

49 North Resource Fund Limited Partnership

ANNUAL INFORMATION FORM

March 28, 2007

Table of Contents

GLOSSARY OF TERMS	- 1 -
NAME, FORMATION AND HISTORY OF THE PARTNERSHIP	- 6 -
INVESTMENT RESTRICTIONS AND GUIDELINES	- 8 -
General	- 8 -
Investment Objectives	- 8 -
Investment Strategy	- 8 -
Investment Guidelines	- 9 -
Derivatives Policy.....	- 10 -
Changes to Investment Objectives.....	- 11 -
Eligibility for Investment and Related Matters.....	- 11 -
PARTNERSHIP UNITS.....	- 12 -
Authorized Capital.....	- 12 -
Summary of General Characteristics of Units	- 12 -
Allocation of Income and Loss.....	- 13 -
Distributions	- 13 -
Dissolution.....	- 15 -
Status of Limited Partners	- 16 -
Power of Attorney	- 18 -
Transfer of Units.....	- 19 -
Authority of Limited Partners, Limited Liability, Voting Rights and Fundamental Changes	- 21 -
CALCULATION OF NET ASSET VALUE, NET ASSET VALUE PER UNIT AND VALUATION OF PORTFOLIO SECURITIES.....	- 25 -
REDEMPTIONS, SWITCHES AND PURCHASES.....	- 27 -
RESPONSIBILITY FOR PARTNERSHIP OPERATIONS	- 28 -
General	- 28 -
Manager.....	- 28 -
Portfolio Advisor and Investment Manager.....	- 28 -
Custodian.....	- 29 -
Auditor.....	- 29 -
Registrar	- 29 -
CONFLICTS OF INTEREST.....	- 30 -
Principal Holders of Securities	- 30 -
PARTNERSHIP GOVERNANCE	- 31 -
General	- 31 -
Investment Manager	- 31 -
Investment Review Committee.....	- 32 -
Independent Review Committee.....	- 32 -
Proxy Voting Policies and Procedures.....	- 32 -
CANADIAN FEDERAL INCOME TAX CONSIDERATIONS.....	- 34 -
Computation of Income	- 34 -
Reasonable Expectation of Profits Proposals	- 35 -
Taxation of Limited Partners' Income or Loss.....	- 35 -
Eligible Expenditures	- 37 -
Investment Tax Credits.....	- 37 -
Disposition of Units in Partnership.....	- 38 -
Alternative Minimum Tax on Individuals	- 38 -
Cumulative Net Investment Loss.....	- 39 -
Tax Shelter.....	- 39 -
REMUNERATION OF DIRECTORS AND OFFICERS	- 40 -
MATERIAL CONTRACTS.....	- 41 -

GLOSSARY OF TERMS

In addition to certain other terms defined elsewhere in this Annual Information Form, when used herein, the following terms have the following meanings and grammatical variations thereof have like meaning:

“**affiliate**” and “**associate**” have the meanings given those terms in the *Securities Act*.

“**Applicable Securities Law**” means the securities legislation and regulations in each of the jurisdictions which have jurisdiction over the Partnership or the trading in securities of the Partnership and includes all applicable rules, general rulings, orders, national, multi-lateral and local instruments adopted by the respective Securities Regulators, or otherwise in force, in such jurisdictions. Additionally, if and so long as the Units are listed on an Exchange, the rules, regulations and policies of such Exchange, as amended and in force from time to time, shall be deemed to form part of Applicable Securities Law for the purposes of the Partnership Agreement.

“**arm’s length**” or “**non-arm’s length**” when used to denote a relationship between two or more persons shall have the meaning that such terms have under the *Tax Act*.

“**Available Funds**” means all funds from time to time available to the Partnership from subscriptions for Units and/or from borrowings under Loan Facilities, plus or minus the cumulative net gains or losses resulting from Portfolio transactions and less: (a) cash returned to Partners by Distributions; (b) expenses of the Partnership; and (c) cash reserves or other liquid assets as the General Partner in its discretion considers necessary for the proper operation of the Business.

“**Auditor**” means Hergott Duval Stack LLP, or such other firm of chartered accountants as the General Partner may appoint from time to time.

“**Book Entry System**” means the system operated by or on behalf of CDS or, if applicable, another Depository, for recording holdings of securities by Intermediaries.

“**Canadian Exploration Expense**” or “**CEE**” means “Canadian exploration expense” as defined in subsection 66.1(6) of the *Tax Act*, including, without limiting the generality of the foregoing but for greater certainty and for the purposes of the Partnership Agreement, “Canadian Development Expenses” (“**CDE**”) that may be renounced as CEE in accordance with subsection 66(12.601) of the *Tax Act*.

“**CDS**” or “**Depository**” means The Canadian Depository for Securities Limited or its nominee, which as at the date of the Partnership Agreement is CDS & Co., or any other depository appointed in accordance with the terms of the Partnership Agreement by the General Partner in substitution or replacement for CDS.

“**CDS Participant**” or “**Intermediary**” means a registered dealer or other financial intermediary participating in the Book Entry System.

“**Cumulative CEE**” or “**CCEE**” means cumulative Canadian exploration expenses as defined in subsection 66.1(6) of the *Tax Act*.

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

“**Declaration**” means the declaration of limited partnership originally registered July 20, 2005 under the *Partnership Act* and the *Registration Act* establishing the Partnership as a limited partnership pursuant to the laws of Saskatchewan, as from time to time amended.

“**Dissolution Date**” means the date the Partnership is dissolved in accordance with the Partnership Agreement and/or the *Partnership Act*.

“**Distribution**” means a distribution of cash to Limited Partners pursuant to Section 5.7 of the Partnership Agreement.

"Distribution Date" means any date on which cash is distributed to Limited Partners pursuant to Section 5.7 of the Partnership Agreement.

"Exchange" means the TSX Venture Exchange ("TSXV"), or such other stock exchange on which the Units may from time to time be listed.

"Eligible Expenditures" means expenditures in respect of resource exploration and development which qualify as certain types of CEE or as CDE and which can be renounced to the Partnership pursuant to subsections 66(12.6), 66(12.6.01) or 66(12.62) of the *Tax Act*.

"Extraordinary Resolution" means a resolution passed by 66⅔% or more of the votes cast at a duly constituted meeting, or an adjournment thereof, of the Limited Partners called for the purpose of considering such resolution, or, alternatively, a written resolution signed in one or more counterparts by Limited Partners holding 66⅔% or more of the Units outstanding and entitled to vote on such resolution at a meeting.

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

"Fiscal Quarter" means the three month interim periods ending on the last day of March, June, September and December, respectively, in each Fiscal Year of the Partnership.

"Fiscal Year" or **"Fiscal Period"** means a fiscal year of the Partnership, which Fiscal Year shall end December 31 of each year during the term of the Partnership except in the year that the Partnership is dissolved, in which case the Fiscal Year shall end on the Dissolution Date.

"Flow-Through Agreement" means a Resource Subscription Agreement entered into by the Partnership and a Resource Issuer pursuant to which the Partnership subscribes for Flow-Through Shares of a Resource Issuer and the Resource Issuer agrees to incur and renounce to the Partnership CEE in an amount equal to the subscription price for the Flow-Through Shares.

"Flow-Through Share" means a common share in the capital of a Resource Issuer (or a right, warrant, convertible debenture or other security convertible into common shares of a Resource Issuer) which qualifies as a "flow-through share" as defined in subsection 66(15) of the *Tax Act*.

"General Partner" means 49 North Resource Fund Inc. or any other person who may become the general partner of the Partnership in place of or in substitution for 49 North Resource Fund Inc., from time to time, in each case until such general partner ceases to be the general partner of the Partnership under the terms of the Partnership Agreement.

"High Quality Liquid Investments" mean high quality money market instruments which are accorded the rating category of A-1 by Standard & Poors Rating Services, a division of The McGraw-Hill Companies, Inc. ("Standard & Poors") or R-1 by Dominion Bond Rating Service; interest-bearing accounts of Canadian chartered banks or Canadian trust companies with assets in excess of \$15 billion; securities issued or guaranteed by the Government of Canada or by the government of any province of Canada or agency thereof; preferred shares with a remaining term of three years or less and having a rating of P-2 (Standard & Poors) or of PFD2 (Dominion Bond Rating Service) or better; or a money market mutual fund with similar quality constraints.

"Income" or **"Loss"** in respect of any Fiscal Year means, respectively, the net income or net loss of the Partnership for such Fiscal Year determined by the General Partner in accordance with generally accepted accounting principles.

"Independent Review Committee" means an independent review committee in respect of the Partnership more particularly described in NI 81-107.

"Investment Manager" means the investment manager or managers from time to time appointed by the General Partner in accordance with the Partnership Agreement, which Investment Manager, at the date hereof is TMM; and **"Investment Management Agreement"** means the written agreement pursuant to which an Investment

Manager is appointed which, in the case of TMM, means the amended and restated investment management agreement dated effective October 26, 2006 as described herein under “Responsibility for Partnership Operations - Portfolio Advisor and Investment Manager”.

“**Investment Review Committee**” means the investment review committee described herein under “Partnership Governance – Investment Review Committee”.

“**Investment Tax Credits**” or “**ITCs**” means non-refundable investment tax credits as defined in paragraph (a.2) of the definition of “investment tax credits” in subsection 127(9) of the *Tax Act* (“**Federal ITCs**”) and/or pursuant to *The Mineral Exploration Tax Credit Regulations* under *The Mineral Resources Act, 1985* (Saskatchewan) (“**Provincial ITCs**” or “**METC**”), or such other federal or provincial tax credits or similar tax benefits under the *Tax Act* or under the taxation or other legislation of Canada or any Canadian province or territory, whether now or hereafter enacted.

“**Limited Partner**” means a person who is admitted to the Partnership as a limited partner and remains a limited partner in the Partnership in accordance with the provisions of the Partnership Agreement

“**Limited Recourse Financing**” means any financing or other indebtedness for which recourse is or is deemed to be limited within the meaning of the *Tax Act*.

“**Listing Date**” means December 28, 2006, the date when the Units were first listed and posted for trading on the TSXV.

“**Loan Facilities**” and “**Loan Facility**” means borrowings of or other credit facilities for the Partnership as from time to time established by the General Partner in accordance with the Partnership Agreement.

“**NI 81-107**” means National Instrument 81-107, *Independent Review Committee for Investment Funds*.

“**non-resident**” has the meaning given that term in the *Tax Act*.

“**Ordinary Resolution**” means a resolution passed by more than 50% of the votes cast at a duly constituted meeting, or an adjournment thereof, of the Limited Partners, or, alternatively, a written resolution signed in one or more counterparts by Limited Partners holding more than 50% of the Units outstanding and entitled to vote on such resolution at a meeting.

“**Original Agreement**” means the limited partnership agreement in respect of the Partnership made as of July 19, 2005, as amended and restated September 30, 2005 between the General Partner, T & N Holdings Inc., as initial Limited Partner and each person who is or from time to time becomes a Limited Partner in accordance with the terms thereof.

“**Partner**” means any Limited Partner or the General Partner.

“**Partnership**” means 49 North Resource Fund Limited Partnership, a limited partnership under the laws of Saskatchewan.

“**Partnership Agreement**” means the amended and restated limited partnership agreement in respect of the Partnership made effective October 26, 2006 between the General Partner and each person who is or from time to time becomes a Limited Partner in accordance with the terms thereof, as the same may hereafter be further supplemented, amended or restated from time to time in accordance with the terms thereof.

“**Partnership Act**” means *The Partnership Act* (Saskatchewan), as amended from time to time.

“**Person**” or “**person**” means an individual, corporation, body corporate, partnership, limited partnership, joint venture, association, trust or unincorporated organization or any trustee, executor, administrator or other legal representative.

“**Portfolio**” means the securities from time to time held by or for the Partnership;

“**Register**” means the register of Limited Partners maintained by the General Partner or the Registrar and Transfer Agent in accordance with the requirement of the Partnership Agreement.

“**Registrar and Transfer Agent**” means such trust company (or other qualified corporation) as is from time to time appointed by the General Partner in accordance with the provisions of the Partnership Agreement as the registrar and transfer agent for the Units or, if no such registrar or transfer agent is so appointed, the General Partner.

“**Registration Act**” means *The Business Names Registration Act* (Saskatchewan), as amended from time to time.

“**Reinvestment Plan**” has the meaning given that term in the Partnership Agreement and as described herein under “Partnership Units – Distributions”.

“**Related Corporation**” means a company that is related to a Resource Issuer for the purposes of subsection 251(2) or 251(3) of the *Tax Act*.

“**reporting issuer**” means an issuer that is a “reporting issuer” under and as defined in the securities legislation of any Canadian province or territory or that has a status under the securities legislation of any Canadian province or territory substantially similar to that of a reporting issuer.

“**resident**” or “**resident of Canada**” means a person that is not a “non-resident” as defined in the *Tax Act*.

“**Resource Issuer**” means a corporation whose principal business (either directly or through a Related Corporation) is:

- (a) mining or exploring for minerals (a “**Mining Issuer**”); and/or
- (b) exploring or drilling for petroleum or natural gas (an “**Oil and Gas Issuer**”); and/or
- (c) the generation of energy through alternative means or the development of projects for alternative energy generation (as more particularly described in paragraph (h) or (i) in subsection 66(15) of the *Tax Act*) (an “**Alternative Energy Issuer**”),

and which, in the case of a Resource Issuer in which the Partnership acquires Flow-Through Shares, is a “principal-business corporation” as defined in subsection 66(15) of the *Tax Act*.

“**Resource Securities**” or “**Securities**” means: (a) common shares or other equity or equity-linked securities in the capital of Resource Issuers; (b) special warrants, warrants, options, rights, convertible debentures and other convertible securities entitling the Partnership to acquire equity securities in the capital of Resource Issuers; and (c) any combination of the securities described in (a) and (b) above.

“**Resource Subscription Agreement**” means a subscription agreement entered into by the Partnership and a Resource Issuer pursuant to which the Partnership subscribes for Securities of a Resource Issuer.

“**SBCA**” means *The Business Corporations Act* (Saskatchewan), as amended from time to time.

“**Securities Act**” means *The Securities Act, 1988* (Saskatchewan), as amended from time to time.

“**Securities Regulators**” means the Saskatchewan Financial Services Commission and the securities commission or like regulatory authorities in other jurisdictions responsible for the administration of Applicable Securities Laws in such jurisdictions. Additionally, if and so long as the Units are listed on an Exchange, such Exchange shall be deemed to be a Securities Regulator for the purposes of the Partnership Agreement.

“**SEDAR**” means the internet based system for electronic data archiving and retrieval maintained by or on behalf of Canadian securities regulators.

“**TMM**” means TMM Portfolio Management Inc., a corporation pursuant to the *SBCA*.

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

“**Transfer Form**” means the form of transfer and power of attorney prescribed from time to time by the General Partner for use in connection with the transfer of Units.

“**Unit**” means an equal and undivided interest of a Limited Partner in the earnings and assets of the Partnership, as more particularly described in the Partnership Agreement.

“**\$**” means Canadian Dollars.

NAME, FORMATION AND HISTORY OF THE PARTNERSHIP

The Partnership was formed under the name 49 North Resource Flow-Through Limited Partnership pursuant to the Original Agreement and was constituted a limited partnership under the laws of Saskatchewan upon the registration of the Declaration pursuant to the *Partnership Act* and *Registration Act* effective July 20, 2006. This Original Agreement was further amended and restated effective October 26, 2006 to, amongst other things, change the name of the Partnership to 49 North Resource Fund Limited Partnership. This amended and restated Partnership Agreement, together with the *Partnership Act* and *Registration Act* now govern Partnership.

The General Partner of the Partnership was incorporated under the *SBCA* on October 13, 2004 under the name 101062093 Saskatchewan Ltd. and amended its articles effective May 11, 2005 to change its name to 49 North Resource Fund Inc. The head office of the Partnership and of the General Partner is 602 – 224 – 4th Avenue South, Saskatoon, Saskatchewan, S7K 5M5, and the registered office of the General Partner is 374 – 3rd Avenue South, Saskatoon, Saskatchewan, S7K 1M5.

The Partnership was largely inactive until December of 2005 when it completed and closed its initial public offering and related private placements (collectively the “2005 Offering”), raising gross proceeds of \$6,000,000 on the issuance of 1,200,000 Units at a price of \$5.00 per Unit. Under the Original Agreement the Partnership’s investment objective was to invest its Available Funds in Flow-Through Shares of Resource Issuers, with the focus on Resource Issuers with exploration programs in Saskatchewan, and with a view to achieving capital appreciation of the Portfolio and maximizing the tax benefits of an investment in the Units for its Limited Partners. In furtherance of that objective, prior to December 31, 2006, the Partnership invested \$6,000,000 in a Portfolio of Flow-Through Shares of 14 Resource Issuers under Flow-Through Agreements pursuant to which the respective investee Resource Issuers agreed to incur and renounce to the Partnership, with an effective date in 2005, CEE in an amount equal to the Partnership’s subscription price for such Flow-Through Shares. Generally, investors under the 2005 Offering who were Limited Partners of the Partnership as of December 31, 2005 were able to deduct the CEE so renounced to the Partnership in computing their taxable Income in 2006. Also, subject to certain limitations, such investors were able to claim a 15% non-refundable Federal Income Tax Credit and investors resident or otherwise subject to Saskatchewan income tax were generally able to claim an additional 10% non-refundable Saskatchewan Investment Tax Credit on funds invested by the Partnership in Flow-Through Shares of certain Mining Issuers engaged in specified surface “grass roots” mining activities in Saskatchewan.

The Original Agreement contemplated that the Partnership would continue only until March 31, 2007 unless such date was extended by an Extraordinary Resolution of the Limited Partners. The Original Agreement and the Partnership’s prospectus in respect of the 2005 Offering also contemplated, as an alternative to such dissolution, and in order to provide potential liquidity and long-term growth of capital to Limited Partners, that the General Partner would call a meeting of Limited Partners in 2006 for the purpose of considering and, if thought fit, approving by Ordinary Resolution a so-called “Reorganization Transaction” pursuant to which the General Partner would be authorized to sell and transfer all or substantially all of the assets of the Partnership or, as attorney and agent for each Limited Partner, to sell and transfer all Units of the Partnership and all of the interests of the respective Limited Partners in the Partnership, on a tax deferred basis, to a mutual fund corporation or another appropriate investment vehicle, such as a publicly listed corporation or a limited partnership (a “Public Entity”), in exchange for shares, limited partnership units and/or other securities of such Public Entity and to thereupon or as soon as reasonably possible thereafter distribute the shares or other securities so received to the Limited Partners on a pro rata basis. Subsequently, however, the General Partner determined that there were no suitable Public Entities which had the unique focus that the Partnership had on the Saskatchewan resource sector or that had a similar depth of experience in Saskatchewan’s resource sector. Accordingly, the General Partner recommended to the Limited Partners that, rather than transferring assets or Units to another Public Entity in a Reorganization Transaction of the type described above, it would be in the best interests of the Partnership and the Limited Partners to amend the Original Agreement to, in effect, convert the Partnership into a closed-end investment fund and to list the Units of the Partnership on a stock exchange. At a special meeting held September 19, 2006 the Limited Partner’s approved, by Extraordinary Resolution, the General Partner’s recommendations in this regard and the General Partner caused the Original Agreement to be amended and restated in accordance with this Extraordinary Resolution effective October 26, 2006 to, amongst other things: change the name of the Partnership from 49 North Resource Flow-Through Limited Partnership to 49 North Resource Fund Limited Partnership; increase the Partnership’s authorized

capital from 1,200,000 to an unlimited number of Units; change the Partnership's investment objective, strategy and guidelines to de-emphasize income tax considerations and to clarify that the Partnership could now invest in Securities of Resource Issuers whether or not such Securities were issued on a "flow-through" basis; and to extend the term of the Partnership.

Effective December 28, 2006 the Partnership's Units were listed on the TSXV; ticker g symbol FNR.UN.

Also in 2006, certain of the officers and directors of the Partnership caused to be incorporated a new company known as 49 North 2006 Resource Fund Inc. (the "2006 GP") which in turn formed, and acted as general partner of, another limited partnership under the laws of Saskatchewan known as 49 North 2006 Resource Flow-Through Limited Partnership (the "2006 Fund"). The management, organizational structure, business, and investment objectives, strategy and guidelines of the 2006 Fund were virtually identical to that of the Partnership under the Original Agreement. Prior to December 31, 2006 the 2006 Fund raised gross proceeds of \$8,115,030 in its own initial public offering and related private placement (collectively the "2006 Offering"), at \$5.00 per unit, of 1,623,006 limited partnership units of the 2006 Fund (the "2006 Units"); and prior to December 31, 2006 the 2006 Fund invested a substantially equal amount in a portfolio of Resource Issuer with exploration programs in Saskatchewan.

Effective February 8, 2007, the Partnership and the 2006 GP, in its capacity as general partner and on behalf of the 2006 Fund, its personal, corporate capacity, and as agent and attorney for each of the limited partners of the 2006 Fund (the "2006 LPs"), entered into a reorganization agreement (the "Reorganization Agreement"), pursuant to which, effective February 21, 2006, the parties completed a series of transactions (collectively the "February 2007 Reorganization Transactions") that resulted in the 2006 Fund effectively merging into the Partnership. These transactions included the acquisition by the Partnership of all of the 1,623,006 outstanding 2006 Units in exchange for issuing to the 2006 LPs a total of 1,598,314 Partnership Units, as well as the acquisition by the Partnership of all of the assets and the assumption by the Partnership of all of the liabilities of the 2006 Fund (which was then wound-up and dissolved). The liabilities assumed by the Partnership included, without limitation, the assumption of the 2006 Fund's obligations to Mr. Tom MacNeill under a loan agreement made as of July 31, 2006 pursuant to which Mr. MacNeill in 2006 advanced loans to the 2006 Fund, totalling approximately \$850,000, for the payment of agent fees and other offering costs associated with the 2006 Offering and for working capital. As at February 21, 2007, principal and accrued interest in the aggregate amount of approximately \$861,400 was outstanding on this loan. Pursuant to the original July 31, 2006 loan agreement, as amended by an acknowledgement and loan amending agreement made February 21, 2007 (collectively the "2006 Loan Agreement"), interest on such loan continues be payable monthly at the prime rate of the Royal bank of Canada plus 2%, and the loan is otherwise payable within thirty days of demand by the lender. The loan is secured by a general security interest in all of the assets of the Partnership.

The February 2007 Reorganization Transactions were carried out on the basis of the Partnership's and the 2006 Fund's respective Net Asset Values and Net Asset Values per Unit calculated as of the close of business on February 7, 2007. The net result to the Partnership of the February 2007 Reorganization Transactions was to increase the number of its issued and outstanding Partnership Units from 1,200,000 to 2,798,314 Units and to increase the Partnership's Net Asset Value from approximately \$5,244,000 immediately before the transactions to approximately \$12,229,000 immediately after the transactions; including holdings in what was then a total of 42 Resource Issues valued at a total of approximately \$13,241,000 (based on the February 7, 2007, unaudited valuations).

Pursuant to Section 3.3 of the Partnership Agreement, the business of the Partnership is to invest in and manage a diversified Portfolio of Securities of Resource Issuers, based primarily in Canada with the focus on Resource Issuers with exploration programs in Saskatchewan, with the objective of achieving capital appreciation of the Portfolio and with a view to the Partnership making a profit, and for otherwise conducting the activities described in the Partnership Agreement (all of which activities are collectively referred to as the "Business" of the Partnership). The Partnership does not carry on any other business but does have the power to do any and every act and thing necessary, proper, convenient or incidental to the Business as aforesaid.

INVESTMENT RESTRICTIONS AND GUIDELINES

General

The Partnership's investment objectives, investment strategy and investment guidelines, as set out in the Partnership Agreement are as follows:

Investment Objectives

The Partnership's investment objective is to invest in a diversified Portfolio of Securities of Resource Issuers, with the focus on Resource Issuers with exploration programs in Saskatchewan; and with a view to achieving capital appreciation of the Portfolio.

Investment Strategy

The General Partner is responsible for the management of the Portfolio, including having the responsibility and authority, subject to the provisions of the Partnership Agreement, to select the Resource Issuers in which the Partnership invests and to negotiate and enter into Resource Subscription Agreement on behalf of the Partnership. Management of the Portfolio may also include the sale of Resource Securities held in the Portfolio and the reinvestment of the net proceeds from any such dispositions in additional Securities of Resource Issuers.

The Partnership's investment strategy in this regard includes the following:

- (a) on or prior to December 31, 2005, all Available Funds were invested in Flow-Through Shares under Flow-Through Agreements the terms of which included the agreement by the Resource Issuer to incur, in an amount equal to the aggregate subscription price for the Flow-Through Shares thereunder, CEE that was renounced by the Resource Issuer in favour of the Partnership with an effective date in 2005;
- (b) from and after January 1, 2006 the General Partner may invest Available Funds in Securities of Resource Issuers, regardless of whether or not such Securities are Flow-Through Shares;
- (c) Available Funds may be invested in Resource Issuers engaged in either mineral exploration and development or oil and gas exploration and development, in Canada, without restriction as to the amount of Available Funds that are allocated to investment in Mining Issuers and Oil and Gas Issuers, respectively, and regardless of the provinces or territories in Canada in which such exploration and/or development activities are conducted. However, pursuant to the Partnership Agreement, the General Partner and Limited Partners acknowledge that the General Partner anticipates that the Portfolio will focus on Securities of Mining Issuers and/or Oil and Gas Issuers with exploration programs in Saskatchewan and generally be weighted in favour of investment in Mining Issuers more so than Oil and Gas Issuers;
- (d) Available Funds may also be invested in Flow-Through Shares of Alternative Energy Issuers, subject however to the limits set forth in the investment guidelines; and
- (e) in addition to the specific requirements and restrictions set forth in the investment guidelines, the General Partner will consider, without limitation, the following factors when entering into Resource Subscription Agreements:
 - (i) the experience of management, on a general, overall basis, with specific reference given to the number of directors and officers who have experience or expertise in the relevant resource sector and the depth of such experience or expertise;
 - (ii) past production, exploration results and the financial condition of the applicable Resource Issuer;
 - (iii) pricing of the Securities under the Resource Subscription Agreements and the relative value, liquidity and potential for growth in value of the Securities of the Resource Issuer; and

- (iv) engineering reports and other information regarding the exploration program to be conducted by the Resource Issuer to the extent that such engineering reports are available. The Partners acknowledge, however, that engineering reports may not be available with respect to any particular Resource Issuer or exploration program of such Resource Issuer or, if available, may not be prepared by independent mining or petroleum engineers and, therefore, an engineering report will not necessarily be a condition or requirement of the Partnership's investment in Securities of any particular Resource Issuer.

Investment Guidelines

Pursuant to the Partnership Agreement, the General Partner must manage the investment Portfolio in accordance with the following investment guidelines¹:

- (a) **Resource Issuers.** All Available Funds of the Partnership in 2005, totalling \$6,000,000, were invested on or prior to December 31, 2005 in Flow-Through Shares issued by Resource Issuers. Thereafter, funds of the Partnership, including without limitation, the net proceeds from any dispositions of Flow-Through Shares after December 31, 2005, may be invested in Resource Securities whether or not they are Flow-Through Shares.
- (b) **Reporting Issuers:** At least 95% of all funds invested in Resource Securities must be invested in Resource Issuers that are reporting issuers under Canadian securities laws, with not greater than 5% of such funds invested in Flow-Through Shares of Resource Issuers which are not reporting issuers and which may, therefore, be subject to continuing resale restrictions.
- (c) **Exchange Listing.** A minimum of 80% of Available Funds must be invested in securities of issuers whose shares are listed and posted for trading on a Canadian stock exchange, including without limitation, the TSX and/or TSXV
- (d) **Alternative Energy Issuers.** The Partnership may invest not more than 5% of Available Funds in Securities of Alternative Energy Issuers.
- (e) **Other Issuers.** The Partnership may, but is not required to, invest up to a maximum of 5% of Available Funds in publicly listed securities of issuers that are not Resource Issuers.
- (f) **Diversification.** The Partnership will limit its investment in any single issuer to a maximum of 10% of Available Funds, provided that, with express, unanimous approval by the board of directors of the General Partner, up to 20% of Available Funds of the Partnership may be invested in a single, publicly traded Resource Issuer.
- (g) **Purchasing Securities.** The Partnership will purchase securities (other than Flow-Through Shares) through normal market facilities unless the purchase price therefore approximates or is less than the prevailing market price or is negotiated or established on an arm's length basis from the Partnership and the General Partner.
- (h) **Fixed Price.** The Partnership will not purchase any security which may by its terms require the Partnership to make a contribution in addition to the payment of the purchase price provided that this restriction shall not apply to the purchase of securities which are paid for on an instalment basis where the total purchase price and the amount of all such instalments is fixed at the time the initial instalment is paid.
- (i) **No Material Interest.** The Partnership will not purchase for or sell securities from its Portfolio to the General Partner or any affiliate of the General Partner, or any officer, director or shareholder of any of them, or any person, trust, firm or corporation managed by the General Partner or any of its or their affiliates or any firm or corporation in which any officer, director or shareholder of the General Partner may have a material interest (which, for these purposes, means beneficial ownership of more than 10% of the voting securities of such

¹ All percentage limitations in the investment guidelines apply only immediately prior to the purchase of the relevant Securities and any subsequent change in any applicable percentages resulting from changing values does not require elimination of any Security from the Partnership's Portfolio.

entity) unless, with respect to any purchase or sale of securities, any such transaction is effected through normal market facilities, is not pre-arranged and the purchase price approximates the prevailing market price.

- (j) **No Borrowing.** The Partnership will not borrow money except pursuant to Loan Facilities as authorized and permitted by the Partnership Agreement.
- (k) **No Commodities.** The Partnership will not purchase or sell commodities.
- (l) **No Guarantees.** The Partnership will not guarantee the securities or obligations of any person.
- (m) **No Real Estate.** The Partnership will not purchase or sell real estate or interests therein.
- (n) **No Lending.** The Partnership will not lend money. For the purpose of this restriction, investments in High Quality Liquid Investments are not considered lending.
- (o) **No Control.** The Partnership will not purchase securities of a reporting issuer for the purpose of exercising control or management over such issuer and will not purchase more than 9.99% of the voting securities of any Resource Issuer in which it may invest.
- (p) **Restriction on Underwriting.** The Partnership will not act as an underwriter except to the extent that the Partnership may be deemed to be an underwriter in connection with the sale of securities in its investment Portfolio.
- (q) **Restrictions on Short Sales.** The Partnership will not make short sales of securities except for hedging purposes against existing positions held by the Partnership or in accordance with the Derivatives Policy as described in the Partnership Agreement (see below).
- (r) **No Mortgages.** The Partnership will not purchase mortgages.
- (s) **No Mutual Funds.** The Partnership will not purchase the securities of any mutual fund.
- (t) **No Derivatives.** The Partnership will not purchase or sell derivatives except in accordance with the Derivatives Policy described in the Partnership Agreement (see below).

Derivatives Policy

Pursuant to the Partnership Agreement, the Partnership's Derivatives Policy is as follows:

- (a) The Partnership may invest in or use derivative instruments that are consistent with the Partnership's investment objective, investment strategy and investment guidelines but, notwithstanding any other provision of the Partnership Agreement, only to the extent and for the purposes permitted from time to time by Applicable Securities Law;
- (b) The Partnership may use derivatives with the intention of offsetting or reducing risks associated with an investment or group of investments in Resource Securities and may use derivatives rather than direct investments in Resource Securities to reduce transaction costs, achieve greater liquidity, create effective exposure to broader markets or increase speed and flexibility in making Portfolio changes. The Partnership may seek to enhance the return to its Portfolio through the use of derivatives by seeking to reduce the potential for loss or by accepting a more certain lower return rather than seeking a less certain higher potential return. Derivatives may be used by the Partnership to position its investment Portfolio so that it may profit from declines in financial markets. The Partnership will not, however, use derivatives for speculative trading or to create a Portfolio with excess leverage.
- (c) The derivatives that the Partnership may invest in or use may include clearing corporation options, future contracts, options on futures, over-the-counter options, forward contracts, debt-like securities and listed warrants and the Partnership may invest in or use such derivatives for hedging purposes and for non-hedging

purposes as and to the extent permitted to do so by Applicable Securities Law, if cash and securities are set aside to cover the positions.

- (d) The Partnership may purchase for non-hedging purposes options, options on futures, listed warrants and debt-like securities which have an option component provided that, after giving effect to such purchase, not more than 10% of the Net Asset Value (determined at the time of such purchase) would consist of such instruments. The Partnership may also:
 - (i) write or exchange over-the-counter put or call options if the Partnership holds and continues to hold, as long as the position remains open, an equivalent quantity of the underlying interest, or a right or obligation to acquire or sell, as the case may be, such underlying interest, together with any required amount of cash or securities; and
 - (ii) use for non-hedging purposes futures, forward contracts and debt-like securities that have a component that is a long position in a forward contract if cash and/or securities are set aside to cover the positions.

Changes to Investment Objectives

The investment objectives, investment strategy and Investment Guidelines described above form part of the Partnership Agreement and may not be amended except by amending the Partnership Agreement and the Partnership Agreement may not be amended in this regard except with the consent of Limited Partners given by Extraordinary Resolution.

Eligibility for Investment and Related Matters

Provided that the Units are listed on the TSXV or another recognized stock exchange such as the TSX, such Units will be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and registered education savings plans.

PARTNERSHIP UNITS

The attributes and characteristics of the Units of the Partnership and the rights and obligations of the Limited Partners in respect of such Units and/or other rights and obligations of the Limited Partners are subject to all of the terms and conditions of the Partnership Agreement, a complete copy of which is available at www.SEDAR.com (posted as a “Material Document” on November 17, 2006), the whole of which Partnership Agreement is incorporated by referenced herein. The following discussion about the Units of the Partnership is qualified in its entirety by the more detailed terms and conditions pertaining to the Units and the rights and obligations of Limited Partners as set forth in the Partnership Agreement.

Authorized Capital

Pursuant to the Partnership Agreement and pursuant to general principals of partnership law, the capital of the Partnership consists, at any particular time, of the aggregate contributions of capital to the Partnership by the General Partner and its Limited Partners, plus (or minus) the cumulative net Income (or Losses) of the Partnership, and less all monies or other property from time to time properly paid or distributed to the respective Partners of the Partnership. The capital contributions to the Partnership include \$5.00 contributed by the General Partner upon the formation of the Partnership in July 2005 (in return for which the General Partner is entitled to a 0.01% interest in the net assets of the Partnership and to have allocated to it 0.01% of the Income or Loss of the Partnership in each Fiscal Year). The interests of the Limited Partners in the Partnership are divided into limited partnership units (ie the “Units”) and, generally, the capital contributions of Limited Partner are comprised of the subscription prices paid for the Units at the time of their issue from treasury, or, in the case of the Units issued to the former limited partners of the 2006 Fund in exchange for their 2006 Units in the February 2007 Reorganization Transactions the value of such 2006 Units at the time of those transactions.

Apart from the General Partner’s initial \$5.00 contribution as described above, the authorized capital of the Partnership is divided into and consists of an unlimited number Units, of which 1,200,000 Units were issued and outstanding as of December 31, 2006, with 2,798,314 Units issued and outstanding as of February 21, 2007 after giving effect to the February 2007 Reorganization Transactions. In addition to Units that are currently outstanding, the General Partner is authorized by the Partnership Agreement to from time to time offer, sell or otherwise issue (an “Additional, Offering”) additional Units (“Additional Units”) and/or convertible debentures, warrants, options, rights or other securities which may be converted or exchanged for Units (“Convertible Securities”); and to determine, in its discretion, the number and type of Units and, if applicable, Convertible Securities to be offered or issued (the “Offered Securities”), the time or times at or during which the Offered Securities are to be offered and / or issued, the price of the Additional Units and such other terms and conditions as the General Partner may determine. Without limiting the generality of the foregoing, the Partnership Agreement specifically authorizes and acknowledges that the General Partner may, and is authorized, to issue Units in exchange for assets or securities of other partnerships, limited partnerships, investment funds, corporations or other issuers, or in connection with a take-over bid by or of the Partnership of or by, or another merger or acquisition involving the Partnership with, another partnership, limited partnership, investment fund, corporation or other issuer.

As at the date hereof there are no Convertible Securities outstanding and the Partnership has no agreements or immediate plans to issue any unissued Units.

Summary of General Characteristics of Units

Subject to details and exceptions discussed below, generally, each Unit: (a) represents an equal and undivided interest in 99.99% of the net assets of the Partnership; and (b) entitles the Limited Partners: (i) of record as at the end of each Fiscal Year to share, pro rata, in 99.99% of the Income (or Loss) of the Partnership for such Fiscal Year; (ii) to share pro rata in any distributions by the Partnership; and, (iii) in the event of dissolution of the Partnership, to receive 99.99% of the assets of the Partnership remaining after payment of all debts, liabilities and liquidation expenses of the Partnership. Each Limited Partner is entitled to one vote for each Unit on all matters that require or permit a vote by Limited Partners, and each Unit entitles the holder to the same rights and obligations in respect of that one Unit as the holder of any other Unit and no Limited Partner is entitled to any privilege, priority or preference in relation to any other Limited Partner unless it is as a consequence of owning more Units than another Limited Partner.

Allocation of Income and Loss

The Partnership itself is not liable for income tax and is not required to file income tax returns except for an annual information return. It is, however, required to compute its Income (or Loss) in accordance with the provisions of the *Tax Act* for each of its Fiscal Years and the Income or Loss for a particular Fiscal Year (including CEE renounced to the Partnership with an effective date in such Fiscal Year) is in turn allocated among the Partners in accordance with the provisions of the Partnership Agreement. In this regard, The Partnership Agreement provides that, subject to certain exceptions discussed below, 99.99% of the Income or Loss of the Partnership in each Fiscal Year, and 100% of CEE renounced to the Partnership by Resource Issuers with an effective date in that Fiscal Year, shall be allocated pro rata among the Limited Partners who are Limited Partners of the Partnership on the last day of such Fiscal Year. The respective Limited Partners must take into account the amounts so allocated to them in computing their taxable income in their respective taxation years that includes the last day of the relevant Fiscal Year. The Fiscal Years of the Partnership end December 31 such that, generally, in the case of individuals and other Limited Partners who calculate taxable Income on a calendar basis, Income (or Loss) allocated, for example, as of December 31, 2006 to a particular Limited Partner must be included (or subject to the *Tax Act* may be deducted) by such Limited Partner in computing his taxable Income in 2006, as described in more detail herein under "Canadian Federal Income tax Considerations". The Partnership will make such filings in respect of such allocations as are required by the *Tax Act* or any other taxation or other legislation or laws of like import of Canada or of any province or jurisdiction, but the responsibility for filing tax returns and reporting such Income or deducting such Losses rests solely with the respective Limited Partners.

Section 5.6 of the Partnership Agreement provides that, notwithstanding the foregoing, in the event that the actions of a particular Limited Partner (including, without limitation, in the event that a Limited Partner finances the acquisition of Units with Limited Recourse Financing), results in a reduction in: (a) the deductions that the Partnership could otherwise claim in calculating its Income or Loss in any Fiscal Year; or (b) the amount of any CEE renounced (or that might otherwise be renounced) by Resource Issuers to the Partnership, or by the Partnership to Limited Partners, other than such Limited Partner, in any Fiscal Year; or (c) the amount of Investment Tax Credits that could otherwise be claimed by Limited Partners in any Fiscal Year, other than by such particular Limited Partner, the amount of such reduction shall be applied, to the maximum extent permitted by law, firstly to reduce the size of the Loss and/or CEE and/or ITCs, as applicable, that would otherwise be allocated to the particular Limited Partner pursuant to such provisions and, if and to the extent that the amount of the reduction exceeds what would otherwise be the total Losses, CEE or ITCs, as applicable, allocated to the particular Limited Partner, the balance of such reduction shall be allocated among the Limited Partners other than the particular Limited Partner in proportion to the number of Units held by each of them. If, in a subsequent Fiscal Year, the particular Limited Partner takes steps which offset all or any part of such reduction, such amount as is restored at such time shall, to the extent permitted by law, first be allocated pro rata among the other Limited Partners until their share of the Losses or CEE or ITCs, as applicable, are restored to what they would have been but for the actions of the particular Limited Partner and then to the particular Limited Partner.

Distributions

Subject to the *Partnership Act*, the Partnership Agreement and the provisions of any Loan Facility, and subject to the Partnership retaining such cash reserves or other liquid assets as the General Partner in its discretion considers necessary for the proper operation of the Business, pursuant to Section 5.7 of the Partnership Agreement:

- (a) the Partnership shall distribute (a "Mandatory Distribution"), as soon as practicable after the end of each Fiscal Year, to the Limited Partners of record as at the end of such Fiscal Year, an amount per Unit equal to the Estimated Tax Liability per Unit for that Fiscal Year, provided that the Partnership may, but shall not be required to, make a Mandatory Distribution in any Fiscal Year where the Estimated Tax Liability is less than \$0.20 per Unit. For this purpose, "Estimated Tax Liability" in or for any particular Fiscal Year, means an amount per Unit, as determined by the General Partner in consultation with the Partnership's Auditors, equal to the estimated Canadian federal and provincial income tax liability that a Limited Partner would normally be expected to have to pay on the Income allocated to him for such Fiscal Year by virtue of his being a Limited Partner as at the end of the particular Fiscal Year (and having regard to the nature of the Income and of the expenses, deductions and/or Investment Tax Credits so allocated) assuming that such Income was taxable at the

highest combined Canadian federal and Saskatchewan provincial marginal tax rates in effect for the particular Fiscal Year; and

- (b) the Partnership may make, but shall not be required to make, such additional Distributions of cash to Limited Partners as may from time to time be determined by the General Partner and the General Partner shall be authorized to fix a record date or dates for determining the Limited Partners entitled to share in any such Distributions.

Subject to the provisions the Partnership Agreement, the General Partner may sell or cause the Partnership to sell such Portfolio Securities, or to borrow such monies under Loan Facilities, as may be necessary to make timely payment of any Mandatory Distributions.

Section 5.8 of the Partnership Agreement creates a mechanism by which the Partnership may adopt a Reinvestment Plan, but at the date hereof no such Reinvestment Plan has been adopted. In that regard, Section 5.8 provides as follows:

- (a) Subject to obtaining any necessary approvals of Securities Regulators and subject to each of the provisions of this Section 5.8, the Partnership may make available to Limited Partners the opportunity to reinvest Distributions to purchase Units and the General Partner may adopt such Reinvestment Plans or, in this Section 5.8, a "Plan") and appoint (and from time to time terminate and/or reappoint) such agents (a "Plan Agent") as it considers reasonably necessary for the operation and administration of any Reinvestment Plan so adopted.
- (b) Where a Reinvestment Plan is adopted by the General Partner, the General Partner shall:
 - (i) cause the Plan to be set forth in writing;
 - (ii) provide notice of the adoption of the Plan to all persons who at the time of such adoption are Limited Partners; and
 - (iii) publish a copy of the Plan (or a press release and/or material change report containing a reasonably detailed summary thereof) on SEDAR;
- (c) where a Plan is adopted and published by the General Partner in accordance with the foregoing provisions of Section 5.8, such Reinvestment Plan shall and shall be deemed to form part of the Partnership Agreement and the Partnership Agreement shall and shall be deemed to be amended accordingly, provided that no Reinvestment Plan shall be adopted unless it conforms with the provisions of subsection 5.8(d); and
- (d) any Reinvestment Plan adopted by the General Partner in accordance with the foregoing provisions of Section 5.8 shall be operated and administered, and the rights and obligations of any Limited Partner participating in any such Reinvestment Plan (a "Plan Participant") shall be determined in accordance with the provisions of the Plan, provided:
 - (i) no Limited Partner shall be obligated to participate in any Plan;
 - (ii) each Plan Participant shall be afforded the opportunity, to the extent authorized by the respective Plan Participants, to elect the amount of any Distribution (which election may be expressed as a fixed dollar amount or as a percentage of any Distribution) that is to be applied to the purchase of Units pursuant to the Plan;
 - (iii) to the extent authorized by the respective Plan Participants as contemplated by paragraph 5.8(d)(ii) above, Distributions due pursuant to Section 5.7 to Plan Participants shall be applied to the purchase of Units as follows:

- A. if as of the relevant Distribution Date the Units are not listed on an Exchange, Units shall be purchased from the Partnership as of the first business day after the relevant Distribution Date at the Net Asset Value per Unit on the Distribution Date;
 - B. if as of the relevant Distribution Date the Units are listed on an Exchange, Distributions to be applied to the purchase of Units under the Plan shall be paid to the Plan Agent and applied by the Plan Agent to purchase Units in the market for a period of up to 20 days after the relevant Distribution Date at the market price per Unit plus applicable commissions or brokerage charges provided that such market price is not more than the Net Asset Value per Unit as of the relevant Distribution Date. Upon the expiration of such period, the unused part, if any, of the Distributions attributable to the Plan shall be used to purchase Units from the Partnership at the Net Asset Value per Unit as at the relevant Distribution Date (or at such other price as may be required or permitted by Applicable Securities Law).
- (iv) Units purchased from the Partnership or in the market shall be allocated between Plan Participants on a *pro rata* basis. The General Partner shall furnish, or cause the Plan Agent to furnish, to each Plan Participant a report of the Units purchased for such Person's account in respect of each Distribution and the cumulative total of all Units purchased for that account;
 - (v) Plan Participants may terminate their participation in a Reinvestment Plan at any time by giving written notice of such termination to the Plan Agent, provided such notice shall not apply to any Distributions made, or for which a record date has been fixed, within 10 days of the date such notice is actually received by the Plan Agent;
 - (vi) The General Partner may terminate any Reinvestment Plan at any time in its sole discretion provided that it gives at least 30 days notice of such termination to all Plan Participants;
 - (vii) No fractional Units will be issued. A cash adjustment for any fractional Units will be paid by the Partnership; and
 - (viii) the reinvestment of Distributions under a Reinvestment Plan will not relieve the Plan Participants of any income tax applicable to such Distributions.

Dissolution

Section 15.1 of the Partnership Agreement provides that, unless earlier dissolved by operation of law or judicial decree, the Partnership shall not be dissolved, except as follows:

- (a) if the General Partner makes a written proposal to all Limited Partners, or Limited Partners holding more than 50% of the Units then outstanding make a written proposal to the General Partner and to all other Limited Partners, for dissolution of the Partnership, and the Limited Partners consent thereto by means of an Extraordinary Resolution, the Partnership shall be dissolved on the date specified in such Extraordinary Resolution;
- (b) in the event of either:
 - (i) the dissolution, liquidation, bankruptcy, insolvency or winding-up of the General Partner; or
 - (ii) the appointment of a trustee, sequestrator or liquidator, or the occurrence of any event permitting the appointment of a trustee, sequestrator or liquidator, to administer the affairs of the General Partner, provided that the trustee, sequestrator or liquidator performs his functions for 60 consecutive days,

the Partnership shall be dissolved effective on the 180th day following such event unless a new general partner is admitted to the Partnership by Ordinary Resolution prior to the expiration of such 180 day period; or

- (c) if as of December 31 in any particular year all or substantially all of the property of the Partnership has been sold, distributed, realized upon or otherwise disposed of and all liabilities of the Partnership either paid or otherwise settled, but the Partnership has not been dissolved pursuant to any of the foregoing provisions, the Partnership shall be dissolved as of December 31 of that year.

Section 15.3 of the Partnership Agreement provides that prior to or as soon as reasonably possible after the dissolution of the Partnership, the General Partner (or in the event that dissolution results from an event referred to in subsection 15.1(b) of the Partnership Agreement, such other person as may be appointed by Ordinary Resolution of the Limited Partners) shall:

- (a) sell or otherwise convert to cash such of the Partnership's assets as may be required to pay or provide for the payment of the debts and liabilities of the Partnership and liquidation expenses and as may be required to distribute the remaining assets of the Partnership to the Limited Partners as provided herein;
- (b) pay or provide for the payment of all debts and liabilities of the Partnership and liquidation expenses then due or accruing due, with such allowances for contingent liabilities as the General Partner (or in the event that dissolution results from an event referred to in subsection 15.1(b) such other person as may be appointed by Ordinary Resolution of the Limited Partners) considers reasonable, including, for greater certainty, paying all monies then owing or accruing due as principal and/or interest on all Loan Facilities and any outstanding management fee and/or performance bonus owing or accruing due under the Investment Management Agreement;

and thereafter,

- (c) distribute the remaining assets as to 99.99% to the Limited Partners, proportionate to the number of Units held by each of them on such date, and as to 0.01% to the General Partner; and
- (d) satisfy all formalities as may be prescribed in the circumstances by applicable law.

The General Partner (or in the event that dissolution results from an event referred to in subsection 15.1(b), such other person as may be appointed by Ordinary Resolution of the Limited Partners) shall determine in its own discretion which and to what extent the assets of the Partnership available for distribution to the Limited Partners may be sold and converted to cash prior to distribution. The General Partner (or in the event that dissolution results from an event referred to in paragraph 15.1(b), such other person as may be appointed by Ordinary Resolution of the Limited Partners) shall give notice of the proposed date of dissolution of the Partnership not less than 15 days prior to such date, or as soon as practicable thereafter.

Status of Limited Partners

Pursuant to Section 13.2 of the Partnership Agreement, each Limited Partner represents, warrants and covenants to the General Partner and to all other Limited Partners that:

- (a) if an individual, he has obtained the age of majority and has the legal capacity and competence to enter into the Partnership Agreement and to take all actions required pursuant thereto;
- (b) if a corporation or body corporate, it has the legal capacity and competence to enter into the Partnership Agreement and to take all actions required pursuant thereto and all necessary approvals by its directors, shareholders and members, or otherwise, have been given to authorize the entering into of the Partnership Agreement and to take all actions required pursuant thereto;
- (c) he is a resident of Canada;
- (d) he has not financed his acquisition of Units with Limited Recourse Financing
- (e) he is not a partnership;

- (f) unless he has provided written notice to the contrary to the General Partner prior to his subscription for Units under the 2005 Offering or any Additional Offering being accepted by the General Partner or prior to any transfer of Units, including if requested by the General Partner a statutory declaration to that effect, he is not a Financial Institution;
- (g) at the time that any Units are issued or transferred to him he was at arm's length from the issuers of Resource Securities then held by or on behalf of the Partnership;
- (h) he shall continue to observe and comply with the representations, warranties and covenants in subsections 13.2(c), (d), (e), (f) and (g) above during all times that he continues to hold Units; and
- (i) he shall not transfer his or its Units in whole or in part in a manner that would not conform with Article 11 of the Partnership Agreement (see below "Transfer of Units").

Section 13.3 of the Partnership Agreement additionally provides that each Limited Partner shall provide to the General Partner all such information concerning such Limited Partner as may reasonably be requested by the General Partner from time to time and which is necessary, or, in the discretion of the General Partner desirable, for the purpose of registering or recording such Limited Partner in the Register or in the Declaration and/or in connection with any forms or filings relating to the Partnership or to such Limited Partner or to any other Partner pursuant to the *Tax Act* or any other legislation or law, or as the General Partner otherwise considers necessary or desirable to: (a) confirm the number of Units held by such Limited Partner and, if applicable, the Intermediaries and/or beneficial holders on whose behalf such Units are held; and (b) confirm the accuracy of any of the representations, warranties, covenants or authorizations of such Limited Partner, and/or of the Intermediaries and/or respective beneficial owners of the Units registered in the name of such Limited Partner including, without limiting the generality of the foregoing, the full name, residential address or address for service (and, if available, facsimile number and e-mail address) and the social insurance number or corporate account number, as the case may be, of the respective beneficial owners of such Units, as well as the name and registered representative number of the representative of any agent or Intermediary responsible for such beneficial owner's subscription for Units under the 2005 Offering or for Additional Units under any Additional Offering, or from or through whom such Limited Partner may otherwise have acquired Units, as applicable. Each Limited Partner represents and warrants to the General Partner and to all other Limited Partners that all such information so provided or obtained shall be true and correct in all material respects.

Further, Section 13.4 of the Partnership Agreement provides that, notwithstanding any other provision of the Partnership Agreement, the General Partner shall not accept any subscription for Units from and shall not issue to, or accept the transfer of any Units to, any subscriber or transferee of Units if such subscriber or transferee (or the beneficial owner of the Units so subscribed for or transferred), to the knowledge of the General Partner, refuses or is unable, unwilling or for any other reason fails to make and grant the or any of the representations, warranties and covenants or fails to provide or agree to provide the information and/or authorizations described in Sections 13.2 and 13.3 of the Partnership Agreement and/or grant the power of attorney referred to in Article 19 of the Partnership Agreement (see below, "Power of Attorney") and, additionally, the General Partner shall not accept any subscription for Units from and shall not issue or accept the transfer of any Units to a Financial Institution if, as a result thereof, to the knowledge of the General Partner, Financial Institutions would become the beneficial owners of greater than 45% of the Units that are then outstanding. Further, the General Partner may reject any subscription for Units from and/or may refuse to issue to, or accept the transfer of any Units to, any person if the holding or continued holding by such person of Units would, or in the opinion of the General Partner might reasonably be expected to, have an adverse effect on the Income or Loss of the Partnership or on the ability of the Partnership to have renounced to it CEE, or the ability of the Partnership to allocate to Limited Partners (or the ability of any Limited Partner to have allocated to it or to otherwise claim) any Income, Loss, CEE or ITC.

Section 13.5 of the Partnership Agreement provides that, if at any time, to the knowledge of the General Partner,

- (a) any Limited Partner ceases to be, or is discovered not to be, a resident of Canada for the purposes of the *Tax Act*;

- (b) any Limited Partner finances or is discovered to have financed the or any portion of the acquisition cost of his or its Units with Limited Recourse Financing;
- (c) any Limited Partner is or becomes or is discovered by the General Partner to be a partnership;
- (d) Financial Institutions hold more than 45% of the Units that are then outstanding, or if the General Partner believes that such situation is imminent;
- (e) any Limited Partner is or is discovered to be not at arms length from an issuer of Flow-Through Shares then held by or on behalf of the Partnership;
- (f) the power of attorney in Article 19 is not, or ceases to be, binding on a Limited Partner, or his or its heirs, executors, administrators, other legal representatives, successors and assigns,
- (g) any Limited Partner has transferred or purported to transfer Units to any person who does not have the status referred to in Section 13.2 or if any such transfer or purported transfer would result in any of the situations referred to in the foregoing provisions of this Section 13.5 arising; or
- (h) the holding or continued holding by any Limited Partner of Units would, or in the opinion of the General Partner might reasonably be expected to, have an adverse affect on the Income or Loss of the Partnership or on the ability of the Partnership to have renounced to it CEE, or the ability of the Partnership to allocate to Limited Partners (or the ability of any other Limited Partner to have allocated to it or to otherwise claim) any Income, Loss, CEE or ITC;

such Limited Partner (a “Defaulting Limited Partner”) shall and shall be deemed to be in default of a fundamental provision of the Partnership Agreement and the General Partner may by written notice require the or any of such Defaulting Limited Partners to sell their Units or such of their Units as the General Partner may specify to such person or persons, or do such other acts or things, as the General Partner, in its discretion, considers reasonably necessary to cure such default. In the event that a Defaulting Limited Partner fails to comply with such a request within the time period specified in such notice, the General Partner shall have the right to sell such Limited Partner’s Units and/or to purchase the same on behalf of the Partnership, in the market at such price as may be obtained, or by private sale at the Net Asset Value per Unit of such Units or at such other fair value as may be determined by an independent third party selected in good faith by the General Partner, whose determination will be final and binding and not subject to review or appeal. Section 13.6 of the partnership Agreement provides that notwithstanding the above provisions of Section 13.5, if the General Partner becomes aware that Financial Institutions are the beneficial holders of more than 45% of the outstanding Units, or believes that such a situation is imminent, only those Financial Institutions as may be selected by the General Partner may be required to sell Units pursuant to Section 13.5 and then only such Units as are necessary, in the reasonable opinion of the General Partner, to reduce the total number of Units beneficially held by all Financial Institutions to not more than 45% of the Units then outstanding. The General Partner shall select the Financial Issuers that may or shall be required to sell their Units in inverse order to the order that the Units were acquired as recorded in the Register or in such other manner as the General Partner considers just and equitable.

Power of Attorney

Pursuant to Article 19 of the Partnership Agreement, each Limited Partner irrevocably makes, constitutes and appoints the General Partner as its true and lawful attorney and agent, with full power of substitution and authority, subject to the terms of and any applicable restrictions in the Partnership Agreement, in his name, place and stead to:

- (a) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices in any jurisdiction where the General Partner considers it appropriate any and all of:
 - (i) the Partnership Agreement and any amendments thereto;

- (ii) any amendment to the Declaration and all certificates and other instruments necessary or appropriate to qualify or to continue the qualification of the Partnership as a limited partnership in the Province of Saskatchewan and in each other jurisdiction where the Partnership may conduct business or where such qualification is necessary or desirable to maintain limited liability of Limited Partners in that jurisdiction;
 - (iii) all instruments and certificates and any amendment to the Declaration necessary or appropriate to reflect any amendment, change or modification of the Partnership Agreement;
 - (iv) all instruments and other documents necessary to effect the dissolution and liquidation of the Partnership for the purposes of winding-up the affairs of the Partnership, including, without limitation, cancellation of the Declaration;
 - (v) all instruments relating to the admission of additional or substituted Limited Partners;
 - (vi) if and where the Partnership Agreement authorizes or provides for the sale, transfer or forfeiture of a Unit, any instrument in connection with such sale, transfer or forfeiture; and
 - (vii) all elections, determinations or designations under the *Tax Act* or any other taxation or other legislation or laws of like import of Canada or of any provinces or jurisdictions in respect of the affairs of the Partnership or of a Partner's interest in the Partnership including, without limitation, elections under subsections 85(2) and 98(3) of the *Tax Act* and the corresponding provisions of applicable provincial legislation, if relevant;
- (b) execute and file with any government body any documents necessary and appropriate to be filed in connection with the Business of the Partnership or in connection with the Partnership Agreement; and
 - (c) make any application for and receive any amount or credit under a federal or provincial incentive program.

Each Limited Partner will be bound by any representation or action made or taken by the General Partner pursuant to such power of attorney and waives any and all defences which may be available to contest, negate or disaffirm any action of the General Partner taken in good faith under such power of attorney; the power of attorney is irrevocable and binds the Limited Partner, his heirs, executors, administrators and other legal representatives and the successors and assigns of the Limited Partner, notwithstanding the death or bankruptcy of the Limited Partner; and the General Partner shall have the power to execute documents in the name of all the Limited Partners pursuant to the aforesaid power of attorney by affixing its signature thereto with the indication that it is acting on behalf of all the Limited Partners.

Transfer of Units

Article 11 of the Partnership Agreement includes detailed provisions relating to the transfer of Units. Pursuant to Section 11.1, a Limited Partner (the "transferor") may transfer or assign Units to another person (the "transferee") in accordance with and subject to the following provisions:

- (a) only whole Units are transferable and, except with the consent of the General Partner, prior to the Listing Date no transfer shall be made of fewer than 500 Units;
- (b) if any Certificate has been issued in respect of the Units being transferred (other than a Certificate issued in the name of a Depository or an Intermediary under the Book Entry System) such Certificate must first be delivered to the Registrar and Transfer Agent duly endorsed for transfer by the transferor, or its duly authorized agent. Unless waived by the General Partner and/or Registrar and Transfer Agent, the signature of the transferor shall be guaranteed by a Canadian chartered bank, a trust company qualified to carry on business in any province of Canada, a member of the Investment Dealers Association of Canada or a member of a recognized stock exchange;
- (c) prior to the Listing Date (or after the Listing Date during any period when the Units are not listed and posted for trading on an Exchange) no Units may be transferred unless a Transfer Form, duly executed (in one or more

counterparts) by the transferor and the transferee, or their respective duly authorized agents (including without limitation by the General Partner as agent pursuant to the power of attorney set forth in Article 19 of the Partnership Agreement), is delivered to the General Partner or the Registrar and Transfer Agent, provided that the General Partner shall not accept any transfer by or on behalf of any Limited Partner unless the transferee acknowledges and agrees to be bound by all of the terms and conditions of the Partnership Agreement;

- (d) on and after the Listing Date (other than during any period when the Units are not listed and posted for trading on an Exchange) all transfers of Units shall be carried out in accordance with the policies and procedures of the Exchange and in accordance with the listing arrangements and agreements made by the Partnership, or by the General Partner on behalf of the Partnership, with or in favour of the Exchange, in which case any person to whom or for whose account any Units are so transferred shall automatically, and without further formality or the execution and/or delivery of any further instrument, be and be deemed to be bound by all of the terms and conditions of the Partnership Agreement applicable to Limited Partners;
- (e) notwithstanding subsection 11.1(d), neither the General Partner nor the Registrar and Transfer Agent shall be obliged to record any transfer (or the transferee of any Units that are transferred) pursuant to said subsection 11.1(d) in the Register or to record the transferee (or remove the transferor) as a Limited Partner in the Registry or the Declaration, or to otherwise recognize or acknowledge any such transfer unless and until it has received and accepts a Transfer Form duly executed (in one or more counterparts) by the transferor and the transferee (or their respective successors or predecessors entitled to the transferred Units, or their respective duly authorized agents (including without limitation by the General Partner as agent pursuant to the power of attorney set forth in Section 19 hereof)) pursuant to which the transferee expressly agrees to be bound by all of the terms and conditions of the Partnership Agreement.

Section 11.2 of the Partnership Agreement provides that where any Units are transferred in accordance with Section 11.1, the transferee shall expressly agree in any Transfer Form that is executed and/or delivered by or on behalf of the transferee, and regardless of whether or not any such Transfer Form is so executed and delivered, any such transferee shall and shall be deemed to have agreed, without further act or formality, to be bound by all of the provisions of the Partnership Agreement and, in particular, but without limitation, shall and shall be deemed to have:

- (a) covenanted, represented, warranted and agreed to and in favour of the Partnership, the General Partner and all Limited Partners that such transferee has the status and capacity required of Limited Partners, shall provide all information requested by the General Partner, and shall make and grant the representations, warranties, authorizations and covenants set forth in Sections 13.2 and 13.3 of the Partnership Agreement; and
- (b) irrevocably nominated, constituted and appointed the General Partner as his true and lawful attorney with full power and authority as set out in Article 19 of the Partnership Agreement,

provided that, pursuant to Section 11.4 of the Partnership Agreement, and without limiting the provisions of subsection 11.1(d) of the Partnership Agreement, a transferee of Units will automatically become bound and subject to the Partnership Agreement without execution of any further instrument from and after the time the transfer is accepted by the General Partner.

Pursuant to Section 11.3 of the Partnership Agreement, and without limiting the obligations or authority of the General Partner to deny transfers pursuant to Section 13.4 thereof, the General Partner shall also have the right, in its sole and absolute discretion, to deny any transfer in whole or in part if it has reason to believe that the transfer is not being made in compliance with Applicable Securities Law, or if the Transfer Form is received by it after a notice of dissolution has been given pursuant to the applicable provisions of Article 15 of the Partnership Agreement.

Section 11.5 of the Partnership Agreement provides that where a Transfer Form is received and accepted by the General Partner, the General Partner or the Registrar and Transfer Agent will record or cause to be recorded the particulars of the transfer thereunder in the Register and the General Partner will, by not later than December 31 in the year in which the transfer is accepted, cause the Declaration to be amended as may be required pursuant to the *Partnership Act* or the *Registration Act* to accurately reflect such transfer, including registering the transferee as a Limited Partner in the Declaration, and removing the transferor as a Limited Partner in the Declaration in respect of the Units so transferred. Additionally, so long as any Units are registered in the name of a Depository or

Intermediary under the Book Entry System, the General Partner and Registrar and Transfer Agent may, and are thereby authorized, to from time to time obtain from or through such Depository or Intermediary such list or lists, prepared as of a particular date, as to the beneficial owners of the Units registered in the name of such Depository or such Intermediaries and the name and all other particulars of or in respect of the beneficial owners as contemplated by Section 13.3. Further, the General Partner and/or Registrar and Transfer Agent shall be entitled to rely on the accuracy of such lists or other information, to assume that the beneficial owners named in such information are the actual beneficial owners of the Units and that any Limited Partner theretofore registered in the Register or in the Declaration, that does not then appear on such lists has transferred his, her or its Units and that any person that does appear on any such lists but did not appear on and whose name was not theretofore recorded in the Register or the Declaration has acquired such Units as therein indicated, and the General Partner and Registrar and Transfer Agent, as applicable, may (but shall not be obligated) to amend the Register and/or the Declaration accordingly. Any transferee so recorded will become a Limited Partner at the time the Declaration is so amended (unless he was already a Limited Partner at that time by virtue of holding other Units) and the transferor so recorded shall thereupon cease to be a Limited Partner (unless he continues to hold other Units).

Section 11.7 of the Partnership Agreement provides that where a person becomes entitled to a Unit on the incapacity, death or bankruptcy of a Limited Partner, or otherwise by operation of law, in addition to the requirements of Section 11.1 of the Partnership Agreement referred to above, such entitlement will not be recognized or entered in the Register until that person has produced evidence satisfactory to the General Partner of such entitlement and has acknowledged in writing that he is bound by the terms of the Partnership Agreement.

Section 11.8 of the Partnership Agreement provides that, subject to the prohibitions in the Partnership Agreement regarding Limited Recourse Financing, a Limited Partner may mortgage, pledge or hypothecate a Unit which has been fully paid for as security for a loan to or an obligation of such Limited Partner. However, the General Partner is not obliged to recognize or acknowledge any such mortgage, pledge or hypothecation, and until and unless a Unit is transferred in accordance with the provisions of Article 11 referred to above, only the holder of the Unit as recorded in the Register shall be recognized by the General Partner.

Section 11.9 of the Partnership Agreement provides that, notwithstanding the provisions of the Partnership Agreement relating to the transfer of Units as summarized above, (a) if a person makes an offer (a "Take-over Bid") to all Limited Partners to acquire all of the Units of the Partnership that are then outstanding; and (b) if within 120 days after the date of the Take-over Bid it is accepted by the holders of not less than 66 $\frac{2}{3}$ % of the Units, the offeror under such Take-over Bid, upon complying with the provisions of Section 11.9 of the Partnership Agreement, will have a compulsory right of acquisition to acquire all (but not part) of the Units then held by Partners ("dissenting offerees") who did not accept the Take-over Bid at the fair value of Units held by such dissenting offerees. The provisions and procedural requirements of Section 11.9 are modeled upon and are substantially similar to the so-called "compulsory acquisition" provisions of the *SBCA* that apply where shares of a corporation are acquired by way of take-over bid, except that the provisions in Section 11.9 as to the threshold number of Units that must be acquired before triggering these compulsory acquisition provisions is 66 $\frac{2}{3}$ % of the outstanding Units whereas pursuant to the *SBCA* such threshold in the case of a take-over bid for shares is 90%.

Authority of Limited Partners, Limited Liability, Voting Rights and Fundamental Changes

Pursuant to the Partnership Agreement, and in particular Section 6.1 thereof, the General Partner has the exclusive authority to manage the operations and affairs of the Partnership, to make all decisions regarding the Business of the Partnership, to bind the Partnership and to admit Limited Partners, subject, however, to the limitations, restrictions and conditions of the Partnership Agreement; and pursuant to the *Partnership Act* and Section 9.1 of the Partnership Agreement, the General Partner has unlimited liability for the undertakings, liabilities and obligations of the Partnership. Pursuant to the *Partnership Act* and Section 9.2 of the Partnership Agreement, the liability of each Limited Partner for the liabilities, undertakings and obligations of the Partnership is, on the other hand, generally limited to the amount of such Limited Partner's capital contribution plus his pro rata share of the undistributed income of the Partnership. If, however, as a result of a distribution to the Partners, Partnership capital is returned in whole or in part and the Partnership becomes unable to discharge its debts in the normal course, the Partners having received any such distribution are liable to the Partnership, or where the Partnership is dissolved, to its creditors, for any amount, 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 otherwise arose before the return of such capital.

The Partnership Agreement also contains an acknowledgement on the part of all Limited Partners that there is a possibility that Limited Partners may lose their limited liability: (a) by taking part in the control of the business or management of the Partnership; or (b) to the extent that principles of Canadian law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one province but operating, owning property or incurring obligations in another province; or (c) as a result of false statements in the public filings made pursuant to the *Partnership Act* and/or the *Registration Act*, in which case they may become liable as third parties. Accordingly, the Partnership Agreement, and in particular Section 6.6 thereof, provides that no Limited Partner, as such, shall take part in the management or control of the business of the Partnership, transact any business for the Partnership or have the power to sign for or bind the Partnership.

Notwithstanding the foregoing, the General Partner is prohibited by the Partnership Agreement from doing certain things except with the approval of Limited Partners expressed by Extraordinary Resolution and the Partnership Agreement also permits certain thing to be done only with the approval of Limited Partners expressed by Extraordinary Resolution. Matters which require approval by Extraordinary Resolution include without limitation, as more particularly described in Section 14.10 of the Partnership Agreement, the following:

- (a) approve (or withhold approval as the case may be) any matter which by an express provision of the Partnership Agreement contemplates or requires approval by Extraordinary Resolution;
- (b) waive any default on the part of the General Partner of any provision of the Partnership Agreement on such terms as the Limited Partners may determine and release the General Partner from any claims in respect thereof;
- (c) subject to Article 16 of the Partnership Agreement, approve any amendment to the Partnership Agreement, including without limitation, to change the nature of the business permitted to be carried on by the Partnership pursuant to Section 3.3 and to amend the Partnership's investment guidelines;
- (d) approve the sale of all or substantially all of the assets of the Partnership;
- (e) require the General Partner on behalf of the Partnership to enforce any obligation or covenant on the part of any Limited Partner;
- (f) extend the term of the Partnership; or
- (g) subject to Article 15 of the Partnership Agreement, dissolve the Partnership.

In addition, the Limited Partners may from time to time, by Extraordinary Resolution or Ordinary Resolution, advise as to the management of the Partnership's Business, including as to any transaction proposed to be made outside the normal course of business of the Partnership, provided that any such Extraordinary Resolution or Ordinary Resolution shall not be binding on the Partners or the Partnership and shall be advisory only.

Additionally Section 18.1 of the Partnership Agreement provides that the Partnership shall have just one general partner at any given time and that the General Partner (the "Outgoing General Partner") may be removed as the general partner of the Partnership only if:

- (a) (i) the Outgoing General Partner expressly consents to the removal; or
- (ii) such removal of the Outgoing General Partner and/or the appointment of a new general partner is authorized pursuant to subsection 15.1(b) or Section 15.7 of the Partnership Agreement; or
- (iii) the Limited Partners resolve by Extraordinary Resolution to remove the Outgoing General Partner and then only if the Outgoing General Partner has materially breached its obligations under the Partnership Agreement and, if capable of being cured, such breach continues unremedied for a period of 20 business days after the Outgoing General Partner has received written notice thereof from any Limited Partner;

and

- (i) the Limited Partners have appointed, by Ordinary Resolution, concurrently with the removal of the Outgoing General Partner (or where the removal results from an event described in subsection 15.1(b) or Section 15.7 within the period referred to said subsection 15.1(b) or Section 15.7, as applicable), a replacement general partner (the “New General Partner”), which New General Partner shall only be eligible for appointment if it is a resident of Canada, has the status and capacity to do all acts and things required of the General Partner pursuant to the Partnership Agreement and agrees in writing to assume all the responsibilities and obligations of the Outgoing General Partner under the Partnership Agreement.

In that regard, Section 15.7 of the Partnership Agreement provides that, notwithstanding anything else contained in the Partnership Agreement, the General Partner shall not take, or agree to take, any action (corporate or otherwise) to dissolve, liquidate, file a proposal for bankruptcy under the *Bankruptcy and Insolvency Act* (Canada), wind up or make any arrangement or assignment for the benefit of creditors or appoint any trustee, receiver, receiver-manager or sequestrator to administer its affairs, unless it has first given 60 days’ notice in writing to the Limited Partners and in such notice called a meeting of Limited Partners to be held for the purpose of appointing a new general partner by Ordinary Resolution within such 60 day period. Upon the appointment of such new general partner, the former general partner shall be deemed to have resigned as the general partner of the Partnership.

More generally, all rights and obligations of the General Partner and Limited Partners of the Partnership are set forth in the Partnership Agreement including, without limitation, the basis of the calculation of any fee or expense that is charged to the Partnership by the General Partner or the Investment Manager, the ability to change the General Partner, the fundamental investment objectives, investment strategy and investment guidelines of the Partnership, the frequency of the calculation of the Net Asset Value per Unit, any reorganization type of transaction and any other transaction that would be a material change to the Partnership. As such, any changes to the rights and obligations of Limited Partners in respect of these matters can only be changed by amending the Partnership Agreement in accordance with the provisions of Article 16. In that regard, Section 16.1 of the Partnership Agreement provides that, subject to Section 16.2 thereof, the Partnership Agreement may be amended only in writing and with the consent of the Limited Partners given by Extraordinary Resolution, provided that:

- (a) Section 16.1 of the Partnership Agreement may not be amended without the unanimous consent of the Limited Partners present in person or represented by proxy at a meeting held for such purpose;
- (b) no amendment shall be made to the Partnership Agreement which would have the effect of reducing the General Partner’s share of the Income or Loss of the Partnership or the fees payable to the General Partner (unless the General Partner, in its sole discretion consents thereto) except upon a change of the general partner pursuant to Article 18;
- (c) no amendment shall be made to the Partnership Agreement without the unanimous consent of the Limited Partners which would have the effect of reducing the interest in the Partnership of any Limited Partner (other than as a result of dilution resulting from the issuance of Additional Units in accordance with the provisions of the Partnership Agreement), changing the liability of any Limited Partner, allowing any Limited Partner to exercise control over the business of the Partnership, changing the right of the General Partner or of a Limited Partner to vote at any meeting or changing the Partnership from a limited partnership to a general partnership;
- (d) no amendment shall be made to the Partnership Agreement which would have the effect of changing in any manner the allocation of Income or Loss of the Partnership for tax purposes; and
- (e) no amendment which would have the effect of adversely affecting the rights and obligations of the General Partner will become effective before 60 days after the date of the meeting at which such amendment was adopted, unless the General Partner consents to an earlier date.

Section 16.2 of the Partnership Agreement provides that the General Partner may, without prior notice to or consent from any Limited Partner, amend from time to time any provision of the Partnership Agreement, if such amendment is:

- (a) in the opinion of the General Partner:

- (i) for the protection or benefit of Limited Partners or the Partnership or to cure an ambiguity or to correct or supplement any provision contained in the Partnership Agreement which may be defective or inconsistent with any other provision contained therein;
- (ii) reasonably necessary or desirable to obtain and/or maintain the listing of Units on an Exchange; or
- (iii) reasonably necessary or desirable to supplement any Reinvestment Plan that may be adopted by the General Partner on behalf of the Partnership as contemplated by Section 5.8 of the Partnership Agreement (see above, “Authorized Capital”),

provided that the amendment does not and will not, in the opinion of the General Partner, materially adversely affect the rights of any Limited Partner and, in the event of an amendment referred to in paragraph 16.2(a)(iii) above the amendment conforms to the requirements of Section 5.8 hereof;

- (b) for the purpose of reflecting the admission, substitution, withdrawal or removal of Limited Partners in accordance with the Partnership Agreement;
- (c) a change that, in the sole discretion of the General Partner, is reasonable and necessary or appropriate to qualify or continue the qualification of the Partnership as a limited partnership in which the Limited Partners have limited liability under applicable laws;
- (d) a change that, in the reasonable opinion of the General Partner, on the advice of legal counsel and/or the advice of its Auditors or other professional advisors, is necessary or desirable to enable the Partnership, the General Partner and/or the Limited Partners to comply with, take advantage of, or not be detrimentally affected by any change in Applicable Securities Law, the *Tax Act* or any other taxation legislation of Canada or any Canadian province or territory, the *Partnership Act* or *Registration Act* (or any similar legislation in any other jurisdiction of Canada) or any other relevant legislation.

CALCULATION OF NET ASSET VALUE, NET ASSET VALUE PER UNIT AND VALUATION OF PORTFOLIO SECURITIES

Section 8.8 of the Partnership Agreement requires the General Partner to calculate the Net Asset Value of the Partnership and the Net Asset Value per Unit on December 6, 2005, the last business day in each Fiscal Quarter thereafter during the term of the Partnership (or such other, more frequent dates as may be determined by the General Partner in accordance with the Partnership Agreement)), each Distribution Date and the day immediately preceding the Dissolution Date (each of such dates being defined as a "Valuation Date").

The Partnership Agreement defines "Net Asset Value" to mean the amount, as of any particular day, calculated by subtracting the aggregate amount of the Partnership's liabilities from the aggregate of the Partnership's assets on that date and defines "Net Asset Value per Unit" as of any particular day to mean the amount obtained by dividing the Net Asset Value as of that date by the total number of Units outstanding on that date.

The Net Asset Value of the Partnership is calculated by the General Partner on each Valuation Date by subtracting the aggregate amount of the Partnership's liabilities from the aggregate of the Partnership's assets on that date. For this purpose Section 6.1 of the Partnership Agreement provides that the Partnership's assets will be valued as follows¹:

- (a) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash received (or declared to holders of record on a date before the date as of which the Net Asset Value is being determined and to be received) and interest accrued and not yet received, shall be deemed to be the full amount thereof, provided that: (i) the value of any security which is a debt obligation which, at the time of acquisition, had a remaining term to maturity of one year or less shall be the amount paid to acquire the obligation plus the amount of any interest accrued on such obligation since the time of acquisition; (ii) interest accrued will include amortization over the remaining term to maturity of any discount or premium from the face value of an obligation at the time of its acquisition, and (iii) if the General Partner has determined that any such deposit, bill, demand note or account receivable is not worth the full amount thereof, the value thereof shall be deemed to be such value as the General Partner determines to be the fair value thereof;
- (b) the value of any security which is listed or traded upon a stock exchange shall be determined by taking the latest available sale price of recent date, or lacking any recent sales or any record thereof, the simple average of the latest available offer price and the latest available bid price, (unless in the opinion of the General Partner such value does not reflect the value thereof and in which case the latest offer price or bid price will be used as determined by the General Partner), as at the Valuation Date on which the Net Asset Value is being determined, all as reported by any means in common use;
- (c) any market price reported in currency other than Canadian dollars shall be translated into Canadian currency at the prevailing rate of exchange, as determined by the General Partner, at the Valuation Date;
- (d) the value of any securities traded over-the-counter will be priced at the average of the latest bid and ask prices quoted by a major dealer in such securities unless a different fair market value is otherwise determined by the General Partner;
- (e) except as otherwise provided, assets, including restricted securities for which no published market exists, will be valued at cost unless a different fair market value is determined by the General Partner;
- (f) the value of any restricted securities (including securities subject to any hold period) shall be the lesser of:
 - (i) the value thereof based on reported quotations in common use; and

¹ Subsection 6.2(l) of the Partnership Agreement authorizes the General Partner to change the method or frequency of calculating the Net Asset Value and/or Net Asset Value per Unit in the event that such change is necessary to comply with Applicable Securities Laws or is recommended by the Partnership's Auditors and is not contrary to Applicable Securities Laws

- (ii) the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, multiplied by the percentage that the Partnership's acquisition cost was of the market value of such securities at the time of acquisition, provided that a gradual taking into account of the actual value of the securities may be made where the date on which the restriction will be lifted is known;
- (g) the value of any security or property or other assets to which, in the opinion of the General Partner, the above principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) shall be the fair value thereof determined in good faith in such manner as the General Partner from time to time adopts.

More particularly, as reported in the notes to the Partnership's audited financial statements for the Fiscal Year ended December 31, 2006, the fair value of any security which is listed or traded upon a stock exchange is estimated by taking the latest available sale price, or lacking any recent sales or any record thereof, the simple average of the latest available offer price and the latest available bid price. The quoted market value of securities that are subject to a hold period are valued with an appropriate discount as determined by the General Partner. The fair value of any shares which are not listed or traded upon a stock exchange are originally recorded at cost, unless the shares are Flow-Through Shares in which case they are originally recorded either on an assessment of the most recent price at which the investee company issued common equity without flow-through characteristics or the cost reduced by a typical premium being paid by the Partnership for similar Flow-Through securities. After the initial transaction, adjustments are made to reflect any changes in value as a result of an independent third party transaction. Downward adjustments to the carrying values are also made when there is evidence of a decline in value, as indicated by the assessment of the financial condition of the investment based on operational results, forecasts and other developments. Warrants are valued at nil during the period in which they are not exercisable and valued based on either quoted market values if traded or the amount by which the warrant is in the money (less an appropriate risk discount) when they become exercisable. A warrant is in the money when the stock price is greater than the exercise price of the warrant. Any difference between the estimated fair value and the cost of the investments is treated as unrealized appreciation or depreciation. All investment transactions are accounted for on the business day the order to buy or sell is executed. Realized gains or losses from investment transactions and unrealized appreciation and depreciation of investments are calculated on an average cost basis.

REDEMPTIONS, SWITCHES AND PURCHASES

The Partnership is a closed-end investment fund and Limited Partners are not entitled to have their Units redeemed by the Partnership. Except upon a dissolution of the Partnership (see above, “Partnership Units – Dissolution”) or the return of capital as part of a Distribution under Section 5.7 of the Partnership Agreement (see above “Partnership Units – Distributions”) no Limited Partner is entitled to any reimbursement of his contribution to the Partnership’s capital and no Limited Partner has the right to ask for the dissolution of the Partnership, for the winding-up of its affairs or for the distribution of its assets. As an exception to the foregoing, the General Partner has the power to sell and/or purchase on behalf of the Partnership the Units of Limited Partners in the circumstances described in Section 13.5 of the Partnership Agreement (see above, “Partnership Units – Status of Limited Partners”).

Limited Partners have no right to switch their Units for securities of any other mutual fund or investment fund.

An investor who desires to purchase securities of the Partnership may only do so by purchasing Units from an existing Limited Partner in the secondary market, or from time to time if, as and when the Partnership determines to issue Additional Units under an Additional Offering as described above under “Partnership Units – Authorized Capital” or pursuant to a Reinvestment Plan as described above under “Partnership Units – Distributions”, and then subject to Applicable Securities Laws.. The General Partner has no current plans to undertake an Additional Offering and has not adopted a Reinvestment Plan.

The Units are listed and posted for trading on the TSXV under the ticker symbol FNR.UN and an investor may purchase or sell Units through the facilities of the TSXV (subject to the provisions of the Partnership Agreement discussed above under “Partnership Units – Transfer of Units”) by contacting their investment advisor. While the Net Asset Value of Partnership Units is calculated on each Valuation Date as described above under “Calculation of Net Asset Value, Net Asset Value Per Unit and Valuation of Portfolio Securities” investors may not purchase Units at this amount, but rather only through the TSXV and at prices determined by the bid and ask prices as established through the facilities of the TSXV.

The Partnership has adopted the Book Entry System for recording holdings of Partnership Units and, generally, all Units are registered in the name of CDS and any transfer of Units must be made through a CDS Participant in accordance with the Book Entry System.

RESPONSIBILITY FOR PARTNERSHIP OPERATIONS

General

Pursuant to the Partnership Agreement, the General Partner has the exclusive authority to manage the operations and affairs of the Partnership including managing the investment Portfolio of the Partnership in compliance with the investment objectives, investment strategy and investment guidelines as described in the Partnership Agreement. See above, “Investment Objectives and Restrictions”. As such, the General Partner may be considered the “manager” of the Partnership. Certain of the General Partner’s responsibilities and authority with respect to the management of the Portfolio have been delegated to the Investment Manager pursuant to the an Investment Management Agreement as described below under “Portfolio Advisor and Investment Manager”

Manager

Name: 49 North Resource Fund Inc.
Address: 600 - 224 - 4th Avenue South
Saskatoon, Saskatchewan
S7K 5M5
Phone: 306-664-4626
E-mail address: investorrelations@49northresource.ca
Website address: www.49northresource.ca

The following table sets forth the names, municipalities of residence, offices held with the General Partner and principal occupation for the past five years for each director and officer of the General Partner.

Name and Municipality of Residence	Office or Position	Principal Occupation
Tom MacNeill Saskatoon, SK	President, Chief Executive Officer and Director	General Manager of BEC International Corporation
Ronald G. (“Bud”) Walker Victoria, BC	Chief Financial Officer, Secretary and Director	Chairman (and previously President) of Great Canadian Dollar Store Franchising Ltd., since 1993
Harvey J. Bay CMA Saskatoon, SK	Director	Chief Financial Officer of Shore Gold Inc. since November 2002 and of Wescan Goldfields Inc. since June 2004; President, Baywatch Industries Inc. since 1993
Neil D. Burwash Macklin, SK	Director	Certified Management Accountant and Certified Financial Planner. Owner/manager of Burwash Financial Services Inc.

The General Partner holds its position as manager of the Partnership pursuant to the Partnership Agreement and may only be removed as manager if it is removed as General Partner in accordance with Section 18.1 or 15.7 of the Partnership Agreement as described above under “Partnership Units - Authority of Limited Partners, Limited Liability, Voting Rights and Fundamental Changes”

Portfolio Advisor and Investment Manager

The General Partner has appointed TMM Portfolio Management Inc. (“TMM” or the “Investment Manager”) as the investment manager of the Partnership pursuant to an amended and restated investment management agreement made effective October 26, 2006 among the General Partner on behalf of the Partnership and TMM (the “Investment Management Agreement”). Mr. Tom MacNeill, the sole shareholder, a director and the Chief Executive Officer of

the General Partner, is the sole shareholder, director and officer of TMM. As such, Mr. MacNeill is, and has been since the formation of the Partnership, the person principally responsible for the day to day management of the Partnership's investment Portfolio.

Pursuant to the Investment Management Agreement, the Investment Manager assists the General Partner in identifying, analyzing and selecting investment opportunities in the mining, oil and gas and alternative energy sectors. The Investment Manager also assists the General Partner in monitoring the performance of Resource Issuers (including their expenditure of Flow-Through Share subscription proceeds within the timeframes outlined in the applicable Flow-Through Agreements) and generally provides advice and assistance to the General Partner in determining if and when to dispose of Flow-Through Shares in the Partnership's Portfolio and to identify, analyze and select Resource Issuers in which the proceeds of any such dispositions may be reinvested. Further, the Investment Manager agrees to comply with the investment objective, strategy and guidelines of the Partnership; to act honestly and in good faith with a view to the best interests of the Partnership; and, in performing its duties under the Investment Management Agreement, to exercise a degree of care, diligence and skill that a reasonably prudent person having the experience and qualifications of the Investment Manager would exercise in comparable circumstances. The Investment Management Agreement provides that the Investment Manager will not be liable in any way for any loss, default, failure, or defect in any of the securities comprising the Portfolio of the Partnership, unless such loss, default, failure or defect is attributable to the failure of the Investment Manager to satisfy the foregoing standard of care.

The Investment Management Agreement provides that the role of the Investment Manager is primarily consultative, and although the General Partner shall consult with the Investment Manager, the ultimate decision as to the purchase and sale of the Partnership's Portfolio securities and other decisions as to the execution of all Portfolio transactions will be made by the General Partner on behalf of the Partnership, subject where applicable, to the approval of the Partnership's Investment Review Committee and/or Independent Review Committee. See below, "Partnership Governance".

Custodian

The General Partner acts as custodian of the Partnership's investment Portfolio.

Auditor

The auditors of the Partnership and the General Partner are Hergott Duval Stack LLP, 1200 - 410 - 22nd Street East, Saskatoon, Saskatchewan, S7K 5T6.

Registrar

Equity Transfer & Trust Company, acting from its office in Toronto, Ontario, is the registrar and transfer agent for the Units of the Partnership.

CONFLICTS OF INTEREST

Principal Holders of Securities

As of the date of this Annual Information Form:

- (a) no person or company owns of record, or is known by the Partnership, the General Partner or the Investment Manager to own beneficially, directly (other than as a depository) or indirectly, more than 10% of the outstanding Units of the Partnership;
- (b) all of the outstanding shares of the General Partner and all of the outstanding shares of the Investment Manager are owned beneficially and of record by Mr. Tom MacNeill, who is also a director and the Chief Executive Officer of the General Partner and the sole director and officer of the Investment Manager.

Disclosure as to the amount of fees received by the General Partner and/or the Investment Manager in the Fiscal Year ended December 31, 2006 is contained in the audited financial statements of the Partnership. See also, "Remuneration of Directors and Officers".

PARTNERSHIP GOVERNANCE

General

The General Partner has the exclusive authority to manage the operations and affairs of the Partnership in accordance with the terms and subject to the conditions of the Partnership Agreement. The operations and affairs of the General Partner are, in turn, governed by the board of directors of the General Partner. This includes the authority and responsibility to manage of the Portfolio, including having the responsibility and authority (subject to the provisions of the Partnership Agreement, and in particular subject to and in accordance with the investment objective, strategy and guidelines established by the Partnership Agreement as described above under “Investment Restrictions and Guidelines”) to select the Resource Issuers in which the Partnership invests and to negotiate and enter into Resource Subscription Agreement on behalf of the Partnership. Management of the Portfolio may also include the sale of Resource Securities held in the Portfolio and the reinvestment of the net proceeds from any such dispositions in additional Securities of Resource Issuers.

Investment Manager

Subsection 6.2(f) of the Partnership Agreement specifically provides that the General Partner may, in its discretion, and shall if required by Applicable Securities Laws, engage any person or persons possessing such qualifications as may be required by Applicable Securities Laws and as the General Partner in its discretion otherwise deems advisable, to manage, or assist in and/or advise the General Partner and the Partnership in the management of the Partnership's investment Portfolio (including, for greater certainty a person, firm or corporation that is not or may not be at arm's length from the General Partner or any officer, director or shareholder of the General Partner) (an “Investment Manager”) and the General Partner may from time to time terminate the appointment of any Investment Manager so engaged and engage another Investment Manager to replace the Investment Manager whose engagement was so terminated. The General Partner is also authorized to negotiate the terms and conditions of any such Investment Manager's engagement and may delegate any of the powers and authority of the General Partner with respect to the management of the Partnership's investment Portfolio to such Investment Manager, provided that no such delegation of any such powers or authority shall release the General Partner of any of its obligations under the Partnership Agreement, and provided further:

- (a) the terms and conditions of such engagement shall be set forth in a written Investment Management Agreement between the Investment Manager and the General Partner on behalf of the Partnership;
- (b) any fees or other compensation payable to any Investment Manager, or the aggregate of all fees or other compensation payable to all Investment Managers (if more than one) who are associated or affiliated with the General Partner, or any director or officer of the General Partner, shall not exceed the compensation payable to the General Partner as contemplated by the Partnership Agreement (see “Remuneration of Directors and Officers”), and in such case the compensation payable to the General Partner pursuant to the Partnership Agreement shall be reduced by an amount equal to the fees or other compensation paid to such Investment Manager(s) pursuant to such Investment Management Agreement(s); and
- (c) pursuant to the Investment Management Agreement(s), the Investment Manager(s) shall comply with the investment objectives, strategy and guidelines of the Partnership as set forth in the Partnership Agreement and, in performing its duties under the Investment Management Agreement the Investment Manager must: act honestly, in good faith and in the best interests of the Partnership; exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and disclose any Conflict of Interest in writing to the Investment Review Committee including, without limitation, disclosing the nature and amount of fees, commissions or other compensation, if any, to be received by the Investment Manager in connection with or as a result of any placement or investment of the Partnership's funds in the securities of any issuer. For this purpose, “Conflict of Interest”, when used in relation to any transaction or proposed transaction or series of transactions involving the Partnership, means the situation that exists or is deemed to exist if a reasonable person would consider the Investment Manager, or any director, officer or shareholder of the Investment Manager, or their respective affiliates or associates, to have an interest in the transaction or series of transactions that may conflict with the Investment Manager's ability to act in good faith and in the best interests of the Partnership, including, without limiting the generality of the foregoing, the receipt of any commissions or

fees by the Investment Manager from any person in connection with or as a result of the placement or investment of any of the Partnership's funds in the securities of any issuer.

See also "Responsibility for Partnership Operations – Portfolio Advisor and Investment Manager.

Investment Review Committee

Section 6.5 of the Partnership Agreement provides that, without limiting any of the requirements now or hereafter applicable to the Partnership and/or the General Partner pursuant to Applicable Securities Laws, including, without limitation, the requirements of NI 81-107, the General Partner must establish and maintain an Investment Review Committee, comprised solely of directors who are not officers of the General Partner and are not officers, directors, shareholders or otherwise interested in the Investment Manager. Currently Mr. Bay and Mr. Burwash are members of the Investment Review Committee. The Investment Review Committee has the right, duty and authority to:

- (a) adopt a written charter that includes the mandate, responsibilities and functions, and the policies and procedures that the Investment Review Committee will follow when performing its functions;
- (b) adopt policies and procedures as to membership on the Investment Review Committee and the competency and other criteria, including term of office, of its members and procedures for filling vacancies on the committee;
- (c) review and approve (or disapprove as the case may be) all initial placements of Available Funds in Resource Issuers and thereafter to review all Portfolio transactions involving: (i) an acquisition or disposition of securities at a price representing in excess of 10% of the Net Asset Value of the Partnership; (ii) a disposition of securities representing greater than 50% of the Partnership's position in any particular Resource Issuer or at a price below the book value of such securities; and (iii) all Portfolio transactions involving a Conflict of Interest on the part of the Investment Manager;
- (d) obtain such information from the Partnership, the General Partner or the Investment Manager as it considers useful or necessary to carry out its duties;
- (e) engage independent counsel and other advisors as it determines useful or necessary to carry out its duties;
- (f) communicate directly with Securities Regulators with respect to any matter; and
- (g) set reasonable compensation and proper expenses for its members and for any independent counsel and/or other advisors engaged by it, all of which costs and other costs as the Investment Review Committee may reasonably incur, including reasonable costs of the orientation and continuing education of its members, shall be paid by the Partnership.

Independent Review Committee

NI 81-107 requires the Partnership to establish an Independent Review Committee by November 1, 2007 and requires the General Partner to refer certain "conflict of interest matters" to such Committee for review and, in some cases approval (or disapproval). NI 81-107 also requires the Independent Review Committee to adopt a written charter that sets out the Committee's mandate, responsibilities, duties and functions and the policies and procedures it will follow when performing its functions. In January 2007 the Partnership appointed an initial Independent Review Committee in accordance with to NI 81-107, but, as at the date hereof, such Committee had not yet adopted a charter. Once such charter is adopted, it is expected that the Independent Review Committee will, in addition to having the powers and duties and performing the functions required by NI 81-107, effectively supersede and replace the General Partner's existing Investment Review Committee.

Proxy Voting Policies and Procedures

The General Partner will vote proxies associated with the Partnership's Portfolio securities in the best interests of the Partnership and Limited Partners. The General Partner considers the "best interest" of the Partnership and Limited

Partners to mean their best long-term economic interests. The General Partner maintains policies and procedures that are designed to be guidelines for the voting of proxies; however, each vote is ultimately cast on a case-by-case basis, taking into consideration the relevant facts and circumstances, at the time of the vote.

The General Partner's proxy voting policies and procedures set out various considerations that the General Partner will address when voting, or refraining from voting, proxies, including that:

- (a) the General Partner will generally vote with management on routine matters related to the operation of an issuer that are not expected to have a significant economic impact on the issuer and/or its securityholders. This standing policy will be deviated from if the General Partner reasonably believes that the management recommendation should not be supported in that it is not in the best interests of the securityholders of that particular issuer;
- (b) the General Partner, in consultation with the Portfolio Manager, will review and analyze on a case-by-case basis, non-routine proposals and issues that may be potentially contentious, that are more likely to affect the structure and operation of the applicable issuer or have an impact on the value of the Partnership's investment in such issuer;
- (c) as part of the Partnership's obligations to Limited Partners and in support of strong corporate governance, the General Partner exercises voting rights in the best interests of the Partnership and its Limited Partners. An important way to participate in the corporate governance process is by voting for resolutions that are likely to enhance Limited Partner value and by opposing resolutions that are likely to dilute or diminish Limited Partner value; and
- (d) material conflicts that may arise will be resolved in the best interests of the Limited Partners and potential procedures to deal with any conflict will be identified.

The Partnership's proxy voting record for the annual period ending June 30 of each year, together with the current proxy voting policies and procedures of the General Partner, will be available at www.49northresource.ca no later than August 31 of each year and the Partnership will also send the most recent copy of its proxy voting policies and procedures and proxy voting record, without charge, to any Limited Partner upon request made by the Limited Partner after August 31 of each year.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a general summary of the principal Canadian Federal income tax considerations applicable to the Partnership and its Limited Partners. This summary is applicable only to Limited Partners who, for the purposes of the *Tax Act* and at all relevant times, are resident in Canada and who hold their Units as capital. Units will generally be treated as capital property of a Limited Partner unless he holds the Units in the course of carrying on a business or has acquired the Units as an adventure in the nature of trade.

This summary assumes that no Limited Partner has or will finance the purchase of Units with Limited Recourse Financing; that, for the purposes of the *Tax Act*, and at all relevant times, the Partnership and each Limited Partner will deal at arm's length with the issuers of the Flow-Through Shares held by or on behalf of the Partnership; that the Partnership will not be a "specified person" or have a "prohibited relationship" in relation to any issuer of Flow-Through Shares and that the Flow-Through Shares and other securities acquired by the Partnership are and/or will be capital property to the Partnership. This summary does not apply to Limited Partners that are "financial institutions", "specified financial institutions" or "principal-business corporations" as defined in the *Tax Act*, or whose business includes trading or dealing in rights, licenses or privileges to explore for, drill for or take minerals, petroleum, natural gas or other related hydrocarbons. This summary assumes that at no time will in excess of 50% of the fair market value of all interests in the Partnership be held by one or more Financial Institutions; and that all expenses incurred by Resource Issuers pursuant to the Flow-Through Agreements will be reasonable in the circumstances and will qualify as CEE or as CDE eligible for renunciation as CEE (collectively "Eligible Expenditures").

This summary is based on the current provisions of the *Tax Act*, the Regulations thereunder and current published administrative practices of the CRA. This summary also takes into account proposals for specific amendments to the *Tax Act* and Regulations publicly announced by the Federal Minister of Finance prior to the date hereof (collectively, the "Proposed Legislation"). This summary does not otherwise take into account or anticipate any changes in law, whether by judicial, governmental or legislative decision or action. There can be no assurance that the Proposed Legislation will be enacted in the form proposed, if at all. This summary does not address the income tax or other laws of any province of Canada or of any foreign jurisdiction, except for a limited discussion on Saskatchewan Provincial Investment Tax Credits as expressly set forth below under the sub-heading "Federal and Saskatchewan Provincial Investment Tax Credits".

In order for Limited Partners to deduct Eligible Expenditures, the Partnership and the Resource Issuers must complete certain statutory filings in respect of the renunciation of Eligible Expenditure and the Partnership must additionally make certain statutory filings in order for Limited Partners to claim Investment Tax Credits. Under the Partnership Agreement the General Partner is required to make all necessary filings and to provide each Limited Partner the necessary information with respect to renounced Eligible Expenditures and Investment Tax Credits for purposes of filing income tax returns. However, the preparation and filing of the income tax returns is the responsibility of each Limited Partner.

The income tax consequences of an investment in Units will vary depending on a number of factors, including whether the investor is an individual, corporation, trust or partnership; the amount that would be the investor's taxable income but for his interest in the Partnership; and the province in which the investor is resident for provincial income tax purposes. The following discussion of income tax consequences is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular investor. Accordingly, each investor should obtain independent advice from his own tax advisor regarding the income tax consequences of investing in the Partnership based on such investor's own particular circumstances.

Computation of Income

The Partnership itself is not liable for income tax and is not required to file income tax returns except for an annual information return. It is, however, required to compute its Income (or Loss) in accordance with the provisions of the *Tax Act* for each of its Fiscal Periods as if it were a separate person resident in Canada. Such Income (or Loss) of the Partnership shall be computed, without taking into account, among other things, the amount of CEE renounced to it in respect of subscriptions for Flow-Through Shares. Such amounts will be taken into account directly by Limited Partners in computing their respective taxable incomes as described below. The Fiscal Period of the

Partnership ends on December 31 in each year and a Fiscal Period of the Partnership will end upon the dissolution of the Partnership.

The Income of the Partnership will include the taxable portion of capital gains that may arise on a disposition of Flow-Through Shares or other securities. As the cost of any Flow-Through Shares is deemed to be nil, the amount of such capital gains from dispositions of Flow-Through Shares will generally be equal to the net proceeds of disposition (after any reasonable costs of disposition) for the shares. The Partnership's gain or loss on the disposition of other securities will be calculated by reference to the adjusted cost base of those securities.

To the extent that they are reasonable and are not limited by the "tax shelter investment rules" contained in the *Tax Act* (see below), costs incurred by the Partnership in the course of issuing or selling Units, including expenses of issue and commissions payable to an agent or dealer in securities, are deductible at the rate of 20% per year (subject to proration for the short Fiscal Period in 2005). In the event that the Partnership is dissolved and these expenses have not been fully deducted by it, any person who was a member of the Partnership immediately prior to its dissolution may deduct, in a taxation year ending after that time and at the same rate, his pro rata share of the amount that the Partnership would have been entitled to deduct in its Fiscal Period ending in that taxation year if the Partnership had continued to exist. Until it is repaid, the indebtedness of the Partnership pursuant to certain Loan Facilities as described in the Partnership's audited, annual financial statements will constitute a limited recourse amount of the Partnership and the deduction of expenses reasonably related thereto may be limited pursuant to the tax shelter investment rules, as discussed in more detail below.

To the extent that they are reasonable, other fees and amounts which are paid or payable by the Partnership and relate to the ongoing business thereof, including fees and other amounts paid or payable to the General Partner and/or the Investment Manager, will generally be deductible in the year incurred unless they constitute pre-payments for services to be rendered over a number of years, in which case they will be amortized over such extended period.

Reasonable Expectation of Profits Proposals

On October 31, 2003, the Federal Department of Finance released for public comment draft proposals (the "reasonable expectation of profit proposals") regarding the deductibility of interest and other expenses for purposes of the *Tax Act*. The proposals, if enacted, would have effect for taxation years beginning after 2004. Under the proposals, a taxpayer will be considered to have a loss from a source that is a business or property for a taxation year only if, in that year, it is reasonable to assume that the taxpayer will realize a cumulative profit (excluding capital gains) from the business or property during the period that the business is carried on or that the property is held. If these proposals are enacted, Limited Partners would only be entitled to claim a loss from their investment in the Partnership in a particular taxation year, if, in the year the loss is claimed, it is reasonable to assume that an overall cumulative profit would be earned from the investment in the Partnership after taking into account any associated interest expense. An extended period of public consultation on these proposals ended in August 2004. Many commentators expressed concerns with the reasonable expectation of profit proposals: in particular, that they codified an objective "reasonable expectation of profit" test that might inadvertently limit the deductibility of a wide variety of ordinary commercial expenses. In the Federal Budget of February 23, 2005 the Government publicly announced (the "2005 Announcement") that the Department has now sought to respond by developing "a more modest legislative initiative" that would respond to these concerns while still achieving the Government's objectives. This 2005 Announcement stated that the Department will "at an early opportunity" release this alternative proposal for comment. This release will be combined with a CRA publication that addresses, in the context of this alternative proposal, "certain administrative questions relating to deductibility". As this "alternative proposal" has not been released as at the date of this Annual Information Form and there is considerable uncertainty as to the particulars of the amendments that may be made to the *Tax Act* in light of the 2005 Announcement, no views or assurances of any kind can be made at this time as to the impact that such amendments, if any, may have on the Partnership or investors in the Partnership.

Taxation of Limited Partners' Income or Loss

Subject to the detailed comments herein and, in particular, the "at risk" rules and the "tax shelter investment" rules; and the discussion above under "Reasonable Expectation of Profits Proposal" and below under "Alternative Minimum Tax on Individuals", each Limited Partner who is a Limited Partner on the last day of each Fiscal Period

of the Partnership will be required to include (or be entitled to deduct) in computing his income or loss, his proportionate share of the Income (or Loss) of the Partnership allocated to him pursuant to the Partnership Agreement for the Fiscal Period of the Partnership ending in or coincidentally with the Limited Partner's taxation year, whether or not any distribution of income has been made by the Partnership.

The *Tax Act* contains "at-risk" rules, which limit the amount of deductions, including CEE and losses, that a Limited Partner may claim as a result of his investment in the Partnership to the amount that the Limited Partner has "at risk" in respect thereof. Generally, a Limited Partner's "at-risk" amount will be the amount actually paid for his Units plus the amount of any Partnership Income (including the full amount of any Partnership capital gains) allocated to such Limited Partner for completed Fiscal Periods, less the aggregate of amounts (including if applicable unpaid instalments) owing by the Limited Partner (or a person with whom the Limited Partner does not deal at arms length) to the Partnership (or a person with whom the Partnership does not deal at arms length), the amount of any CEE previously renounced to a Limited Partner, the amount of any Partnership Losses allocated to the Limited Partner and the amount of any distributions from the Partnership. A Limited Partner's "at-risk" amount may be further reduced by certain benefits that protect against a risk of loss from an investment in the Partnership. Where a Limited Partner acquires Units from a transferor other than the Partnership, the cost to the Limited Partner for purposes of determining the Limited Partner's "at risk" amount under the *Tax Act* is the lesser of the Limited Partner's cost of the Units and the transferor's adjusted cost base of the Units immediately before that time. Where the adjusted cost base of the Units to the transferor cannot be determined, the "at-risk" amount of the Limited Partner will generally be nil, initially.

A Limited Partner's share of any Losses of the Partnership denied as a consequence of the application of the "at-risk" rules is considered to be a "limited partnership loss" in respect of the Partnership for the year. Such limited partnership loss may be deducted by the Limited Partner in any subsequent year against any income for that year to the extent that, at the end of the last Fiscal Period of the Partnership ending in that year, the Limited Partner's "at-risk" amount in respect of the Partnership exceeds the Limited Partner's share of any Loss of the Partnership for that Fiscal Period.

The *Tax Act* contains additional rules to restrict the deductibility of certain amounts by persons who acquire a "tax shelter investment" for purposes of the *Tax Act*. The Units have, as a precautionary measure, been registered with the CRA under the "tax shelter" registration rules. A "tax shelter investment" includes any property that is a "tax shelter". If any of the Units are in fact determined to be "tax shelters", all of the Units will be "tax shelter investments" for the purposes of the *Tax Act*. More particularly, if a Limited Partner has a "prescribed benefit" in respect of his Units (which includes the financing of the acquisition of Units with Limited Recourse Financing), all of the Units will be tax shelter investments and the CEE and other expenses incurred by the Partnership will be reduced by any limited recourse amounts and "at-risk-adjustments" in respect of such expenditures. Limited recourse amounts include any indebtedness of a limited partnership and the unpaid principal of any indebtedness for which recourse is limited, either immediately or in the future and either absolutely or contingently, and further may include any form of indebtedness unless bona fide arrangements, evidenced in writing, are made, at the time the debt arises, for repayment of the indebtedness and interest thereon within a reasonable period not exceeding ten years and interest is payable in respect of the indebtedness at least annually and is paid no later than 60 days after the end of each taxation year at a rate equal to or greater than the lesser of the prescribed rate of interest at the time the debt arose and the prescribed rate of interest applicable from time to time during the term of the indebtedness. An at-risk adjustment in respect of an expenditure includes any amount or benefit that a particular taxpayer, or taxpayer not dealing at arms length with that taxpayer, is entitled either immediately or in the future and either absolutely or contingently to receive or obtain whether by way of reimbursement, compensation, revenue guarantee, proceeds of disposition, loan or other form of indebtedness, or in any other form or manner whatever granted to or to be granted for the purpose of reducing the impact in whole or in part of any loss that the particular taxpayer may sustain in respect of the expenditure.

The Partnership Agreement provides that if and where CEE of the Partnership is reduced under the "tax shelter investment" rules, the amount of CEE that would otherwise be allocated to the Limited Partner who incurs the Limited Recourse Financing shall be reduced by the amount of such reduction. Similarly, where the reduction of other expenses reduces the Loss of the Partnership, the Partnership Agreement provides that such reduction shall first reduce the amount of the Loss that would otherwise be allocated to the Limited Partner who incurs the Limited Recourse Financing.

Eligible Expenditures

Provided that certain conditions in the *Tax Act* are complied with, the Partnership will be deemed to have incurred, on the effective date of renunciation, CEE that has been renounced to the Partnership pursuant to any Flow-Through Agreements entered into by it. Certain corporations may renounce up to \$1,000,000 annually of certain Canadian Development Expense (“Eligible CDE”) to subscribers for Flow-Through Shares. Upon renunciation to the Partnership, Eligible CDE is deemed to constitute CEE to the Partnership and will be allocable by the Partnership to Limited Partners as CEE on the basis described below.

Generally speaking, an issuer of Flow-Through Shares may renounce CEE or Eligible CDE incurred during the period commencing on the date that the agreement is entered into with the Partnership for the acquisition of Flow-Through Shares. Provided that certain conditions are met, including the payment by the Partnership of the subscription price for the Flow-Through Shares in money prior to December 31 of a particular year, the issuer of the Flow-Through Shares will be entitled to renounce CEE or Eligible CDE incurred by it prior to December 31 of the subsequent calendar year to the Partnership effective December 31 of the previous year, provided that the renunciation is made before the end of March in the subsequent year. Consequently, provided that funds are advanced by the Partnership to a corporation issuing Flow-Through Shares prior to the end of a particular Fiscal Period, CEE and Eligible CDE which such corporation anticipates incurring prior to December 31 of the next year may generally be renounced effective as of that particular Fiscal Period to the Partnership and allocated to the Limited Partners who are Limited Partners as of the end of that particular Fiscal Period. If CEE and Eligible CDE renounced by March 31 of a given year, effective December 31 of the preceding year, is not, in fact, incurred in that given year, the Partnership will have its CEE reduced accordingly as of December 31 of that preceding year, but, generally, the Limited Partners will not be charged interest on any unpaid tax arising as a result of such reduction before May of the year following the given year.

Provided that a Limited Partner continues to be a Limited Partner at the end of a particular Fiscal Period of the Partnership, such Limited Partner will be entitled to include in the computation of his Cumulative CEE his share of the CEE renounced to the Partnership effective in that Fiscal Period. Subject to the application of the “at-risk” rules and the “tax shelter investment” rules, as described above, a Limited Partner may deduct in the computation of his income or loss for tax purposes from all sources for a particular taxation year, such amounts as he may claim not exceeding 100% of his Cumulative CEE at the end of the taxation year. Certain restrictions apply in respect of the deduction of Cumulative CEE following an acquisition of control of, or certain corporate reorganizations involving, a corporate Limited Partner.

Cumulative CEE not deducted by a Limited Partner may be carried forward indefinitely to be deducted in a future year on the basis described above. Cumulative CEE is reduced by deductions of CEE by a Limited Partner in prior taxation years and by a Limited Partner’s share of any amount that he or the Partnership receives or is entitled to receive in respect of assistance or benefits in any form that relate to the Limited Partner’s investment in the Partnership. If, at the end of a taxation year, the reductions in calculating Cumulative CEE exceed the additions thereto, the excess must be included in income for the taxation year and the Cumulative CEE account will then be restored to a nil balance. Generally, a Limited Partner will be entitled to continue to deduct undeducted amounts from his Cumulative CEE notwithstanding a disposition of his Units in the Partnership.

Investment Tax Credits

The *Tax Act* contains provisions pursuant to which certain individuals, other than trusts, who invested either directly or, in certain cases such as through a limited partnership, indirectly, in Flow-Through Shares may be entitled to a federal non-refundable investment tax credit (a “Federal ITC”) equal to 15% of certain types of CEE renounced by Mining Issuers. Generally, the type of CEE that gives rise to such Federal ITC relates to specified surface “grass roots” mining exploration expenses incurred (or deemed to be incurred) in Canada by a Resource Issuer after October 17, 2000 and before 2006. As part of the May 2, 2006 and March 19, 2007 Federal Budgets, respectively, notice of ways and means motions to amend the *Tax Act* were introduced, pursuant to which, for agreements entered into on or after May 2, 2006 and on or before March 31, 2008, the Federal ITC will continue to be available in respect of such mining exploration expenses that are incurred (or deemed to be incurred) before 2009. Thus, to the extent that Available Funds are invested by the Partnership under Flow-Through Agreements with Mining Issuers

that incur and renounce to the Partnership CEE relating to “grass roots” mineral exploration, a Limited Partner who is an individual other than a trust, may be entitled to the 15% Federal ITC in respect of his or her pro rata share of the CEE so renounced. This 15% Federal ITC can be used by the Limited Partner to reduce the federal tax otherwise payable in the taxation year of the Limited Partner in which the Limited Partner becomes entitled to the credit. Any unapplied portion of such credit may be claimed in the following ten years or the preceding three years. To the extent that such Federal ITC is claimed in a year, it would be deducted from the Limited Partner’s Cumulative CEE account for the following taxation year.

Saskatchewan formerly also offered an Investment Tax Credit (the “Saskatchewan Provincial ITC” or “METC”) in respect of eligible individuals that were deemed to incur the type of CEE described above for the Federal ITC and Limited Partners acquired their Units on or prior to December 31, 2005 and who were resident in or otherwise subject to Saskatchewan provincial income tax in 2005 were generally entitled to claim an METC in their 2005 taxation year equal to 10% of the subscription price paid by the Partnership in 2005 to purchase Flow-Through Shares of Mining Issuers who used such subscription proceeds for expenditures in Saskatchewan of the type prescribed by *The Mineral Exploration Tax Credit Regulations* under *The Mineral Resources Act, 1985* (as amended). The Saskatchewan ITC program was, however, discontinued in 2006.

Disposition of Units in Partnership

A disposition by a Limited Partner of Units (including a deemed disposition) will result in a capital gain (or a capital loss) to the extent that the proceeds of disposition, net of reasonable disposition costs, exceed (or are exceeded by) the adjusted cost base of the Units immediately prior to the disposition. One-half of a capital gain is a taxable capital gain and is required to be included in computing a Limited Partner’s income for the year. One-half of a capital loss is an allowable capital loss and is deductible only against taxable capital gains for the year. The unused portion of an allowable capital loss may be carried back three years and forward indefinitely subject to detailed rules in the *Tax Act*. A “Canadian controlled private corporation” (as defined in the *Tax Act*) may be subject to an additional refundable tax of 6⅓% in respect of certain investment income including taxable capital gains.

A Limited Partner’s adjusted cost base of a Unit will generally be equal to his purchase price of the Unit, plus any share of Income allocated to the Limited Partner (including a pro rata share of the full amount of any capital gain realized by the Partnership), less any Losses (including a pro rata share of the full amount of any capital loss realized by the Partnership), the amount of CEE allocated to him and the amount of any distributions made to him by the Partnership. The amount of any negative adjusted cost base will be deemed to be a capital gain of the Limited Partner in the year in which the adjusted cost base becomes a negative amount. Generally, Limited Partners who acquired Units in the Partnership’s 2005 Offering were allocated CEE and/or other Losses as of December 31, 2005 in an amount equal to the subscription price of the Units, such that the adjusted cost base of the Units so acquired by such Limited Partners will generally be nil. Likewise, investors who acquired limited partnership units of the 2006 Fund (“2006 Units”) in the 2006 Offering were allocated CEE and/or other losses by the 2006 Fund as of December 31, 2006 in an amount equal to the subscription price of the 2006 Units such that, as of such date, such investors adjusted cost base on their 2006 Units was also, generally, nil. In the February 2007 Reorganization Transaction these 2006 Units were transferred to the Partnership in exchange for Units of the Partnership on a tax deferred basis such that the Units now held by such Limited Partners will also generally have a nil or nominal adjusted cost base. Thus, any such Limited Partner who now sells or otherwise disposes of such Units would generally realize a capital gain on such disposition equal to the sale price of such Units, net of reasonable disposition costs, one-half of which would be required to be included in computing such Limited Partner’s income for the taxation year in which the disposition occurs. A Limited Partner who is considering disposing of Units should obtain specific tax advice as to the tax consequences of such disposition from his personal tax advisor.

Alternative Minimum Tax on Individuals

Under the *Tax Act*, tax payable by an individual (including certain trusts) is the greater of the tax otherwise determined and an alternative minimum tax. In calculating taxable income for the purpose of computing the minimum tax, certain deductions and credits otherwise available are disallowed and certain amounts not otherwise included are included. Four-fifths of a capital gain realized by the individual is included in calculating the individual’s adjusted taxable income. The disallowed items include deductions claimed by the individual in respect of his share of CEE renounced to the Partnership and allocated to the Limited Partner in a particular Fiscal Period to

the extent such deductions exceed his share of the Partnership's Income. In computing adjusted taxable income for alternative minimum tax purposes, an exemption of \$40,000 is allowed to the taxpayer. The Federal rate of minimum tax is currently 15.5%. Whether and to what extent the tax liability of a particular Limited Partner will be increased as a result of the application of the alternative minimum tax rules will depend on the amount of his income, the sources from which it is derived, and the nature and amounts of any deductions he claims.

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

Cumulative Net Investment Loss

One-half of the amount of CEE deducted by an individual will be added to the individual's cumulative net investment Loss ("CNIL") account, as defined in the *Tax Act*. An investor's CNIL account may impact their ability to claim the \$500,000 capital gains deduction that is available on the disposition of certain qualifying small business corporation shares and farm property.

Tax Shelter

The tax shelter identification number in respect of the Partnership is TS070789. This identification number must be included in any income tax return filed by a Limited Partner. The issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of an investor to claim any tax benefits associated with the tax shelter.

REMUNERATION OF DIRECTORS AND OFFICERS

None of the directors or officers of the General Partner are remunerated for so serving by the Partnership. However, they may receive compensation from the General Partner in such amounts as may from time to time be determined by its board of directors. In the Fiscal Period ended December 31, 2006 the General Partner paid two directors (including one former director) fees totalling \$20,000.

Apart from this, under the terms of the Partnership Agreement, the General Partner is entitled to 0.1% of the Income or Loss of the Partnership for each Fiscal Period and to be reimbursed by the Partnership for all expenses reasonably and properly incurred in conducting the Partnership's business and in performing its duties and obligations under the Partnership Agreement. TMM is likewise reimbursed by the Partnership for expenses reasonably and properly incurred in performing its duties and obligations under the Investment Management Agreement.

Additionally, pursuant to the Partnership Agreement, for each Fiscal Quarter the General Partner is entitled to receive a management fee equal to 0.5% of the Net Asset Value of the Partnership calculated as of the last business day of the relevant Fiscal Quarter, which management fee is payable on or prior to the end of the month following such Fiscal Quarter. Additionally, in each Fiscal Year of the Partnership starting with its Fiscal Year ended December 31, 2006, the General Partner is entitled to receive a performance bonus, calculated as of the last business day of the applicable Fiscal Year, in an amount in respect of each Unit that is outstanding as of such day, equal to 20% of the amount, if any, by which the sum of the Net Asset Value per Unit as of that date, plus all distributions per Unit made during that Fiscal Year, exceeds the greater of \$5.50 and the Net Asset Value per Unit as of the last business day of the preceding Fiscal Year. Any such performance bonus is payable within 30 days following the end of the Fiscal Year to which it relates. Management fees and, if applicable, any performance bonus not paid by the due dates described above bear interest at prime plus 2% until paid in full. The Investment Agreement provides that TMM may be paid compensation substantially the same as the compensation payable to the General Partner, but to the extent that any management fees or, if applicable, performance bonus, is paid to TMM the compensation paid to the General partner is reduced by the amount of such payments. Pursuant to these arrangements the Partnership incurred management fees in its Fiscal Period ended December 31, 2006 of \$122,916 (\$8,324 in the short Fiscal Period from inception of the Partnership in July 2005 to December 31, 2005) of which \$9,632 remained outstanding as of the end of the period.

Also, the Partnership established a Loan Facility for the payment of agent fees and offering costs associated with the 2005 Offering with the sole shareholder of the General Partner, Mr. Tom MacNeill, pursuant to a loan agreement dated December 7, 2005, which was subsequently amended effective September 30, 2006. Pursuant to this loan agreement, \$422,000 was advanced to the Partnership in 2005 at an interest rate of prime plus 2%, secured by a general security interest in all assets of the Partnership and a pledge of all Portfolio investments. Approximately \$31,300 in interest accrued on this loan during the 2006 Fiscal Period. The principal amount of the loan was repaid in full in December of 2006.

MATERIAL CONTRACTS

As at the date of this Annual Information Form the only material contracts of the Partnership are the following:

- (a) Amended and restated limited Partnership Agreement made as of October 26, 2006 between the General Partner and all persons who are from time to time Limited Partners of the Partnership;
- (b) Amended and restated Investment Management Agreement made effective October 26, 2006 between the General Partner on behalf of the Partnership and TMM as Investment Manager, referred to herein under “Responsibility for Partnership Operations - Portfolio Advisor and Investment Manager” and under “Partnership Governance – Investment Manager”;
- (c) Transfer Agent, Registrar and Disbursing Agent Agreement made between the Partnership and Equity Transfer & Trust Company as of December 13, 2006;
- (d) Reorganization Agreement made as of February 8, 2007 in respect of the February 2007 Reorganization Transactions referred to herein under “Name, Formation and History of the Partnership”
- (e) 2006 Loan Agreement made July 31, 2006 as amended February 21, 2007 between the Partnership and Mr. Tom MacNeill referred to herein under “Name, Formation and History of the Partnership”

Copies of the aforesaid material contracts may be inspected during normal business hours at the head office of the General Partner at 602 - 224 - 4th Avenue South, Saskatoon, Saskatchewan, S7K 5M5. Additionally, copies are available at the SEDAR website at www.sedar.com.

49 NORTH RESOURCE FLOW-THROUGH LIMITED PARTNERSHIP

602 - 224 - 4th Avenue South, Saskatoon, Saskatchewan, S7K 5M5

Phone: 306-664-4626

Additional information about the Partnership is available in the Partnership's financial statements and management reports of fund performance. You can get a copy of the Partnership's financial statements, including a statement of portfolio transactions, and/or its management reports of fund performance, at no cost, by calling collect at 306-664-4626 or by e-mail at investorrelations@49northresource.ca

These documents and other information about the Partnership, such as information circulars and material contracts, are also available at www.49northresource.ca or at www.sedar.com.