. If at any time it is discovered that a Limited Partner's representations with respect to Anti-Money Laundering Laws are incorrect, or if otherwise required by Anti-Money Laundering Laws, the Investment Manager and General Partner may undertake appropriate actions to ensure that the Investment Manager, General Partner and the Partnership are in compliance with all such Anti-Money Laundering Laws. The Investment Manager and General Partner may release confidential information about a Limited Partner and, if applicable, any underlying beneficial owner(s), to governmental authorities, as required by Anti-Money Laundering Laws.

LANGUAGE OF DOCUMENTS

Upon receipt of this document, each investor hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of securities described herein (including for greater certainty any purchase confirmation or notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

STATUTORY RIGHTS OF ACTION AND RESCISSION

Rights of Action for Damages or Rescission

Securities legislation in certain of the provinces of Canada provides purchasers of Units with, in addition to any other right they may have at law, rights of rescission or damages, or both, where this Offering Memorandum and any amendment thereto contains a misrepresentation. As used herein, except where otherwise specifically defined, "**misrepresentation**" has the meaning assigned in each Offering Jurisdiction, but generally means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement in the offering memorandum not misleading in light of the circumstances in which it was made. A "**material fact**" has the meaning assigned in each Offering Jurisdiction, but generally means a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the Units. Such rights must be exercised by the purchaser within the prescribed time limits. Purchasers should refer to the applicable provisions of the securities legislation of their province for the particulars of these rights or consult with a legal adviser. The following is a summary of the rights of rescission or damages, or both, available to purchasers under the securities legislation of certain of the provinces of Canada.

Ontario

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

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

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

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

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

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

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

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

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

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

This offering memorandum is being delivered in reliance on certain exemptions from the prospectus requirements, including those contained under section 2.3 (the "accredited investor exemption") and section 2.10 (the "minimum amount exemption") of NI 45-106. The rights referred to in section 130.1 of the Ontario Act do not apply in respect of an offering memorandum (such as this offering memorandum) delivered to a prospective purchaser in connection with a distribution made in reliance on the accredited investor exemption if the prospective purchaser is:

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

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

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

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

Saskatchewan

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Saskatchewan Act also provides a purchaser who has received an amended offering memorandum delivered in accordance with subsection 80.1(3) of the Saskatchewan Act has a right to withdraw from the

agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

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

Manitoba

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

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

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

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

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

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

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

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

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

(c) with respect to any part of the offering memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, an expert's report, opinion or statement, unless the person or company (i) did not conduct an

investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (ii) believed there had been a misrepresentation.

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

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

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

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

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

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

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

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

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

Nova Scotia

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

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

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

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

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

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

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

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

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

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

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

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

New Brunswick

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

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

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

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

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

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

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

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

Prince Edward Island

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Newfoundland and Labrador

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

(a) a right of action for damages against:

(i) the issuer;

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

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

(b) a right of rescission against the issuer.

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

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

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

(a) if the person or company proves

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

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

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

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

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

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

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

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

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

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

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

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

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

Northwest Territories

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

(a) a right of action for damages against

(i) the issuer;

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

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

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

(b) a right of rescission against:

(i) the issuer; or

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

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

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

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

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

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

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

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

(i) there had been a misrepresentation, or

(ii) the relevant part of the offering memorandum

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

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

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

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

(b) believed there had been a misrepresentation.

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

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

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

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

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

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

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

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

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

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

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

whichever period expires first.

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

Yukon

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

(a) a right of action for damages against:

(i) the issuer;

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

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

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

(b) a right of rescission against:

(i) the issuer; or

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

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

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

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

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

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

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

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

(i) there had been a misrepresentation, or

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

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

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

(b) believed there had been a misrepresentation.

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

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

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

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

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

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

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

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

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

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

whichever period expires first.

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

British Columbia, Alberta and Quebec

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

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

General

The foregoing summaries are subject to the express provisions of the applicable securities legislation and the regulations, rules and policy statements thereunder and reference is made thereto for the complete text of such provisions. The rights of action described herein are in addition to and without derogation from any other right or remedy that the purchaser may have at law.

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