This confidential offering memorandum (the "Offering Memorandum") constitutes an offering of securities in all Provinces and Territories of Canada and to those persons where and to whom they may be lawfully offered for sale. This Offering Memorandum is not, and under no circumstances is it to be construed as, a prospectus or advertisement or a public offering of these securities. No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of the securities offered hereby and any representation to the contrary is an offence. Persons who acquire securities pursuant to this Offering Memorandum will not have the benefit of the review of this material by any securities commission or similar authority. This Offering Memorandum is for the confidential use of only those persons to whom it is transmitted in connection with this offering. By their acceptance of this Offering Memorandum, recipients agree that they will not transmit, reproduce or make available to anyone, other than their professional advisers, this Offering Memorandum or any information contained herein. No person has been authorized to give any information or to make any representation not contained in this Offering Memorandum. Any such information or representation which is given or received must not be relied upon.

CONFIDENTIAL OFFERING MEMORANDUM

TRINITY WOOD
CAPITAL CORPORATION

Trinity Wood Mining
2008-I Flow-Through Limited Partnership

DATE	January 7, 2008
THE ISSUER	
Name:	Trinity Wood Mining 2008-I Flow-Through Limited Partnership (the "Fund")
Head Office:	141 Adelaide Street West, Suite 701, Toronto, Ontario M5H 3L5
Phone #:	(416) 214-2653 or toll free at 1-877-599-3975
E-mail address:	info@trinitywood.com
Internet:	www.trinitywood.com/mining
Fax #:	(416) 214-0054
Currently listed or quoted:	These securities do not trade on any exchange or market.
Reporting Issuer:	No
SEDAR filer:	No
THE OFFERING	
Securities Offered:	Up to 1,500,000 limited partnership units (the "Units").
Price Per Security:	$10.00 per Unit (the "Offering").
Maximum/Minimum Offering:	The maximum Offering of Units is 1,500,000 Units ($15,000,000). There is no minimum Offering. You may be the only purchaser.
Minimum Subscription Amount:	The minimum initial subscription amount in the Fund is 250 Units ($2,500).
Payment Terms:	Subscription proceeds must be paid prior to acceptance.
Proposed Closing Dates:	The initial closing date is anticipated to take place on or about January 31, 2008 and the final closing date is expected to take place on or about March 31, 2008 or such other date as the General Partner may reasonably determine. See "Item 5".
Income Tax Consequences:	There are important tax consequences to these securities. See "Item 6".
Selling Agent:	An investor subscribing for Units through a registered dealer may be charged a sales commission. See "Item 7".
Resale Restrictions:	You will be restricted from selling your securities for an indefinite period. See "Item 10".
Purchaser's Rights:	If you are an investor in British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Northwest Territories and Nunavut and you are purchasing Units under the Offering Memorandum Exemption (as such exemption is described in applicable securities legislation): you have 2 Business Days to cancel your agreement to purchase securities. If there is a misrepresentation in this offering memorandum, you have a right to sue either for damages or cancel the agreement. See "Item 11". The foregoing rights are provided to purchasers as described herein.

No securities regulatory authority has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See "Item 8".

The Fund: Trinity Wood Mining 2008-I Flow-Through Limited Partnership (the "Fund"), a limited partnership established under the laws of the Province of Ontario proposes to issue limited partnership units (the "Units") on a private placement basis at a price of $10.00 per Unit (the "Offering"). See "Business of the Fund" and "Securities Offered".

Investment Objectives: Trinity Wood Strategic Mining 2008-I Inc. (the "General Partner") will, on behalf of the Fund, invest in Flow-Through Shares (as hereinafter defined) of Mineral Issuers (as hereinafter defined) involved in mineral exploration, development and/or production in Canada, with a view to achieving capital appreciation and maximizing the tax benefit of an investment in the Units. The General Partner intends to invest the Available Funds (as hereinafter defined) such that Limited Partners (as hereinafter defined) will be entitled to claim certain deductions from income and may be entitled to, in respect of up to 100% of the Available Funds, investment tax credits for income tax purposes for the 2008 taxation year and subsequent taxation years. Under current legislation, expenditures to which the investment tax credits relate are required to be renounced pursuant to an agreement with a Mineral Issuer made before April 1, 2008. The General Partner will, on behalf of the Fund, use reasonable best efforts to invest all of the Available Funds in Flow-Through Shares of Mineral Issuers pursuant to agreements made before April 1, 2008 (or such later date as may be provided for in paragraph (c) of the definition of a "flow-through mining expenditure" in subsection 127(9) of the Tax Act (as hereinafter defined)). Investments made by the General Partner on behalf of the Fund will be consistent with the Fund's investment guidelines described herein (the "Investment Guidelines"). Up to 25% of the Available Funds may be invested in Flow-Through Shares of Mineral Issuers which are not reporting issuers and which may be subject to continuing resale restrictions. As at the date of this Offering Memorandum, the Fund has not selected Flow-Through Shares of any Mineral Issuers in which to invest.

Investment Strategy: Investments will be made in the mineral sector with the objective of creating a diversified mineral portfolio. The Fund intends to focus on companies in the intermediate and junior mineral sector with advanced exploration programs. The Fund's Investment Strategy is to invest in Flow-Through Shares issued by Mineral Issuers that are considered to: (i) represent good value in relation to the market price of the Mineral Issuer's shares; (ii) have experienced and capable senior management; (iii) have a strong exploration program in place; and (iv) offer potential for future growth. Management of the investment portfolio may involve the sale of Flow-Through Shares held by the Fund and the reinvestment of the net proceeds from any such dispositions in additional shares or Flow-Through Shares of Mineral Issuers.

The General Partner: Trinity Wood Strategic Mining 2008-I Inc. is the General Partner of the Fund and has coordinated the organization of the Fund. The General Partner will develop and implement all aspects of the Fund's communications, marketing and distribution strategies and will manage or supervise the management of the ongoing business and administrative affairs of the Fund. The General Partner or agents thereof will also assist with identifying prospective investments in Mineral Issuers and monitor the investment portfolio of the Fund to ensure compliance with the Investment Guidelines. The General Partner is a company specifically formed to manage the affairs of the Fund and will not carry on any other business.

Portfolio Manager: The General Partner has retained Caldwell Investment Management Ltd. (the "Portfolio Manager") to provide investment advisory services to the Fund. The Portfolio Manager has retained the services of Southampton Associates Inc. to provide industry expertise and due diligence services respecting mineral companies to the Portfolio Manager. See "Directors, Management, Promoters and Principal Holders – The Portfolio Manager" and "Mining Industry Consultant".

Liquidity Alternatives: The General Partner will propose to the Limited Partners at a special meeting of the Limited Partners to be held on or before February 28, 2009 one or more alternatives to the termination of the Fund (the "First Liquidity Alternative"), including, without limitation, a proposal to exchange the Fund's assets for securities of a mutual fund corporation or other investment vehicle (including a fund in the frontier*Alt* Group of Mutual Funds), the securities of which would be distributed to the Limited Partners on a tax-deferred basis prior to dissolution of the Fund. If the First Liquidity Alternative is not approved by a majority of the Limited Partners, the General Partner will propose to the Limited Partners at a special meeting of the Limited Partners to be held on or before October 31, 2009, one or more alternatives to the termination of the Fund (the "Second Liquidity Alternative"), including the proposal described above. If the Second Liquidity Alternative is not approved by a majority of the Limited Partners, the Fund will be dissolved on or about December 31, 2009 unless this date is extended by extraordinary resolution of the Limited Partners.

	Price to Public	Agents' Fee	Net Proceeds to the Fund [2]
Per Unit [1]	$10.00	$0.70	$9.30
Maximum Offering	$15,000,000.00	$1,050,000.00	$13,950,000.00

(1) The subscription price per Unit was established by the General Partner.

(2) Before deducting expenses and certain fees related to this Offering. The maximum aggregate expenses of this Offering payable by the Fund shall not exceed 3.75% of the gross aggregate proceeds raised upon completion of the Offering, subject to a maximum of $375,000.

THIS IS A BLIND POOL OFFERING. The Units are speculative in nature as are the securities in which the Available Funds will be invested. An investment in Units should be considered only by those purchasers who can afford a complete loss of their investment. There is no assurance of a return on an investor's initial investment. The potential tax benefits resulting from an investment in Units are greatest for an investor whose income is subject to a high marginal tax rate and who is not subject to alternative minimum tax. Federal or provincial income tax legislation may be amended, or its interpretation changed, so as to alter fundamentally the tax consequences of holding or disposing of Units. Investors are strongly advised to consult their own tax and other professional advisors to assess the income tax and other tax implications of the investment before investing in Units. See "Income Tax Consequences and RRSP Eligibility". There is a risk that Mineral Issuers in which the Fund invests will not incur Eligible Expenditures (as hereinafter defined) in an amount equal to the Available Funds. There is a possibility that purchasers of Units will receive allocations of income (including taxable capital gains) from the Fund without receiving a corresponding cash distribution to satisfy any resulting tax liability. If a purchaser finances the subscription price of his or her Units with a borrowing or other indebtedness that is, or is deemed under the Tax Act (as hereinafter defined) to be, a limited recourse financing, the tax benefits of the investment to such purchaser, and possibly to other purchasers, will be adversely affected. The federal tax shelter identification number in respect of the Fund is TS073916. The identification number issued for this tax shelter is required to be included in any income tax return filed by any Limited Partner. For Québec investors, the Québec tax shelter identification number in respect of the Fund is QAF-07-01246. Issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of any Limited Partner to claim any tax benefits associated with an investment in the Fund. **Investors should carefully review the Risk Factors set forth herein and consult their own professional advisors to assess the income tax, legal and other aspects of the investment. See "Risk Factors".**

Units are being offered on a private placement basis pursuant to exemptions from applicable prospectus and registration requirements of the Provinces and Territories of Canada. Units are subject to restrictions on resale under applicable provincial and territorial securities legislation, rules and regulations, unless a further statutory exemption may be relied upon by the investor or an appropriate discretionary order is obtained from the applicable securities regulatory authority pursuant to applicable securities laws. Although the Units are transferable (in compliance with applicable securities laws) there is no market through which the Units purchased under this Offering Memorandum may be sold and none is expected to develop. Purchasers may not be able to resell Units purchased under this Offering Memorandum. Units or any other securities or debt instruments issued by the Fund, if any, will not be listed or traded on a stock exchange or other public market (as defined for the purposes of section 122.1 of the Tax Act.)

An investor who subscribes for Units pursuant to this Offering, among other things: (i) acknowledges that he or she is bound by the terms of the Partnership Agreement (as hereinafter defined) and is liable for all obligations of a Limited Partner; (ii) irrevocably nominates, constitutes, and appoints the General Partner as his or her true and lawful attorney with the full power and authority as set out in the Partnership Agreement; and (iii) irrevocably authorizes the General Partner to file on his or her behalf all elections, determinations and designations under applicable income tax or other legislation in respect of the business of the Fund, including the dissolution of the Fund. See "Securities Offered" and "Income Tax Consequences and RRSP Eligibility".

Offers to purchase Units will be received subject to acceptance or rejection in whole or in part and the right is reserved to close the subscription books at any time without notice. Subscription funds will be held by the General Partner pending obtaining subscriptions for each closing of the Offering.

SUMMARY OF KEY DATES

On or about January 31, 2008	*Anticipated Initial Closing*. Investors purchase Units and pay the subscription price of $10.00 per Unit.
On or about March 31, 2008	*Final Closing*. Investors purchase Units and pay the subscription price of $10.00 per Unit.
On or before February 28, 2009	First meeting of Limited Partners to consider liquidity alternatives.

March/April, 2009	Limited Partners receive 2008 CEE tax statements.
On or before October 31, 2009	Second Meeting of Limited Partners to consider liquidity alternatives, if applicable.
On or about December 31, 2009	*Dissolution Date*. In the event the Fund has not approved a liquidity alternative, the Fund will be dissolved on or about December 31, 2009, unless this date is extended by extraordinary resolution of the Limited Partners, and 99.99% of the net assets of the Fund will be distributed to Limited Partners and 0.01% to the General Partner.

SUBSCRIPTION PROCEDURE

Units may be purchased through persons permitted under applicable securities legislation to sell Units of the Fund. An investor who wishes to subscribe for Units must, subject to a minimum subscription of two hundred and fifty (250) Units, complete, execute and deliver to the General Partner a subscription agreement which accompanies this Offering Memorandum, and pay the amount due on Closing (as hereinafter defined) ($10.00 per Unit subscribed for) by an electronic order system such as FundSERV, by direct debit from the investor's brokerage account or by certified cheque or bank draft made payable to the Fund. Where Units are purchased through FundSERV, completed subscription agreements must be delivered to the General Partner within five business days of the purchase. All subscriptions will be irrevocable.

Prior to a Closing, subscription proceeds received pursuant to this Offering will be received by the General Partner, and held in trust in a segregated account until all subscriptions for the applicable Closing are received and other closing conditions of this Offering have been satisfied. If the Closing is not completed for any reason, all subscription funds will be forthwith returned to the investors without interest or deduction. Fractional Units will not be issued.

Subscriptions in excess of the minimum subscription of two hundred and fifty Units ($2,500) may be made in multiples of ten Units ($100.00).

Subscriptions for Units are subject to acceptance or rejection in whole or in part by the General Partner in its sole discretion. An investor whose subscription is accepted by the General Partner will become a Limited Partner of the Fund upon the amendment of the record of limited partners maintained by the General Partner. If a subscription is not accepted by the General Partner, monies received but not applied toward the subscription price shall be returned to the investor without interest or deduction within 15 days following such rejection.

Investors will be required to make certain representations in the subscription agreement for Units and the General Partner will rely on such representations to establish the availability of the exemptions from applicable prospectus and registration requirements.

Investor Loan Arrangements

A Canadian chartered bank has agreed to provide a loan facility for the purchase of Units to each subscriber who applies for a loan and is approved by the bank. Each such loan must be a full recourse loan to the subscriber. If any such borrowing by a Limited Partner is, or is deemed to be, a limited recourse borrowing for purposes of the Tax Act, the amount of CEE (as hereinafter defined) allocated to such Limited Partner may be reduced. See "Income Tax Consequences and RRSP Eligibility – Summary of Significant Tax Consequences – Limitations on Deducibility of Expenses or Losses of the Fund" and "Risk Factors – Tax-Related" and Article 14 of the Partnership Agreement. The subscriber will have the obligation to fully repay the loan and all interest thereon, whether or not distributions are received from the Fund. Subscribers who are interested in applying for such a loan may obtain a copy of the loan application and instruction form from www.trinitywood.com/mining and should contact their investment advisor.

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OFFERING MEMORANDUM SUMMARY

The following is a summary only and should be read in conjunction with and is qualified by the more detailed information appearing elsewhere in this Offering Memorandum. Certain capitalized terms used but not defined in this summary are defined on the face page of this Offering Memorandum or in the glossary.

Issuer:	Trinity Wood Mining 2008-I Flow-Through Limited Partnership
Issue Size:	Maximum $15,000,000 (1,500,000 Units)
Price:	$10.00 per Unit
Minimum Purchase:	$2,500 (250 Units)
General Partner:	Trinity Wood Strategic Mining 2008-I Inc. is the general partner of the Fund and has co-ordinated the organization of the Fund, will develop and implement all aspects of the Fund's communications, marketing and distribution strategies and will manage or supervise the management of the ongoing business and administrative affairs of the Fund. See "Directors, Management, Promoters and Principal Holders – Management of the Fund" and "Compensation Paid to Sellers and Finders – Fees and Expenses Payable by the Fund".
Portfolio Manager:	Caldwell Investment Management Ltd. has been retained to provide advice to the Fund and manage the Fund's mineral investment portfolio pursuant to a Portfolio Management Agreement. Caldwell Investment Management Ltd. has provided independent investment management services to various types of institutional and private clients, including not-for-profit organizations, insurance companies, associations, local governments, public and private foundations and prospectus qualified mutual funds. See "Directors, Management, Promoters and Principal Holders – Management of the Fund", "Directors, Management, Promoters and Principal Holders – The Portfolio Manager" and "Compensation Paid to Sellers and Finders – Fees and Expenses Payable by the Fund".
Mining Industry Consultant	Southampton Associates Inc. has been retained by the Portfolio Manager to provide industry expertise and due diligence services generally in relation to the mineral sector, and specifically in relation to the identification and review of individual Flow-Through Share investment opportunities. See "Directors, Management, Promoters and Principal Holders – Mining Industry Consultant".
Investment Objectives:	The Investment Objectives of the Fund are to invest the Available Funds in Flow-Through Shares of Mineral Issuers involved in mineral exploration, development and/or production in Canada, with a view to achieving capital appreciation and maximizing the tax benefit of an investment in Units for its Limited Partners. The General Partner intends to invest the Available Funds such that Limited Partners will be entitled to claim certain deductions from income and may be entitled to, in respect of up to 100% of the Available Funds, investment tax credits for income tax purposes for the 2008 taxation year and subsequent taxation years. Under current legislation, the expenditures to which the investment tax credits relate are required to be renounced pursuant to an agreement with a Mineral Issuer made before April 1, 2008. The General Partner will, on behalf of the Fund, use reasonable best efforts to invest all of the Available Funds in Flow-Through Shares of Mineral Issuers pursuant to agreements made before April 1, 2008 (or such later date as may be provided for in paragraph (c) of the definition of a "flow-through mining expenditure" in subsection 127(9) of the Tax Act). Investments made by the General Partner on behalf of the Fund will be consistent with the Fund's investment guidelines described herein (see "Business of the Fund – Our Business – Investment Guidelines"). Up to 25% of the Available Funds may be invested in Flow-Through Shares of Mineral Issuers which are not reporting issuers and which may be subject to continuing resale restrictions.

Investment Strategy:

Investments will be made in the mineral sector with the objective of creating a diversified mineral portfolio of securities of Mineral Issuers. The General Partner believes that companies in this sector remain attractively priced. See "Business of the Fund – Our Business – Outlook for Canadian Mineral Exploration". In addition, a Limited Partner who is an individual, other than a trust, may also be entitled to federal and provincial investment tax credits in respect of the Fund's investment in Flow-Through Shares of Mineral Issuers involved in "grass roots" mineral exploration. The General Partner intends to invest up to 100% of the Available Funds in Mineral Issuers engaged in "grass roots" mineral exploration. See "Income Tax Consequences and RRSP Eligibility". The Fund intends to focus on companies in the intermediate and junior mineral sector with advanced exploration programs. Mineral Issuers that incur Eligible Expenditures (as hereinafter defined) within Canada may generally deduct 100% of such Eligible Expenditures for tax purposes. These income tax deductions may be flowed through to certain investors who agree to purchase Flow-Through Shares from a Mineral Issuer under an agreement whereby such Mineral Issuer agrees to incur the exploration expenses and renounce amounts in respect of such expenses to investors. The Fund's Investment Strategy is to invest in Flow-Through Shares issued by Mineral Issuers that are considered to: (i) represent good value in relation to the market price of the Mineral Issuer's shares; (ii) have experienced and capable senior management; (iii) have a strong exploration program in place; and (iv) offer potential for future growth. Available Funds that have not been invested by the Fund in Flow-Through Shares by December 31, 2008 will be distributed on a *pro rata* basis to Limited Partners of record on December 31, 2008 by January 31, 2009, without interest or deduction. The return of such uncommitted funds, if any, will reduce the potential tax benefit to the Limited Partners of an investment in the Units. Management of the investment portfolio may involve the sale of Flow-Through Shares held by the Fund and the reinvestment of the net proceeds from any such dispositions in additional shares or Flow-Through Shares of Mineral Issuers. See "Risk Factors – Tax-Related".

Investment Guidelines:

The General Partner and the Portfolio Manager will be responsible for managing the investment portfolio of the Fund, including selecting Mineral Issuers, and the General Partner will enter into Flow-Through Agreements on behalf of the Fund. The Fund has developed certain investment guidelines which form part of the Fund's overall investment intentions more fully described under "Business of the Fund – Our Business – Investment Guidelines". In entering into Flow-Through Agreements with Mineral Issuers, the Investment Guidelines that will be followed include, among others, the following:

Mineral Issuers. The Fund will invest Available Funds in Flow-Through Shares issued by Mineral Issuers, provided that the Fund may invest in cash and cash equivalents until suitable investment opportunities arise. To the extent the Fund disposes of Flow-Through Shares, the Fund may reinvest the net proceeds from any such dispositions in additional shares of Mineral Issuers, cash and cash equivalents, Government bonds and securities of entities listed on a Canadian stock exchange. **Up to 25% of the Available Funds may be invested in Flow-Through Shares of Mineral Issuers that are not reporting issuers and which may, therefore, be subject to continuing resale restrictions**.

Exchange Listing. The Fund will invest a minimum of 75% of Available Funds in Flow-Through Shares of Mineral Issuers whose shares are listed and posted for trading on a Canadian stock exchange, including without limitation, the Toronto Stock Exchange, the TSX Venture Exchange and CNQ.

No Control. The Fund 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 10% of the issued and outstanding voting securities of any particular Mineral Issuer in which it may invest.

Use of Proceeds:

The Fund intends to use the gross proceeds from the sale of Units as follows:

	Maximum Offering
Total gross proceeds to the Fund	$15,000,000
Agents' fee [(1)]	$ 1,050,000
Working Capital Reserve[(2)]	$ 200,000
Expenses of Offering[(3)]	$ 375,000
Available Funds	$13,375,000

(1) The Agents' fee of 7.0% per Unit is comprised of 2% in the aggregate payable to Trinity Wood Capital Corporation and MAK, Allen & Day Capital Partners Inc. and 5% payable to persons permitted under applicable securities legislation to sell Units of the Fund.

(2) Represents the initial Working Capital Reserve. The General Partner is authorized to fund the ongoing fees and expenses of the Fund in excess of the initial Working Capital Reserve from the sale of portfolio assets.

(3) The maximum aggregate expenses of this Offering payable by the Fund shall not exceed 3.75% of the gross aggregate proceeds raised upon completion of the Offering, subject to a maximum of $375,000.

The Fund will endeavour to use the Available Funds principally to subscribe for Flow-Through Shares as described under "Business of the Fund – Our Business – Investment Strategy". See also "Use of Net Proceeds".

Allocations and Distributions:

For each fiscal year of the Fund, 99.99% of the net income or loss of the Fund and 100% of any CEE renounced to the Fund with an effective date in such fiscal year will be allocated *pro rata* among the Limited Partners who are shown as such on the record of limited partners maintained by the General Partner on the last day of such fiscal year, and 0.01% of the net income or loss of the Fund will be allocated to the General Partner. On dissolution of the Fund, the Limited Partners are entitled to 99.99% of the net assets of the Fund and the General Partner is entitled to 0.01% of such net assets.

Liquidity Alternatives:

It is contemplated that the Fund will terminate on or about December 31, 2009. Prior to that date, the General Partner will propose to the Limited Partners at a special meeting of the Limited Partners to be held on or before February 28, 2009, one or more alternatives to the termination of the Fund and distribution of the net assets of the Fund to the Limited Partners, including, without limitation, a proposal that the Fund exchange its assets for securities of a mutual fund corporation or other appropriate investment vehicle (including a fund in the frontier*Alt* Group of Mutual Funds), and distribute such securities to the Limited Partners on a tax-deferred basis, which alternatives may be proposed by the General Partner and must be approved by a majority of the Limited Partners at a special meeting. If the proposal is not approved by a majority of the Limited Partners, the General Partner will propose to the Limited Partners at a special meeting of the Limited Partners to be held on or before October 31, 2009, one or more alternatives to the termination of the Fund, including the proposal described above. The completion of such a transaction will be subject to the receipt of exemptions, if any, under National Instrument 81-102 to the extent that the assets of the Fund being exchanged with the mutual fund corporation may conflict with the investment restrictions of that National Instrument. There can be no assurances that any such transaction will receive the necessary regulatory approvals. If no such alternative is approved, the Fund will be dissolved on or about December 31, 2009 unless this date is extended by extraordinary resolution of the Limited Partners.

See "Business of the Fund – Our Business – Liquidity Alternatives and Dissolution" and "Income Tax Consequences and RRSP Eligibility – Summary of Significant Tax Consequences – Transfer of Fund's Assets and Dissolution".

Fees:

The following table describes the compensation and other payments payable in connection with the sale of Units and the management of the Fund. Such compensation and other payments were established by the General Partner.

Recipient:	Nature of Compensation	Nature of Services Rendered
General Partner	Management Fee: A management fee per annum equal to 2.0% of the Fund's Net Asset Value (as hereinafter defined), calculated and paid monthly in arrears will be paid to the General Partner – The General Partner also has a 0.01% interest in the Fund	Managing the business of the Fund
Portfolio Manager	– No compensation is directly payable by the Fund to the Portfolio Manager. An annual fee is payable monthly in arrears by the General Partner from its management fee to the Portfolio Manager	Identifying, analyzing and selecting investment opportunities in the mineral sector, and assisting the General Partner in monitoring the performance of Mineral Issuers
Mining Industry Consultant	– No compensation is directly payable by the Fund to the Mining Industry Consultant; the Portfolio Manager is responsible for any fees payable to the Mining Industry Consultant	Providing mining industry consulting services and due diligence services generally to the Portfolio Manager in relation to the mineral sector, and specifically in relation to the identification and review of individual Flow-Through Share opportunities for the Fund, and monitoring Mineral Issuers in which the Fund invests for expenditure of the Fund's funds on agreed exploration programs
Agents' Fees	– Agents' Commission: 7.0% of the selling price for each Unit payable on Closing. The Agents' fee of 7.0% per Unit is comprised of 2% in the aggregate payable to Trinity Wood Capital Corporation and MAK, Allen & Day Capital Partners Inc. and 5% payable to persons permitted under applicable securities legislation to sell Units of the Fund	Obtaining offers to purchase Units on behalf of the Fund

See "Compensation Paid to Sellers and Finders – Fees and Expenses Payable by the Fund".

Registrar and Transfer Agent Fees: The Fund will pay a fee to KeiDATA BackOffice Solutions Inc., or to any duly appointed successor, for its services as the registrar and transfer agent of the Units.

Administrative and Operating Expenses: The Fund will pay all of its administrative and operating expenses including: administration expenses, expenses relating to portfolio transactions (including commissions), taxes, legal and audit fees, Limited Partner reporting costs, printing and mailing costs and third party custodial or transfer agency costs, if any. The General Partner estimates these expenses will range from $50,000 to $55,000, plus commissions payable to dealers upon the sale of portfolio assets, annually.

Subscription Procedure: Units may be purchased through persons permitted under applicable securities legislation to sell Units of the Fund. An investor must purchase at least two hundred and fifty (250) Units. To subscribe for Units, investors are required to complete, execute and deliver to the General Partner a subscription agreement which accompanies this Offering Memorandum together with funds due on Closing provided via an electronic order system such as FundSERV, by direct debit from the investor's brokerage account or a certified cheque or bank draft payable to the Fund, in an amount equal to the aggregate

amount which the investor wishes to invest in Units. Where Units are purchased through FundSERV, completed subscription agreements must be delivered to the General Partner within five business days of the purchase. All subscriptions will be irrevocable.

Subscriptions in excess of the minimum subscription of two hundred and fifty Units ($2,500) may be made in multiples of ten Units ($100.00).

A certificate representing the Units will be issued in registered form to the investor.

Subscription proceeds received pursuant to this Offering will be received by the General Partner, and held in trust in a segregated account until all subscriptions for the applicable Closing are received and other closing conditions of this Offering have been satisfied. If the Closing is not completed for any reason, all subscription funds will be forthwith returned to the investors without interest or deduction. Fractional Units will not be issued.

At the discretion of the General Partner, Units may be issued at the first Closing and at one or more subsequent Closings. The General Partner is not required to complete any subsequent Closings following the first Closing.

Investors will be required to make certain representations in the subscription agreement for Units and the General Partner will rely on such representations to establish the availability of the exemptions from applicable prospectus and registration requirements.

The General Partner, on behalf of the Fund, reserves the right to reject any subscription in whole or in part and to reject all subscriptions. If a subscription for Units is rejected or accepted in part, unused monies received will be returned without interest or deduction within 15 days to the investor. An investor whose subscription agreement is accepted by the General Partner will become a Limited Partner of the Fund upon the amendment of the record of limited partners maintained by the General Partner.

See “Securities Offered”.

Federal Income Tax Considerations:

In general, a taxpayer (other than a “principal-business corporation”) who is a Limited Partner at the end of a fiscal year of the Fund may, in computing his income for his taxation year in which the fiscal year of the Fund ends, subject to the “at-risk” and “limited-recourse financing” rules contained in the Tax Act (as hereinafter defined) and Proposed Loss Limitation Rule (as hereinafter defined), deduct 100% of Eligible Expenditures (as hereinafter defined) renounced to the Fund and allocated to the taxpayer by the Fund in respect of the fiscal year and the taxpayer’s share of the net loss of the Fund for the fiscal year. If a taxpayer finances the subscription price of Units with a borrowing or other indebtedness that is or is deemed to be a “limited-recourse amount”, the deductions that the taxpayer may claim will be reduced.

A Limited Partner who is an individual (other than a trust) may also be entitled to reduce tax otherwise payable by a Federal non-refundable investment tax credit equal to 15% of certain CEE renounced to the Fund and allocated to him or her by the Fund. The individual taxpayer’s cumulative CEE at any time in a taxation year is reduced by the amount of the credit claimed for the preceding year. If a taxpayer’s cumulative CEE at the end of a taxation year is negative, the negative balance must be included in income and the cumulative CEE is reset to nil.

Income and taxable capital gains realized by the Fund will be allocated on a *pro rata* basis to the Limited Partners of record on December 31 of each fiscal year of the Fund. The Tax Act deems the cost to the Fund of Flow-Through Shares it acquires to be nil. Therefore, the Fund will generally realize a capital gain on disposition of these shares equal to the proceeds of disposition net of any reasonable costs relating to their disposition.

A disposition of Units held by a Limited Partner as capital property will generally result in a capital gain being realized by the Limited Partner. A dissolution of the Fund may result in capital gains (or capital losses) to Limited Partners. If certain requirements of the Tax Act are satisfied, such a dissolution may occur without giving rise to immediate additional tax liabilities of Limited Partners.

These comments must be read in conjunction with the detailed summary of the income tax consequences contained under the heading "Income Tax Consequences and RRSP Eligibility".

Each investor should obtain advice from his or her professional tax advisor regarding the potential federal and provincial tax considerations of investing in Units, including the consequences of any borrowings to finance an acquisition of Units.

Tax Shelter Identification:

The federal tax shelter identification number in respect of the Fund is TS073916. The identification number issued for this tax shelter shall be included in any income tax return filed by any Limited Partner. For Québec investors, the Québec tax shelter identification number in respect of the Fund is QAF-07-01246. Issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of any Limited Partner to claim any tax benefits associated with an investment in the Fund.

Risk Factors:

Investors should consider the following risk factors and the additional risk factors outlined under the heading "Risk Factors" before purchasing Units:

(a) This Offering is speculative. There is no assurance of a positive or any return on an investment in Units. The Units are more suitable for investors whose incomes are subject to high marginal tax rates, who are aware of the inherent risks in exploration and development, who have no immediate need for liquidity, and who can afford a total loss of their investment;

(b) There is no market through which the Units may be sold and none is expected to develop. Purchasers may not be able to resell Units purchased under this Offering Memorandum. The Offering is not qualified by way of prospectus and, consequently, the resale of Units is subject to restrictions under applicable securities legislation. Purchasers will not generally be able to transfer the tax benefits related to the Flow-Through Shares to be purchased by the Fund;

(c) Limited Partners must rely entirely on the expertise of the General Partner and the Portfolio Manager in determining the composition of the investment portfolio and in disposing of securities, and of the General Partner or its agents in entering into Flow-Through Agreements (as hereinafter defined) and the pricing of securities purchased for the Fund;

(d) There can be no assurance that the General Partner will, on behalf of the Fund, be able to identify a sufficient number of Mineral Issuers willing to issue Flow-Through Shares to permit the Fund to commit all Available Funds to purchase Flow-Through Shares by December 31, 2008. Available Funds that have not been invested by the Fund by December 31, 2008 will be distributed on a *pro rata* basis to the Limited Partners of record on December 31, 2008 by January 31, 2009 without interest or deduction. In such event, the amount of deductions that Limited Partners will be able to claim for income tax purposes will be reduced. Under current legislation, the expenditures to which the investment tax credits relate are

required to be renounced pursuant to an agreement with a Mineral Issuer made before April 1, 2008. There can be no assurance as to what portion, if any, of the Available Funds will be capable of being renounced pursuant to a Flow-Through Agreement made before April 1, 2008;

(e) This is a blind pool offering. As of the date hereof, the Fund has not entered into any Flow-Through Agreements to acquire Flow-Through Shares or selected Mineral Issuers in which to invest. However, the Fund may, prior to the initial Closing, enter into Flow-Through Agreements with one or more Mineral Issuers, provided such agreements will be conditional upon the completion of the initial Closing;

(f) The Fund may, but is not required to make, cash distributions to Limited Partners prior to the dissolution of the Fund; each Limited Partner is responsible for ensuring any principal and interest on any loan made to such person for the purchase of Units is paid in full when due;

(g) There can be no assurance that the income tax laws in the various jurisdictions of Canada, or the interpretation thereof, will not be changed in a manner which will fundamentally alter the tax consequences to Limited Partners of purchasing, holding or disposing of Units or other securities which may be received in exchange for Units; the possibility exists that Mineral Issuers will not honour their obligations to incur Eligible Expenditures or renounce Eligible Expenditures equal to the subscription price for the Flow-Through Shares to be issued by them to the Fund which could adversely affect the return on a Limited Partner's investment in the Units or result in additional tax payable by the Limited Partner; if a Limited Partner finances the subscription price of a Unit with indebtedness that is a "limited-recourse amount" for tax purposes, the tax benefits of the investment to such Limited Partner, and possibly to other Limited Partners, will be adversely affected; a Limited Partner's ability to deduct losses, including from interest expense, could be affected by the Proposed Loss Limitation Rule; and in any fiscal year of the Fund, the possibility exists that Limited Partners will receive allocations of income and taxable capital gains without receiving cash distributions from the Fund in such year sufficient to satisfy a Limited Partner's tax liability with respect to such allocations;

(h) Tax authorities may disagree with the characterization of gains realized by the Fund on the sale of Flow-Through Shares as being on capital account rather than on income account and with the classification of the Eligible Expenditures made by Mineral Issuers, and any such recharacterization or reclassification, as the case may be, resulting from such disagreement will reduce the return on an investment in the Units;

(i) The Taxation Act (Québec) limits the ability of a Québec taxpayer who is an individual (including a trust) to deduct investment expenses incurred to earn investment income to the amount of investment income earned in that year. For these purposes, investment expenses include, among others, certain interest and losses of a Limited Partner and 50% of CEE incurred outside Québec and investment income includes, among others, taxable capital gains not eligible for the capital gains exemption, interest, taxable dividends from Canadian corporations and trust income. A Limited Partner who is an individual (including a trust) resident, or subject to tax, in Québec on December 31 of a given year may, in computing his or her income for Québec income tax purposes, deduct an amount equal to 100% of certain CEE incurred in Québec and 50% of CEE incurred outside Québec, in each case, allocated to such Limited Partner by the Fund. The remaining CEE allocated to such Limited Partner (including 50% of CEE incurred outside Québec and certain CEE incurred in Québec) will be deductible for Québec tax purposes only if such Limited Partner has investment income in that year equal to or greater than such CEE. Investment expenses not deductible in a given taxation year may generally be carried over and applied against investment income (net of investment expenses for

the particular taxation year) earned in any of the three preceding taxation years or any subsequent taxation year;

(j) The Fund's Investment Strategy of concentrating investments in the mineral sector with a focus on intermediate and junior companies engaged in mineral exploration may result in greater fluctuation in the value of the Units than would be the case with a more diversified portfolio. The size of the Offering will directly affect the degree of diversification of the portfolio of Flow-Through Shares held by the Fund and may affect the scope of investment opportunities available to the Fund;

(k) The value of the Units will vary in accordance with the value of the securities acquired by the Fund and may be affected by such factors as investor demand, resale restrictions, general market trends or regulatory restrictions; many of the securities held by the Fund, including those listed and not subject to resale restrictions, may nevertheless be relatively illiquid and may decline in price if a significant number of shares are offered for sale;

(l) The Fund will invest in securities of Mineral Issuers engaged in mineral exploration and development which may result in the value of the portfolio being more volatile than portfolios with a more diversified investment focus; the value of the Fund's portfolio may fluctuate with the underlying market prices for commodities produced by those sectors of the economy;

(m) The business of exploration for minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing sites. At the time of investment in a Mineral Issuer by the Fund, it may not be known if such Mineral Issuer's properties have a known body of ore of commercial grade. Although substantial benefits may be derived from the discovery of a major mineral deposit, no assurance can be given that minerals will be discovered in sufficient quantities by the Mineral Issuers in which the Fund may invest to justify commercial operations or that such issuers will be able to obtain the funds required for development on a timely basis or at all. There is no certainty that the expenditures to be made by the Mineral Issuer in the exploration and development of the interests described herein will result in discoveries of commercial quantities of a mineral;

(n) The marketability of natural resources which may be acquired or discovered by a Mineral Issuer will be affected by numerous factors which are beyond the control of such Mineral Issuer. These factors include market fluctuations in the price of minerals, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of materials and environmental protection;

(o) A Mineral Issuer may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect on such Mineral Issuer's financial position;

(p) While a Mineral Issuer may have registered its mineral interests, as applicable, with the appropriate authorities and filed all pertinent information to industry standards, this cannot be construed as a guarantee of interest. In addition, a Mineral Issuer's properties may consist of recorded mineral interests which have not been legally surveyed, and therefore, the precise boundaries and locations of such interests may be in doubt and may be challenged. A Mineral Issuer's properties may also be subject to prior unregistered agreements or transfers or native land claims, and a Mineral Issuer's interest may be affected by these and other undetected defects;

(q) A Mineral Issuer's operations are subject to extensive government legislation, policies and controls relating to prospecting, land use, trade, environmental

protection, taxation, rate of exchange, return of capital and labour relations. A Mineral Issuer's mineral property interests may be located in foreign jurisdictions, and its exploration operations in such jurisdictions may be affected in varying degrees by the extent of political and economic stability, and by changes in regulations or shifts in political or economic conditions that are beyond the control of the Mineral Issuer. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development of the Mineral Issuer's operations. Amendments to current laws and regulations or more stringent enforcement of such laws and regulations could have a substantial adverse impact on the financial results of the Mineral Issuer;

(r) A Mineral Issuer's operations may be subject to environmental regulations enacted by government agencies from time to time. A breach of such legislation may result in the imposition on the Mineral Issuer of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. The cost of compliance with government regulations may reduce the profitability of a Mineral Issuer's operations;

(s) While the General Partner has agreed to indemnify the Limited Partners in certain circumstances, the General Partner has nominal assets and it is unlikely that it will have sufficient assets to satisfy any claims pursuant to such indemnity;

(t) Affiliates of the General Partner, Portfolio Manager, Southampton Associates Inc. and MAK Allen & Day Capital Partners and their respective directors and officers, may engage in the promotion, administration, management or investment management of other funds, partnerships or investment vehicles which invest in Flow-Through Shares or in other securities of Mineral Issuers and certain conflicts may arise from time to time in the management of such funds or vehicles and in determining appropriate investment opportunities;

(u) Limited Partners may lose their limited liability in certain circumstances, including by taking part in the control of the business of the Fund. The principles of law in the various jurisdictions of Canada recognizing the limited liability of the limited partners of limited partnerships subsisting under the laws of one province but carrying on business in another province or territory have not been authoritatively established. If limited liability is lost, there is a risk that Limited Partners may be liable beyond their contribution and share of undistributed net income of the Fund in the event of judgment on a claim in an amount exceeding the sum of the net assets of the General Partner and the net assets of the Fund;

(v) This Offering Memorandum contains forward-looking statements that involve risk and uncertainties. These forward-looking statements relate to, among other things, strategy, indicators and expectations for the mineral sector and Mineral Issuers and other expectations, intentions and plans contained in this Offering Memorandum that are not historical fact. When used in this Offering Memorandum, the words "expects", "anticipates", "intends", "plans", "may", "believes", "seeks", "estimates", "appears" and similar expressions generally identify forward-looking statements. These statements reflect the General Partner's current expectations. They are subject to a number of risks and uncertainties, including, but not limited to, changes in: the global economy, changes in general economic and business conditions, existing governmental regulations, supply, demand and other market factors. In light of the many risks and uncertainties surrounding the mineral sector, the forward-looking statements contained in this Offering Memorandum may not be realized; and

(w) There can be no assurance that the General Partner will be able to arrange and implement a liquidity alternative or, if implemented, that it will be effected on a tax-deferred basis. If a liquidity alternative is to be proposed that includes a mutual

fund, said mutual fund may be one that is part of the frontier*Alt* Group of Mutual Funds.

See “Risk Factors” and “Business of the Fund”.

SELECTED FINANCIAL ASPECTS

The following tables set forth certain financial aspects, based on the estimates and assumptions set forth below and in the notes to the tables below, for a Limited Partner who is an individual (other than a trust), who has invested $**10,000**, assuming the provincial marginal tax rates noted below after giving effect to all applicable deductions. **Actual tax rates, tax deductions, money at-risk and portfolio values could be significantly different from those shown in the table below.**

The following calculations and assumptions do not constitute a forecast, projection, estimate of possible results, contractual undertaking or guarantee. An investment in Units is appropriate only for investors who have the capacity to absorb a loss of all of their investment. The tax benefits resulting from an investment in the Fund are greatest for an investor whose income is subject to a high marginal income tax rate. Investors acquiring Units with a view to obtaining tax advantages should obtain independent tax advice from a tax advisor who is knowledgeable in the area of income tax law.

In order to qualify for income tax deductions available in respect of a particular fiscal year of the Fund, an investor must be a Limited Partner at the end of the year. It is assumed that the Limited Partner holds the Units throughout all periods. Investors should be aware that these calculations are based on assumptions by the General Partner which cannot be represented to be complete or accurate in all respects. The calculations do not take into account the time value of money. Any present value calculation should take into account the timing of cash flows, the investor's present and future tax position and any change in the market value of the portfolio of Flow-Through Shares held by the Fund. The calculations do not take into account any subsequent reinvestment of any proceeds which may be realized by the Fund in connection with dispositions of Flow-Through Shares. The following illustrations were prepared by the General Partner and are not based on an independent opinion rendered by an accountant or lawyer.

The amounts in the following tables are computed based on the assumptions set forth in the notes to the tables. **There is no assurance that all or any of the assumptions upon which the following calculations are based will be applicable to all or any of the Limited Partners, the Fund or the Flow-Through Shares purchased by the Fund. These calculations are based on the assumption that 100% of the Available Funds will be invested in Mineral Issuers involved in mineral exploration, which qualifies for investment tax credits.**

See "Income Tax Consequences and RRSP Eligibility – Summary of Significant Tax Consequences – Investment Tax Credits".

Trinity Wood Mining 2008-I Flow-Through Limited Partnership
$15,000,000 Maximum Offering
Potential Tax Advantages per $10,000 Investment
Assuming 100% of CEE eligible for ITC

	2008	2009 and Beyond	Total
Investment tax credit earned on Qualifying CEE (100% of CEE eligible for ITC 15%)	$ 1,338	$ -	$1,338
Tax Deductions (Income) and Investment tax credits (ITCs) inclusions			
CEE deduction	$ 8,917	$ -	$ 8,917
Issuance costs and other deductions	257	826	1,083
	9,174	826	10,000
ITC income inclusion (value of ITC included in taxable income in year 2)	-	(1,338)	(1,338)
Net tax deductions (income)	$ 9,174	$ (512)	$ 8,662

	B.C.	Alta.	Sask.	Man.	Ont.	Que.	N.S.	N.B.	Nfld.	PEI	NWT	Yuk	Nun
Highest Marginal Tax Rate 2008	43.70%	39.00%	44.00%	46.40%	46.41%	48.22%	48.25%	46.95%	45.50%	47.37%	43.05%	42.40%	40.50%
2009and beyond	43.70%	39.00%	44.00%	46.40%	46.41%	48.22%	48.25%	46.95%	45.50%	47.37%	43.05%	42.40%	40.50%
Investment	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$10,000	$10,000	$10,000	$ 10,000
Less: Tax Savings from Deductions	(3,785)	(3,378)	(3,811)	(4,019)	(4,020)	(4,177)	(4,179)	(4,067)	(3,941)	(4,103)	(3,729)	(3,673)	(3,508)
Less: ITC	(1,338)	(1,338)	(1,338)	(1,338)	(1,338)	(1,338)	(1,338)	(1,338)	(1,338)	(1,338)	(1,338)	(1,338)	(1,338)
Money at Risk	$ 4,877	$ 5,284	$ 4,851	$ 4,643	$ 4,642	$ 4,485	$ 4,483	$ 4,595	$ 4,721	$ 4,559	$ 4,933	$ 4,989	$ 5,154
Breakeven Proceeds of Disposition	$ 6,241	$ 6,564	$ 6,219	$ 6,046	$6,045	$ 5,910	$ 5,908	$ 6,005	$ 6,111	$5,974	$6,286	$6,331	$ 6,463
Less: capital gains tax on sale	(1,364)	(1,280)	(1,368)	(1,403)	(1,403)	(1,425)	(1,425)	(1,410)	(1,390)	(1,415)	(1,353)	(1,342)	(1,309)
After-tax Proceeds of Disposition/After Tax Purchase Cost	$ 4,877	$5,284	$ 4,851	$ 4,643	$ 4,642	$ 4,485	$ 4,483	$ 4,595	$ 4,721	$4,559	$4,933	$4,989	$ 5,154
Minimum Equivalent Deductions	117.24%	120.93%	117.03%	115.46%	115.45%	114.37%	114.35%	115.12%	116.03%	114.87%	117.70%	118.18%	119.66%

Notes and Assumptions:

The amounts in the tables are computed based on the following facts and assumptions:

(a) The Fund issues Units having an aggregate price of a maximum of $15,000,000.

(b) It is assumed that all Available Funds (i.e., the gross proceeds of the Offering, net of agents' fee, expenses of the Offering and a reserve for ongoing fees and expenses (see "Use of Net Proceeds")) are invested in Flow-Through Shares of Mineral Issuers that in turn expend such amount on Eligible Expenditures and such amount is renounced to the Fund with an effective date in 2008. Of the total Eligible Expenditures incurred and renounced, 100% is assumed to be eligible for the federal 15% non-refundable investment tax credit (an "ITC") (see "Income Tax Consequences and RRSP Eligibility"). The federal ITC will be deducted from the Limited Partner's CCEE pool in the taxation year following the taxation year in respect of which the ITC is claimed (this could result in a negative CCEE pool balance, and therefore, an income inclusion in that taxation year). In addition, the Provincial ITC that the Limited Partner has received or can reasonably be expected to receive will reduce the expenditures eligible for the federal ITC. As the provinces or territories in which CEE will be incurred are unknown, the provincial income tax credits have been assumed to be nil.

(c) The agents' fee and expenses of this Offering are deductible for income tax purposes at a rate of 20% per annum, but are *pro-rated* in 2008 from the formation date of the Fund. For this purpose the formation date of the Fund is assumed to be January 1, 2008. Expenses of this Offering are assumed to be $375,000 for the maximum Offering. The reserve for on-going fees and expenses is $200,000 in the case of the maximum Offering. If necessary, the Fund will fund ongoing fees and expenses beyond the amount reserved from proceeds of the sale of Flow-Through Shares held by the Fund.

(d) It is assumed that Flow-Through Shares are held by the Fund for at least four months from date of purchase. The calculations do not take into account the tax consequences of any disposition of Flow-Through Shares nor do they take into account any additional deductions that may be available on a reinvestment of proceeds from any such disposition in addition to Flow-Though Shares.

(e) It is assumed that interest and dividend income earned by the Fund will be nil.

(f) It is assumed that 50% of capital gains are taxable in computing a Limited Partner's income. The actual tax savings/cost will vary from the estimates set forth above depending on the Limited Partner's actual marginal tax rate. Currently, the highest federal and provincial marginal 2008/2009 tax rates by province and territory are as outlined above, however, actual future federal or provincial and territorial tax rates may differ depending upon policy changes by the relevant government entities.

(g) The calculations do not take into account the time value of money. Any present value calculation should take into account the timing of cash flows, the investor's present and future tax position and any change in the market value of the portfolio of Flow-Through Shares held by the Fund.

(h) Break-even proceeds of disposition of Limited Partner Units is the amount required to be realized on disposition of the Limited Partners' initial $10,000 investment to recover the after tax cost of the investment. It is calculated as after tax cost divided by the difference of one minus the assumed marginal tax rate (combined federal and provincial/territorial marginal tax rate multiplied by 50% inclusion rate on capital gains) on capital gains in the year of disposition of the Units.

(i) THE CALCULATIONS ASSUME THAT THE LIMITED PARTNER IS NOT LIABLE FOR THE ALTERNATIVE MINIMUM TAX. SEE "INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY – SUMMARY OF SIGNIFICANT TAX CONSEQUENCES – ALTERNATIVE MINIMUM TAX".

(j) The calculations assume that recourse for any financing by a Limited Partner of the subscription price for Units is not limited and is not deemed to be limited. See "Income Tax Consequences and RRSP Eligibility – Limitations on Deductibility of Expenses or Losses of the Fund".

(k) The highest marginal tax rates used are based on current federal and provincial rates and existing proposals for 2008 and beyond. Future federal and provincial budgets may modify these rates.

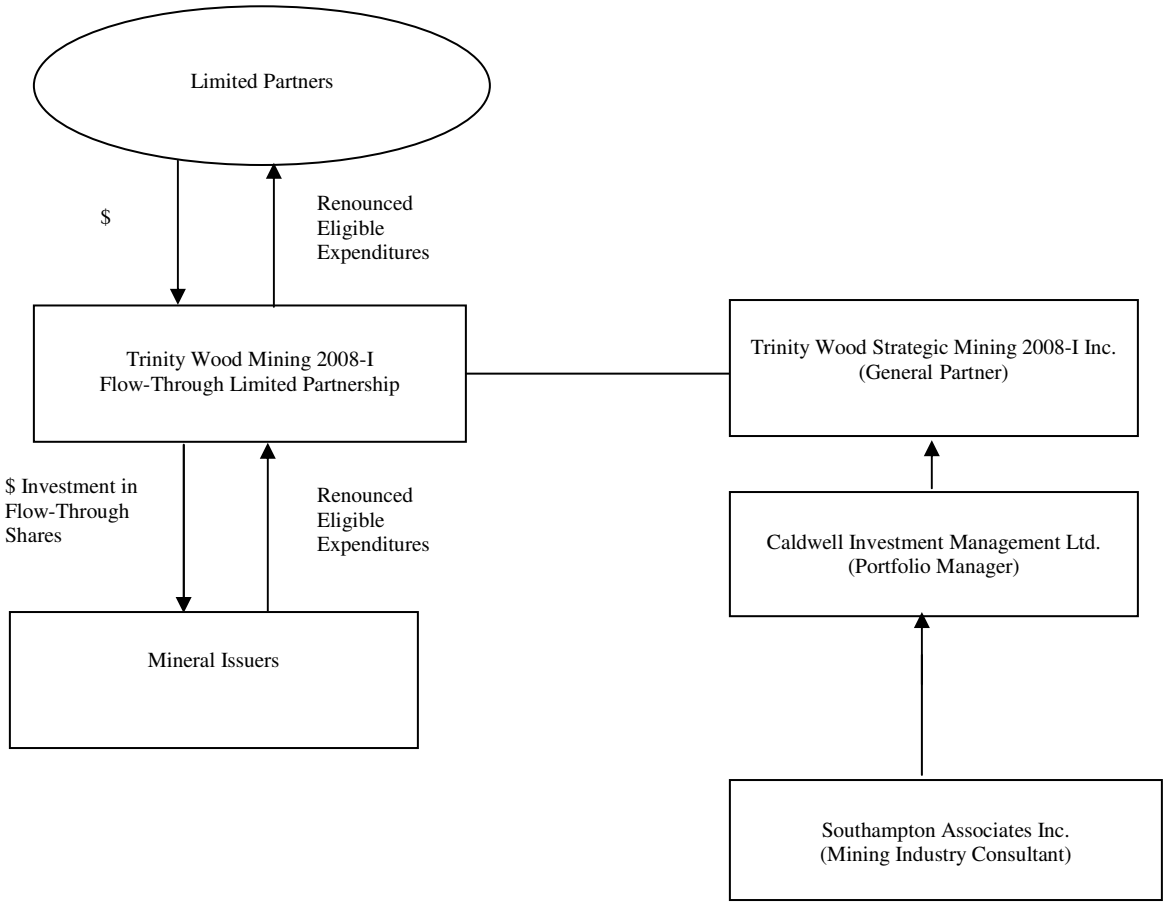
(l) The calculations assume that the Proposed Loss Limitation Rule does not limit a Limited Partner's ability to deduct losses in respect of the agents' fees and Offering expenses. See "Income Tax Consequences and RRSP Eligibility".

(m) The minimum equivalent deduction is calculated as the sum of (i) the net tax deduction and (ii) the investment tax credit earned on qualifying CEE divided by the marginal tax rate in each province and territory. It is expressed as a percentage of the original investment of $10,000.

(n) The amounts in these tables may not add due to rounding.

(o) It is assumed that for Québec provincial tax purposes only, a Limited Partner who is an individual (including a trust) resident, or subject to tax, in Québec has investment income that exceeds his or her investment expenses for a given year. For these purposes, investment expenses include certain interest, losses of a Limited Partner and 50% of CEE incurred outside Québec. CEE is not deducted in a particular taxation year must be carried over and applied against net investment income earned in any of the three previous taxation years or any subsequent taxation year. See "Risk Factors – Tax Related".

Investment Structure Diagram



GLOSSARY

When used in this Offering Memorandum, the following terms have the following meanings:

"**Affiliate**" and "**Associate**" have the meanings ascribed thereto in the *Securities Act* (Ontario);

"**Auditors**" means Smith Nixon LLP;

"**Available Funds**" means all funds available after deducting from the total proceeds of the issue of Units pursuant to this Offering Memorandum, the agents' fee, the expenses related to the issue and the initial Working Capital Reserve;

"**CCEE**" means "cumulative Canadian exploration expense" as defined in subsection 66.1(6) of the Tax Act;

"**CEE**" means "Canadian exploration expense" as defined in subsection 66.1(6) of the Tax Act that may be renounced pursuant to the Tax Act;

"**Closing**" means a closing of a sale of Units to investors;

"**CRA**" means the Canada Revenue Agency;

"**Dissolution Date**" means the date on which the Fund is dissolved which, subject to earlier dissolution on the terms set forth in the Partnership Agreement, shall be on or about December 31, 2009 or such later date as determined by extraordinary resolution of the Limited Partners;

"**Eligible Expenditures**" means CEE that can be renounced as CEE to the Fund;

"**First Liquidity Alternative**" means one or more alternatives to the distribution of the net assets of the Fund to the Limited Partners, including, without limitation, a proposal that the Fund exchange its assets for securities of a mutual fund corporation or other appropriate investment vehicle (including a fund in the frontier*Alt* Group of Mutual Funds), such securities to be distributed to the Limited Partners on a tax-deferred basis, which alternatives will be proposed by the General Partner and must be approved by a majority of Limited Partners at a special meeting on or before February 28, 2009. See "Income Tax Consequences and RRSP Eligibility";

"**Flow-Through Agreement**" means a Flow-Through Share subscription agreement between the Fund and a Mineral Issuer pursuant to which the Fund subscribes for Flow-Through Shares (and other securities, if applicable) and the Mineral Issuer agrees to incur and renounce to the Fund Eligible Expenditures in an amount equal to the subscription price for the Flow-Through Shares;

"**Flow-Through Share**" means a share in the capital of a Mineral Issuer (or a right to have such a share issued) which qualifies as a "flow-through share" as defined in subsection 66(15) of the Tax Act and which entitles the Fund to a renunciation of Eligible Expenditures, and "**Flow-Through Shares**" means more than one Flow-Through Share;

"**frontier*Alt* Group of Mutual Funds**" means any mutual funds managed or promoted by frontier*Alt* Capital Corporation, an affiliate of MAK, Allen & Day (or an associate or affiliate thereof);

"**Fund**" means Trinity Wood Mining 2008-I Flow-Through Limited Partnership;

"**General Partner**" means Trinity Wood Strategic Mining 2008-I Inc., a corporation incorporated pursuant to the OBCA;

"**High-Quality Liquid Investments**" mean high-quality money market instruments which are accorded the rating category of A-1 by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. ("Standard & Poor's") 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 or securities issued or guaranteed by the Government of Canada or by the government of any province of Canada or agency thereof or preferred shares with a remaining term of three years or less and having a rating of P-2 (Standard & Poor's), of PFD2 (Dominion Bond Rating Service) or better, or a money market mutual fund with similar quality constraints;

"**Investment Guidelines**" means those investment guidelines of the Fund described under the heading "Business of the Fund – Our Business – Investment Guidelines";

"**Investment Objectives**" means those investment objectives of the Fund described under the heading "Business of the Fund – Our Business – Investment Objectives";

"**Investment Strategy**" means the investment strategy of the Fund described under the heading "Business of the Fund – Our Business – Investment Strategy";

"**Limited Partners**" means holders of Units whose names and other prescribed information appear on the record of limited partners maintained pursuant to the *Limited Partnerships Act* (Ontario);

"**Liquidity**" means the ability of Limited Partners to dispose of their investment, either through the sale of their Units in the Fund or a liquidity alternative;

"**MAK, Allen & Day**" means MAK, Allen & Day Capital Partners Inc.;

"Mineral Consulting Agreement" means the consulting agreement among Southampton Associates Inc., the Portfolio Manager, the General Partner and the Fund;

"**Mineral Issuer**" means a corporation which represents to the Fund in a Flow-Through Agreement, among other relevant matters, that its principal business is mineral exploration, development and/or production, and that it is a "principal-business corporation" as defined in subsection 66(15) of the Tax Act that intends (either by itself or through a Related Corporation) to incur CEE on at least one property in Canada;

"**Mining Industry Consultant**" means Southampton Associates Inc.;

"**Net Asset Value**" and "**Net Asset Value per Unit**" have the meanings ascribed to those terms under "Capital Structure – Capital Structure of the Fund – Valuation of Investments – Net Asset Value of the Fund";

"**OBCA**" means the *Business Corporations Act* (Ontario) as such act may be amended, supplemented or replaced from time to time;

"Offering" means the offering of Units as described in this Offering Memorandum;

"**Offering Jurisdictions**" means the offering jurisdictions of the Fund described under the heading "Securities Offered – The Offering";

"**Partnership Agreement**" means the limited partnership agreement among the General Partner, the initial Limited Partner and the persons who from time to time are entered into the record of limited partners, substantially in the form attached hereto;

"**Portfolio Manager**" means Caldwell Investment Management Ltd., an adviser registered with the Ontario Securities Commission in the categories of investment counsel and portfolio manager pursuant to the *Securities Act* (Ontario);

"**Portfolio Management Agreement**" means the portfolio manager agreement among the General Partner, the Fund and the Portfolio Manager;

"**Proposed Loss Limitation Rule**" means the tax proposals announced by the Department of Finance on October 31, 2003, as more fully described under "Income Tax Consequences and RRSP Eligibility – Summary of Significant Tax Consequences – Limitations on Deductibility of Expenses or Losses of the Fund";

"**Regulations**" means the regulations to the Tax Act as promulgated from time to time;

"**Related Corporation**" means a corporation that is related to a Mineral Issuer for the purposes of subsection 251(2) or 251(3) of the Tax Act;

"**Second Liquidity Alternative**" means one or more alternatives to the distribution of the net assets of the Fund to the Limited Partners, including, without limitation, a proposal that the Fund exchange its assets for securities of a mutual fund corporation or other appropriate investment vehicle (including a fund in the frontier*Alt* Group of Mutual Funds), such securities to be distributed to the Limited Partners on a tax-deferred basis, which alternatives (if relevant) will be proposed by the General Partner and must be approved by a majority of Limited Partners at a special meeting on or before October 31, 2009. See "Income Tax Consequences and RRSP Eligibility";

"**Southampton**" means Southampton Associates Inc.;

"**Tax Act**" means the *Income Tax Act* (Canada), as may be amended, supplemented or replaced from time to time;

"**Trinity Wood**" means Trinity Wood Capital Corporation;

"**Units**" means limited partnership units of the Fund; and

"**Working Capital Reserve**" means funds which in the opinion of the General Partner, are necessary or advisable, having regard to the current and anticipated cash requirements of the Fund including, without limitation, funding the ongoing fees and general administrative expenses of the Fund (which reserve amount will not at any time exceed $200,000) to be held in High-Quality Liquid Investments.

ITEM 1. USE OF NET PROCEEDS

1.1 NET PROCEEDS

	Assuming minimum Offering[3]	Assuming maximum Offering
Amount to be raised by the offering	0	$15,000,000.00
Selling commissions and fees[1]	0	$1,050,000.00
Estimated offering costs (e.g. legal, accounting, audit)[2]		$375,000
Net proceeds		$13,575,000

(1) The Agents' fee of 7.0% per Unit is comprised of 2% in the aggregate payable to Trinity Wood Capital Corporation and MAK, Allen & Day Capital Partners Inc. and 5% payable to persons permitted under applicable securities legislation to sell Units of the Fund.

(2) The maximum aggregate expenses of this Offering payable by the Fund shall not exceed 3.75% of the gross aggregate proceeds raised upon completion of the Offering, subject to a maximum of $375,000.

(3) There is no minimum offering.

1.2 USE OF NET PROCEEDS

Description of intended use of net proceeds listed in order of priority	Assuming Minimum Offering[3]	Assuming Maximum Offering
Net Proceeds	0	$13,575,000
Working Capital Reserve[1]	0	$ 200,000
Available Funds[2]	0	$13,375,000

(1) Represents the initial Working Capital Reserve. The General Partner is authorized to fund the ongoing fees and expenses of the Fund in excess of the initial Working Capital Reserve from the sale of portfolio assets.

(2) All funds available after deducting from the total proceeds of the issue of Units pursuant to this Offering Memorandum the agents' fee, the expenses related to the issue and the initial Working Capital Reserve.

(3) There is no minimum offering.

The Fund will endeavour to use the Available Funds principally to subscribe for Flow-Through Shares. See "Business of the Fund – Our Business – Investment Strategy", "Compensation Paid to Sellers and Finders – Fees and Expenses Payable by the Fund" and "Securities Offered – Details of the Offering".

The proceeds from the issue of the Units will, at each Closing, be paid to the Fund, deposited in its bank account and managed on behalf of the Fund by the General Partner. Pending the investment of Available Funds in Mineral Issuers, all such funds will be invested in High-Quality Liquid Investments. Interest earned by the Fund from time to time after each Closing on funds of the Fund will accrue to the benefit of the Fund. Interest accruing to the benefit of the Fund prior to December 31, 2008 will form part of the Available Funds to be invested with regard to the Investment Guidelines and interest accruing thereafter may be used to pay Fund expenses or for other investments in Flow-Through Shares, common shares of Mineral Issuers which do not constitute Flow-Through Shares or in High-Quality Liquid Investments.

The Fund will use reasonable best efforts to invest all of the Available Funds in Flow-Through Shares of Mineral Issuers on or before December 31, 2008. The Available Funds that have not been invested in Flow-Through Shares by December 31, 2008 will be distributed to the Limited Partners of record on December 31, 2008, on a *pro rata* basis, no later than January 31, 2009, without interest or deduction.

The Fund will advance funds to Mineral Issuers under Flow-Through Agreements in substantially the form described below. See "Business of the Fund – Material Agreements – Flow-Through Agreements".

1.3 REALLOCATION

The General Partner intends to spend the net proceeds as stated. The General Partner will reallocate funds only for sound business reasons.

1.4 WORKING CAPITAL DEFICIENCIES

The Fund does not have a working capital deficiency.

ITEM 2. BUSINESS OF THE FUND

2.1 STRUCTURE

The Fund

The Fund, a limited partnership formed under the laws of the Province of Ontario, was formed pursuant to the provisions of the *Limited Partnerships Act* (Ontario) on January 7, 2008. The form of agreement governing the Fund is attached to this Offering Memorandum. The initial Limited Partner of the Fund is Trinity Wood. The General Partner was incorporated under the provisions of the OBCA on December 27, 2007.

The registered and head offices of the Fund and of the General Partner are located at 141 Adelaide Street West, Suite 701, Toronto, Ontario, M5H 3L5. The Fund has no employees.

2.2 OUR BUSINESS

Investment Objectives

The Investment Objectives of the Fund are to invest the Available Funds in Flow-Through Shares of Mineral Issuers involved in mineral exploration, development and/or production in Canada, with a view to achieving capital appreciation and maximizing the tax benefit of an investment in Units for its Limited Partners. The General Partner intends to invest the Available Funds such that Limited Partners will be entitled to claim certain deductions from income and may be entitled to, in respect of up to 100% of the Available Funds, investment tax credits for income tax purposes for the 2008 and subsequent taxation years. Flow-Through Shares are common shares purchased from the treasury of a Mineral Issuer under an agreement which provides that, in addition to issuing common shares, the Mineral Issuer agrees to incur and renounce Eligible Expenditures to the Fund in an amount equal to the subscription price of the Flow-Through Shares. Flow-Through Shares are typically purchased at a premium to the market price of the Mineral Issuer's common shares as compensation for the benefit of tax deductions. They are usually subject to resale restrictions because they are typically issued on a private placement basis. Flow-Through Shares are considered an attractive means of financing Canadian exploration expenditures for Mineral Issuers who have significant tax deductions available to them.

The Fund will use the Available Funds to subscribe for Flow-Through Shares pursuant to Flow-Through Agreements to be entered into with Mineral Issuers. The General Partner intends to invest up to 100% of the Available Funds in Mineral Issuers engaged in "grass roots" mineral exploration. See "Investment Strategy".

Under the terms of each Flow-Through Agreement, the Fund will subscribe for Flow-Through Shares of a Mineral Issuer issued from treasury and the Mineral Issuer will incur and renounce to the Fund, in an amount equal to the subscription price of the Flow-Through Shares, expenditures in respect mineral exploration that qualify as Eligible Expenditures and may be renounced to the Fund. Investments made by the General Partner on behalf of the Fund will be consistent with the Investment Guidelines set out below.

Available Funds that have not been invested in Flow-Through Shares of Mineral Issuers by December 31, 2008, will be distributed on a *pro rata* basis to the Limited Partners of record on December 31, 2008, by January 31, 2009, without interest or deduction. In such event the amount of deductions that Limited Partners will be able to claim for income tax purposes will be reduced. Up to 25% of the Available Funds may be invested in Flow-Through Shares of Mineral Issuers that are not reporting issuers and which may, therefore, be subject to continuing resale restrictions. See "Risk Factors".

Investment Strategy

Investments will be made in the mineral sector with the objective of creating a diversified portfolio of securities of Mineral Issuers involved in precious metals, base metals, uranium and other mineral exploration. The General Partner believes that business conditions and investor sentiment toward the mineral sector are favourable and that companies in the sector remain attractively priced. See "Outlook for Canadian Mineral Exploration". In addition, a Limited Partner who is an individual, other than a trust, may be entitled to federal and provincial investment tax credits in respect of the Fund's investment in Flow-Through Shares of Mineral Issuers involved in "grass roots" mineral exploration, being certain types of exploration conducted for the purpose of determining the existence, location, extent or quality of mineral resources. See "Income Tax Consequences and RRSP Eligibility – Summary of Significant Tax Consequences – Investment Tax Credits" and "Risk Factors".

The Fund intends to focus on companies in the intermediate and junior mineral sector with advanced exploration programs. It is anticipated that up to 100% of the Available Funds will be invested in Flow-Through Shares of Mineral Issuers engaged in "grass roots" mineral exploration. The Fund's Investment Strategy is to invest in Flow-Through Shares issued by Mineral Issuers that are considered to: (i) represent good value in relation to the market price of the Mineral Issuer's shares; (ii) have experienced and capable senior management; (iii) have a strong exploration program in place; and (iv) offer potential for future growth.

The Fund may sell Flow-Through Shares and other shares acquired on behalf of the Fund prior to dissolution of the Fund if the General Partner, in consultation with the Portfolio Manager, is of the opinion that it is in the best interests of the Fund to do so. Any net cash balances of the Fund arising from such sales which occur after 2008 (net of a reserve for fees and expenses), unless reinvested in additional shares or Flow-Through Shares will be invested in High-Quality Liquid Investments or distributed to Limited Partners.

For each fiscal year of the Fund, 99.99% of the net income or loss of the Fund and 100% of any CEE renounced by Mineral Issuers to the Fund with an effective date in such fiscal year will be allocated *pro rata* to Limited Partners who are shown as such on the record of Limited Partners maintained by the General Partner on the last day of such fiscal year and 0.01% of the net income or loss of the Fund will be allocated to the General Partner. See "Partnership Agreement – Net Income and Loss" and "Partnership Agreement – Allocation of CEE". The Fund will make such filings in respect of such allocations as are required by the Tax Act. Limited Partners will be entitled to claim deductions from income and investment tax credits for income tax purposes as described under "Income Tax Consequences and RRSP Eligibility".

On dissolution of the Fund, Limited Partners are entitled to 99.99% of the net assets of the Fund and the General Partner is entitled to 0.01% of such assets.

Investment Guidelines

The Investment Guidelines that will be followed by the General Partner in investing the Available Funds and in entering into Flow-Through Agreements with Mineral Issuers on behalf of the Fund are described below. The Investment Guidelines may only be changed in the manner described under "Material Agreements – Partnership Agreement – Amendments". Pursuant to the Portfolio Management Agreement, any such amendments also require prior consultation with the Portfolio Manager. For purposes of the Investment Guidelines listed below, the percentage limitation in paragraph (b) applies only immediately prior to the purchase of the Flow-Through Shares and any subsequent change in any applicable percentage resulting from changing values or changing market capitalization will not require disposition of any security from the Fund's portfolio. The restrictions in paragraphs (a), and (c) through (q), inclusive shall apply at all times. The Investment Guidelines provide as follows:

(a) **Mineral Issuers**. The Fund will invest Available Funds in Flow-Through Shares issued by Mineral Issuers, provided that the Fund may invest in cash and cash equivalents until suitable investment opportunities arise. To the extent the Fund disposes of Flow-Through Shares, the Fund may reinvest the net proceeds from any such dispositions in additional shares of Mineral Issuers, cash and cash equivalents, Government bonds and securities of entities listed on a Canadian stock exchange. Up to 25% of Available Funds may be invested in Flow-Through Shares of Mineral Issuers that are not reporting issuers and which, may, therefore, be subject to continuing resale restrictions.

(b) **Exchange Listing**. The Fund will invest a minimum of 75% of Available Funds in Flow-Through Shares of Mineral Issuers whose shares are listed and posted for trading on a Canadian stock exchange, including without limitation, the Toronto Stock Exchange, the TSX Venture Exchange and CNQ.

(c) **No Other Undertaking**. The Fund will not engage in any undertaking other than the investment of the Fund's assets with regard to the Fund's Investment Objectives, Investment Strategy and Investment Guidelines.

(d) **Purchasing Securities**. The Fund will purchase securities (other than Flow-Through Shares) only through normal market facilities unless the purchase price therefor approximates or is less than the prevailing market price or is negotiated or established on an arm's length basis from the Fund and the General Partner.

(e) **Fixed Price**. The Fund will not purchase any security which may by its terms require the Fund 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.

(f) **No Material Interest**. The Fund will not purchase securities from or sell securities to the General Partner or any of the General Partner's respective Affiliates, any officer, director or shareholder of any of them, any person, trust, firm or corporation managed by the General Partner or any of their respective 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 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. The restriction will not apply to a sale of Fund assets to a mutual fund in advance of the dissolution of the Fund, if such a transaction should occur.

(g) **No Borrowing**. The Fund may not borrow money.

(h) **No Commodities**. The Fund will not purchase or sell commodities.

(i) **No Guarantees**. The Fund will not guarantee the securities or obligations of any person.

(j) **No Real Estate**. The Fund will not purchase or sell real estate or interests therein.

(k) **No Lending**. The Fund will not lend money. For purposes of this restriction, investments in High-Quality Liquid Investments are not considered lending.

(l) **No Control**. The Fund 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 10% of the issued and outstanding voting securities of any particular Mineral Issuer in which it may invest.

(m) **Restriction on Underwriting**. The Fund will not act as an underwriter except to the extent that the Fund may be deemed to be an underwriter in connection with the sale of securities in its investment portfolio.

(n) **No Short Sales**. The Fund will not make short sales of securities other than for hedging purposes against existing positions held by the Fund.

(o) **No Mortgages**. The Fund will not purchase mortgages.

(p) **No Mutual Funds**. The Fund will not purchase the securities of any mutual fund, other than in connection with a liquidity alternative.

(q) **No Derivatives**. The Fund will not purchase or sell derivatives.

Liquidity Alternatives And Dissolution

The General Partner will propose one or more liquidity alternatives to the Limited Partners at a special meeting of the Limited Partners to be held on or before February 28, 2009, including, without limitation, a proposal that the Fund exchange its assets for securities of a mutual fund corporation or other appropriate investment vehicle (including a fund in the frontier*Alt* Group of Mutual Funds) and the securities be distributed to the Limited Partners on a tax-deferred basis. If a liquidity alternative is not approved by a majority of the Limited Partners at such meeting, the General Partner will propose one or more liquidity alternatives to the Limited Partners at a special meeting of Limited Partners to be held on or before October 31, 2009, including the proposal described above. The completion of such a transaction will be subject to the receipt of exemptions, if any, under National Instrument 81-102 to the extent that the assets of the Fund being exchanged with the mutual fund corporation may conflict with the investment restrictions of that National Instrument. There can be no assurances that any such transaction will receive the necessary regulatory approvals.

If a liquidity alternative is not approved by a majority of the Limited Partners on or before October 31, 2009, the Fund will be terminated on or about December 31, 2009 unless this date is extended by extraordinary resolution of the Limited Partners. On a dissolution of the Fund, 99.99% of the Fund's net assets, including securities of Mineral Issuers, will be distributed to the Limited Partners on a *pro rata* basis, with the remaining 0.01% distributed to the General Partner. See "Partnership Agreement", "Income Tax Consequences and RRSP Eligibility" and "Risk Factors".

Outlook for Canadian Mineral Exploration

The following information on the mineral sector contains forward-looking statements that involve risk and uncertainties. These forward-looking statements relate to, among other things, strategy, indicators and expectations for the mineral sector and Mineral Issuers and other expectations, intentions and plans contained in this Offering Memorandum that are not historical fact.

When used in this section, the words "expects", "anticipates", "intends", "plans", "may", "believes", "seeks", "estimates", "appears" and similar expressions generally identify forward-looking statements. These statements reflect the General Partner's and the Portfolio Manager's current expectations. They are subject to a number of risks and uncertainties, including, but not limited to, changes in the global economy, changes in general economic and business conditions, existing governmental regulations, supply, demand and other market factors. In light of the many risks and uncertainties surrounding the mineral sector, the forward-looking statements contained in this Offering Memorandum may not be realized. See "Risk Factors".

Industry Trends

Following a five year world uptrend in metal prices, the mining and metals industry, in 2007, experienced increased volatility as metal prices demonstrated extreme swings. Copper prices reached peak levels in 2006 and many other base metal prices reached peak levels in 2007. Gold and silver, on the other hand, continue to achieve new highs. Although base metal prices have experienced corrections in the short term, the Portfolio Manager believes that prices should remain above long term averages over the next few years, as a result of factors including depleting supplies, higher demand from India and China, the length of time needed to discover deposits, and the fact that the mineral industry has under spent on mineral exploration for a number of years.

In addition to price swings, there were other issues that affected the mining and metals industry in general, and Canadian operations in particular, in 2007. One important issue last year was the dramatic increase in the Canadian dollar when compared to the U.S. dollar. Since most metal prices are quoted in U.S. dollars, the strong rise in the Canadian dollar resulted in lower revenue for producers. Costs also rose substantially due to higher steel and energy prices. Labour shortages were acute, which slowed activity and were another source of cost pressure.

Historically, Canadian mineral exploration activity has been cyclical and correlated to overall economic growth in the Western world. Today, with strong growth in demand from China and India, Asia has become a much more important factor for mineral consumption. The Portfolio Manager expects that there may be a slow down in the demand for metals in 2008 dependent upon the economic outlook in the United States where the housing market is in turmoil due to the sub prime mortgage situation. This situation has resulted in declining house prices, which is affecting consumer demand. This problem has also spread to financial markets around the world, creating liquidity problems.

The Portfolio Manager believes that renewed strength in the mining industry, mining equities and mineral exploration companies has resulted from strong incremental metal demand from India and China, as new major consumers, in addition to more moderate growth in demand in the traditional markets in North America, Europe and Japan. This has resulted in metal demand outstripping metal supply following 25 years of under investment in new Greenfield mining development. The consensus among leading experts in the metals and mineral industry is that metal markets should remain positive over the next few years, however any recession in the United States is expected to cause a cyclical correction in the near-term, a view that the Portfolio Manager shares.

Since 2000, exploration activity has expanded significantly with mineral exploration and deposit appraisal expenditures rising from just over $500 million in 2000 to an estimated $2.5 billion in 2007. The Portfolio Manager considers the current and future level of exploration activity to be comparable to the post World War II experience, i.e. a period of sustained growth and increased exploration activity.

As noted above, following a dramatic rise in base metal, gold and silver prices, metal markets experienced a long overdue price correction, which began in the spring of 2006 for copper and spread to other base metals in 2007. This in turn

caused a market correction in mining share prices, both senior producers and mineral exploration companies. The Portfolio Manager believes that this market correction provides an excellent opportunity for investors to purchase mineral exploration companies at more realistic share prices than the extreme valuations experienced last year.

Despite any short term weakness in the metal markets, Canada is home to over 50% of all publicly listed mineral exploration companies and in the view of the Portfolio Manager the positive developments described above have dramatically improved their economics and the sustainability of mineral exploration over the next few years.

Base Metals

Copper

The Portfolio Manager believes that demand for copper should grow at about 4% in 2008, slightly above the average growth rate of the last 2 years, due primarily to strong demand in India and China. Copper supplies have been growing at a faster rate than demand and supply and demand should be in balance this year. This assumes that new projects come on stream on time and that there are no "political" production disruptions. Inventories are still at extremely low levels and any disruption in production could cause copper prices to jump substantially due to speculative activity.

Copper reached a peak of US $4.00 per pound in June of 2006. Since then the copper price has been quite volatile. Industry forecasts suggest that prices will average about US $3.00 per pound in 2008. The Portfolio Manager believes that prices will remain volatile in 2008. Compared with US $0.80 per pound in 1999, a one hundred year low in constant dollars, the expected average is, in the opinion of the Portfolio Manager, more than sufficient to encourage active exploration programs for copper in Canada.

Lead and Zinc

Lead and zinc are most often found together in mineral deposits so that the mine production of one has a direct impact on the production of the other. Zinc has been in a supply demand deficit since 2004. In 2008, the Portfolio Manager expects supply to increase approximately 8% due primarily to new mine output. Such increase should result in a balanced supply and demand situation. Zinc metal prices have been declining since the end of 2006 in recognition of increased metal supplies.

Lead prices have also begun to correct from their high of US $1.75 per pound level last fall to a recent level of US $1.20 per pound.

Nickel

Nickel markets also are robust, and the Portfolio Manager anticipates that the demand for nickel will continue to grow in 2008 by up to 8% primarily due to strong demand for stainless steel. Over the last few years, nickel markets have outperformed other base metals and once again this year, demand is expected to exceed supply. LME stocks are extremely low and metal supplies will remain tight in 2008.

Nickel prices have corrected from an all time high of approximately US$ 25 per pound last summer to its current US$ 12 per pound level. Current prices are still well above their long term average. Nickel prices averaged about US$ 3 per pound in the early part of this decade. Current prices have resulted in considerable nickel exploration activity in Canada this year. Recently, Noront Resources Ltd. has discovered a very high grade nickel, copper and precious metal discovery in the James Bay lowlands which has created excitement for junior exploration companies.

The outlook for uranium is particularly strong. The consumption of uranium has exceeded new mine production since 1986, with the shortfall met by the sale of weapons grade uranium from decommissioning of nuclear weapons. There is renewed interest in the Western world in nuclear power development. In the past many environmental groups were against the development of nuclear power, but many such groups now strongly endorse the concept of nuclear power being safe, economical and environmentally friendly. There are currently 438 nuclear reactors in production with an additional 107 new reactors planned over the next few years. Asia, in particular, has a very large nuclear power plant development program under way with 57 reactors planned. With the flooding of Cameco's Cigar Lake mine recently, uranium supplies will remain very tight and uranium prices are expected to remain strong for the next three years.

Uranium prices reached an astounding US $140 per pound in the early summer, but have since corrected and prices are now approximately US $90 per pound. The Portfolio Manager believes this is a more realistic price, but is still high enough to encourage active exploration in Canada. Only a few years ago, uranium prices were below US $10 per pound. Canada has excellent uranium exploration potential and the expectation is for increased uranium exploration activity.

Gold

The gold market has experienced dramatic price recovery over the last few years with current prices over US $850 per ounce, compared with less than US $300 per ounce in 2002. Interestingly, the last recent high in the price of gold of US $730

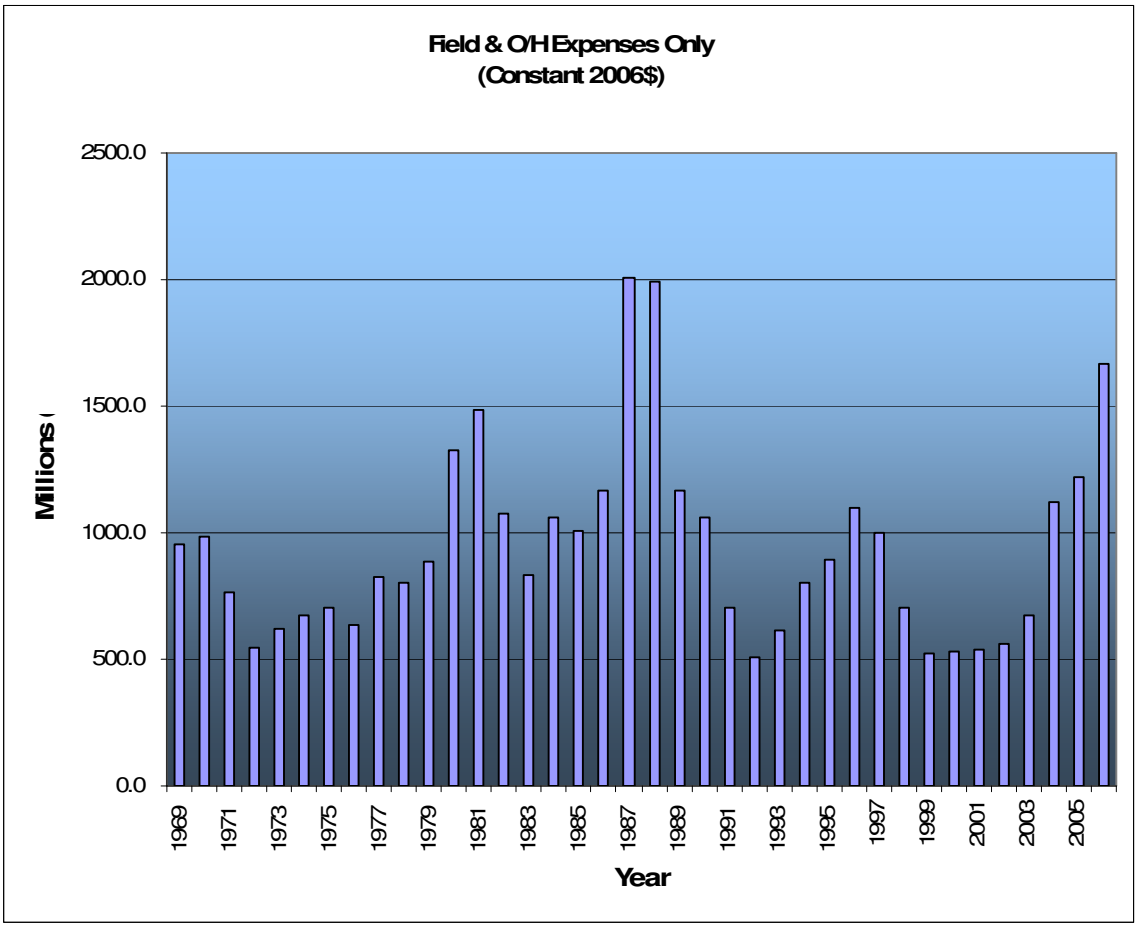
per ounce was reached in the late spring of 2006, coincident with the peak in both copper and oil prices. Recently, gold prices have risen sharply to US $864 per ounce, exceeding the previous high of US $850 per ounce in the early 1980's.

Many factors, both technical and fundamental, have contributed to this improved gold price, including a weaker US dollar, increased industrial consumption, higher individual gold holding in Asia and reduced central government gold sales. With geopolitical concerns also a factor, the Portfolio Manager believes that the outlook for gold is expected to remain positive for many years to come. Current gold prices have stimulated increased exploration activity and Canada has excellent gold exploration potential. Silver has also recovered in price over the last few years, and like gold, is expected to continue to perform well.

Exploration Activity

The revival of the metals and minerals industry has resulted in a dramatic rise in exploration activity in Canada. Total exploration expenditures in Canada in 1999 were $500 million, as compared to $1.9 billion in 2006, and which are estimated to reach $2.5 billion in 2007. Much of this increase can be attributed to junior exploration companies. In 1999, 62% of the exploration expenditures were incurred by senior companies, whereas it is estimated that 60% of the exploration expenditures being made last year were from junior companies. Most economic deposits in Canada have been made by junior companies. For example, the Voisey's Bay nickel discovery in Labrador, one of the last major base metal discoveries in Canada, was discovered by a junior company.

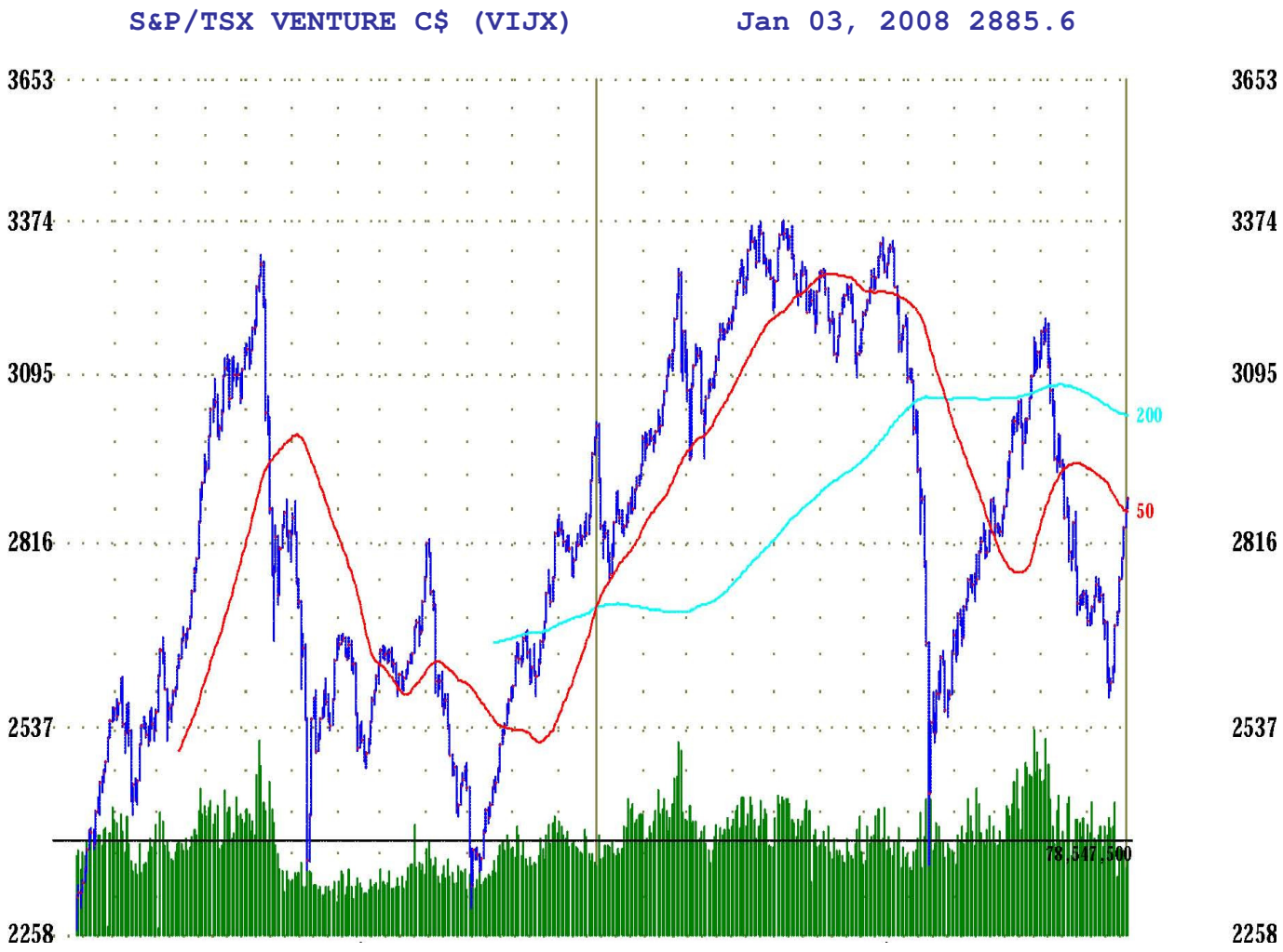
With the combination of exploration activity at a record level, and new technology being applied, the Portfolio Manager believes there are likely to be new mineral deposits discovered in base metals, precious metals, diamonds and other mined commodities. These discoveries will create considerable enthusiasm among both investors and speculators creating attractive opportunities to realize capital gains from this sector of the marketplace.



The chart above, sourced from Natural Resources Canada and Statistics Canada, illustrates mineral exploration expenditures (field and overhead expenses only) over the time periods indicated.

Markets

The Portfolio Manager believes that the volatility of metal prices over the last two years combined with the fact that the share prices for many junior mineral exploration companies experienced "irrational exuberance" has resulted in increased volatility and significantly lower prices for many stocks in this sector, as demonstrated by the chart below, which illustrates the return on the S&P/TSX Venture Composite Index from February 2007 to January 2008.



In the view of the Portfolio Manager, the fact that many juniors are now trading at more realistic share prices provides it with attractive valuations for constructing the Fund's flow-through portfolio. The Portfolio Manager also expects that premiums attached to flow-through issuers may be lower than previous years as a result of the current environment.

2.3 DEVELOPMENT OF BUSINESS

The Fund was established on January 7, 2008. As of this date there are no Fund assets under management.

2.4 LONG TERM OBJECTIVES

The long-term objectives of the Fund are as set forth above under "Our Business".

2.5 SHORT TERM OBJECTIVES AND HOW WE INTEND TO ACHIEVE THEM

The Fund has no short-term objectives.

2.6 INSUFFICIENT PROCEEDS

Proceeds of the Offering are expected to be sufficient to accomplish the Fund's objectives.

2.7 MATERIAL AGREEMENTS

Material contracts which have been entered into or will, prior to the Closing of this Offering, be entered into by the Fund since its formation and material contracts that will subsequently be entered into, other than contracts entered into in the ordinary course of business, are as follows:

Flow-Through Agreements

The General Partner, on behalf of the Fund, will enter into Flow-Through Agreements with Mineral Issuers as required to expend the Available Funds. Each Flow-Through Agreement will set forth, among other things:

(a) the pricing and plan of distribution of the Flow-Through Shares to be purchased by the Fund;

(b) the information to be transmitted by the Mineral Issuer to the Fund; and

(c) the undertakings, representations, warranties and covenants of the Mineral Issuer.

Pursuant to the terms of the Flow-Through Agreements, Mineral Issuers will be obligated to incur exploration and development expenditures that qualify as Eligible Expenditures and provide the Fund with, among other things, a report certifying that the expenditures made qualify as Eligible Expenditures. Subscription monies will generally be released to the Mineral Issuer prior to the receipt of the report. Typically, Flow-Through Agreements will require the Mineral Issuers to incur Eligible Expenditures and renounce Eligible Expenditures to the Fund.

The General Partner will, on behalf of the Fund, use reasonable best efforts to invest all of the Available Funds in Flow-Through Shares of Mineral Issuers pursuant to agreements made before April 1, 2008 (or such later date as may be provided for in paragraph (c) of the definition of a "flow-through mining expenditure" in subsection 127(9) of the Tax Act) in contemplation of the Mineral Issuers incurring and renouncing Eligible Expenditures in an amount equal to the subscription price of the Flow-Through Shares to the Fund, with an effective date no later than December 31, 2008. See "Investment Strategy" and "Investment Guidelines". The General Partner will not enter into Flow-Through Agreements under which Available Funds are committed which contemplate that CEE will be incurred after December 31, 2009 or which contemplate that Eligible Expenditures will be renounced with an effective date later than December 31, 2008. See "Risk Factors – Tax-Related". The Flow-Through Agreements will include rights of termination in favour of the Fund and the Mineral Issuers that may be exercised in specified circumstances.

Partnership Agreement

The following is a summary of the Partnership Agreement which is incorporated herein by reference. This summary is not intended to be complete and each investor should carefully review the form of the Partnership Agreement attached to, and forming part of, this Offering Memorandum.

The rights and obligations of the Limited Partners and the General Partner are governed by the laws of the Province of Ontario and the federal laws applicable therein and the Partnership Agreement.

Each investor who wishes to subscribe for Units must, subject to a minimum subscription of two hundred and fifty (250) Units, complete, execute and deliver to the General Partner a subscription agreement which accompanies this Offering Memorandum. An investor whose subscription has been accepted by the General Partner on behalf of the Fund will become a Limited Partner upon the amendment of the record of Limited Partners maintained by the General Partner. At or as soon as possible after the initial Closing of the issue of Units, the interest of the initial Limited Partner will be redeemed by the Fund in the amount of its capital contribution of $10.00.

Units

To become a Limited Partner, an investor must acquire 250 or more Units in the Fund. Fractional Units will not be issued. Investors will be required to make certain representations in the subscription agreement for Units and the General Partner will rely on such representations to establish the availability of the exemptions from applicable prospectus and registration requirements and to grant the power of attorney to the General Partner as set out in the Partnership Agreement. See "Securities Offered – Subscription Procedure – Sale of Units." The Partnership Agreement includes representations, warranties and covenants on the part of the investor that he, she or it is not a "non-resident" of Canada for the purposes of the Tax Act, that he, she or it will maintain such status during such time as the Units are held by him, her or it, that he, she or it is not a partnership, and that payment of the subscription price of his, her, or its Units was not financed with indebtedness for which recourse is, or is deemed to be, limited for the purposes of the Tax Act. See "Allocation of CEE" and "Limited Recourse Financings". The General Partner may require those Limited Partners who are "non-residents" of Canada for the purposes of the Tax Act or a partnership to sell their Units to residents of Canada. In addition, if the General Partner becomes aware that owners of 45% or more of the Units then outstanding are, or may be, "financial institutions" for the purposes of the Tax Act or that such a situation is imminent, the General Partner may send notice to certain of these Limited Partners requiring them to sell their Units or a portion thereof within a specified period of not less than 15 days. If a Limited Partner fails to comply with any such request, the General Partner shall have the right to sell such Limited Partner's Units or to purchase the same on behalf of the Fund at fair value as determined by an independent third party selected by the General Partner, whose determination will be final and binding and not subject to review or appeal.

Each Unit entitles the holder to the same rights and obligations as a holder of any other Unit and no Limited Partner is entitled to any privilege, priority or preference in relation to any other Limited Partner. Each Limited Partner is entitled to one vote for each Unit held except for the General Partner and certain related persons as described herein. See "Meetings". On dissolution, the Limited Partners of record holding the then outstanding Units are entitled to receive 99.99% of the assets of the Fund remaining after payment of debts, liabilities and liquidation expenses of the Fund. See "Dissolution". The initial Limited Partner has contributed $10.00 to the capital of the Fund. The initial Unit issued to the initial Limited Partner will be redeemed, and such capital contribution repaid, on or as soon as possible after the initial Closing date.

Fees and Expenses

The Fund shall pay: (a) to the General Partner, the fees described under "Compensation Paid to Sellers and Finders – Fees and Expenses Payable by the Fund"; (b) a sales commission equal to 7.0% of the selling price for each Unit for which subscriptions are accepted by the General Partner; and (c) the expenses of this Offering.

In addition, the Fund will pay for all its and the General Partner's expenses incurred in connection with the operation and administration of the Fund. It is anticipated that these expenses will include, without limitation: (a) mailing and printing expenses for periodic reports to Limited Partners; (b) fees payable to the auditors and legal and professional advisors of the Fund (including reimbursement of certain reasonable out-of-pocket expenses, consisting of travel related and other expenses, and for carrying out due diligence of prospective investments of Southampton Associates Inc.); (c) taxes and ongoing regulatory filing fees; (d) any reasonable out-of-pocket expenses incurred by the General Partner or its agents in connection with their ongoing obligations to the Fund; (e) expenses relating to portfolio transactions (including commissions); and (f) any expenses which may be incurred in connection with the dissolution of the Fund and if a liquidity alternative is approved by the Limited Partners, the exchange of the assets of the Fund for other securities or assets, including mutual fund shares. The General Partner may act as custodian of the investments of the Fund and may act as registrar and transfer agent for the Fund. No additional fee will be payable to the General Partner for these services; however, it will be entitled to reimbursement for reasonable out-of-pocket expenses related to its performances of these services. See "Directors, Management, Promoters and Principal Holders – Custodian Arrangements" and "Directors, Management, Promoters and Principal Holders – Auditors, Transfer Agent and Registrar".

Net Income and Loss

The Fund will allocate *pro rata* among the Limited Partners of record on the last day of each fiscal year 99.99% of the net income or net loss of the Fund for such fiscal year. The Fund 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. Limited Partners will be entitled to claim certain deductions from income for income tax purposes as described under "Income Tax Consequences and RRSP Eligibility".

Allocation of CEE

Subject to the reduction in the allocation of the proportionate share of CEE to Limited Partners who have financed the acquisition of Units with indebtedness for which recourse is or is deemed to be limited for the purposes of the Tax Act (see "Limited Recourse Financings"), the Fund will allocate to each Limited Partner of record on the last day of each fiscal year his proportionate share of 100% of the CEE renounced to it by Mineral Issuers with an effective date in such fiscal year and will make such filings in respect of such allocations as are required by the Tax Act.

Distributions

Except for the return of any portion of Available Funds which are not expended to acquire Flow-Through Shares by December 31, 2008 (see "Investment Strategy"), the Fund may, but is not required to make, cash distributions to partners prior to the dissolution of the Fund.

Functions and Powers of the General Partner

The General Partner has exclusive authority to manage the operations and affairs of the Fund, to make all decisions regarding the business of the Fund and to bind the Fund. The General Partner is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Fund and to exercise the care, diligence and skill that a reasonably prudent person would exercise in the circumstances. Among other restrictions imposed on the General Partner, it may not dissolve the Fund nor wind up the Fund's affairs except in accordance with the provisions of the Partnership Agreement.

The General Partner shall have the power to make on behalf of the Fund and each Limited Partner, in respect of such Limited Partner's interest in the Fund, any and all elections, determinations or designations under the Tax Act or any other taxation or other legislation or laws of like import of Canada or of any province or jurisdiction. The General Partner shall file, on behalf of the General Partner and the Limited Partners, any information return required to be filed in respect of the activities of the Fund under the Tax Act or any other taxation or other legislation or laws of like import of Canada or of any province or jurisdiction.

Accounting and Reporting

The Fund's fiscal year will be the calendar year. The General Partner will send to each Limited Partner such reports as the Fund may be required by law to deliver to Limited Partners.

The General Partner shall forward information in a suitable form to enable a Limited Partner to complete his, her or its income tax reporting relating to his, her or its interest in the Fund by March 31 (or as soon as possible thereafter) each year to each Limited Partner of record on December 31 of the preceding fiscal year. The General Partner shall keep adequate books and records reflecting the activities of the Fund. A Limited Partner or his or her duly authorized representative shall have the right to examine the books and records of the Fund during normal business hours at the offices of the General Partner, except information which in the opinion of the General Partner should be kept confidential in the interests of the Fund.

Limited Recourse Financings

Under the Tax Act, if a Limited Partner finances the acquisition of Units with indebtedness for which recourse is limited, or is deemed to be limited, the CEE or other expenses incurred by the Fund may be reduced by the amount of such indebtedness. The Partnership Agreement provides that where CEE of the Fund is so reduced the amount of CEE that would otherwise be allocated to the Limited Partner who incurs the limited recourse indebtedness shall be reduced by the amount of the reduction. Where the reduction of other expenses reduces the loss of the Fund, 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 indebtedness.

For the purposes of the Tax Act, recourse for a borrowing or other indebtedness is generally deemed to be limited unless:

(a) bona fide arrangements, evidenced in writing, were made, at the time the indebtedness arose, for repayment by the debtor of the indebtedness and all interest on the indebtedness within a reasonable period not exceeding ten years; and

(b) interest is payable at least annually, at a rate equal to or greater than the lesser of:

(i) the prescribed rate of interest in effect at the time the indebtedness arose, and

(ii) the prescribed rate of interest applicable from time to time during the term of the indebtedness,

and is paid in respect of the indebtedness by the debtor no later than sixty days after the end of each taxation year of the debtor that ends in the period.

Investors who propose to borrow or otherwise finance the subscription price of Units should consult with their own advisors to ensure that any such borrowing or financing is not treated as a limited recourse financing under the Tax Act.

Limited Liability

The Fund was formed in order for Limited Partners to benefit from liability limited to the extent of their capital contributions to the Fund together with their *pro rata* share of the undistributed income of the Fund. Limited Partners may lose the protection of limited liability by taking part in the control of the business of the Fund and may be liable to third parties as a result of false or misleading statements in the public filings made pursuant to the *Limited Partnerships Act* (Ontario). Limited Partners may also lose the protection of limited liability if the Fund carries on business in a province or territory of Canada which does not recognize the limited liability conferred under the *Limited Partnerships Act* (Ontario).

The General Partner has agreed to indemnify the Limited Partners against any costs, damages, liability or loss incurred by a Limited Partner that result from such Limited Partner not having limited liability, except where the lack or loss of limited liability is caused by some action of such Limited Partner or a change in any applicable legislation. However, the General Partner has nominal assets. Consequently, it is unlikely that the General Partner will have sufficient assets to satisfy any claims pursuant to this indemnity.

In all cases other than the possible loss of limited liability, no Limited Partner will be obligated to pay any additional assessment on or with respect to the Units held or purchased by him or her; however, the Limited Partners and the General Partner may be bound to return to the Fund such part of any amount distributed to them as may be necessary to restore the capital of the Fund to its existing amount before such distribution if, as a result of such distribution, the capital of the Fund is reduced and the Fund is unable to pay its debts as they become due.

Dissolution

The Fund shall pursue its activities until on or about December 31, 2009 unless it is dissolved earlier in accordance with the Partnership Agreement or undertakes a liquidity alternative approved by the Limited Partners on or before October 31, 2009.

Transfers of Units

Subject to compliance with applicable securities laws, only whole Units are transferable. A Limited Partner may transfer all or part of his Units by delivering to the General Partner a form of transfer, substantially in the form annexed as Schedule "B" to the Partnership Agreement, or such other form as is acceptable to the General Partner, duly executed by the Limited Partner, as transferor, and the transferee. The transferee, by executing the transfer, agrees to be bound by the Partnership Agreement as a Limited Partner and will be liable for all obligations of a Limited Partner. Transferees who execute the transfer thereby represent and warrant that they are not "non-residents" within the meaning of the Tax Act and covenant to maintain such status during such time as the Units are held by them. A transferee executing the transfer also thereby represents and warrants that he or she is not a partnership and that his or her acquisition of the Units from the transferor was not financed with a borrowing or other indebtedness for which recourse is, or is deemed to be, limited for the purposes of the Tax Act, deals at arm's length with each Mineral Issuer within the meaning of the Tax Act, ratifies and confirms the power of attorney given to the General Partner in Article 19 of the Partnership Agreement and, unless he or she provides written notice to the contrary to the General Partner with the delivery of such executed transfer form, is deemed to represent and warrant that he or she is not a "financial institution" within the meaning of subsection 142.2(l) of the Tax Act as aforesaid and to covenant that he or she will not become a "financial institution" while he or she holds Units. In addition, a Unit is not transferable to a person an interest in which is a "tax shelter investment" as that term is defined in the Tax Act.

The General Partner may accept or reject a transfer, in its sole discretion and will deny the transfer of Units to a "non-resident" for the purposes of the Tax Act, to a partnership, to a transferee who has financed the acquisition of the Units with a borrowing or other indebtedness for which recourse is, or is deemed to be, limited for the purposes of the Tax Act or to a transferee that does not deal at arm's length with a Mineral Issuer within the meaning of the Tax Act. The General Partner

reserves the right to sell any Units held by a "non-resident" or "financial institution" or partnership appearing from time to time on the record of Limited Partners or to purchase the same on behalf of the Fund at fair value.

Pursuant to the provisions of the Partnership Agreement, when the transferee has been registered as a Limited Partner in accordance with the Partnership Agreement, the transferee of Units shall become a party to the Partnership Agreement and shall be subject to the obligations and entitled to the rights of a Limited Partner under the Partnership Agreement. A transferor of Units will remain liable to reimburse the Fund for any amounts distributed to him or her by the Fund which may be necessary to restore the capital of the Fund to the amount existing immediately prior to such distribution, if the distribution resulted in a reduction of the capital of the Fund and the incapacity of the Fund to pay its debts as they became due.

There is no market through which the Units may be sold and none is expected to develop. Limited Partners may find it difficult or impossible to sell their Units. Units or any other securities or debt instruments issued by the Fund, if any, will not be listed or traded on a stock exchange or other public market (as defined for the purposes of section 122.1 of the Tax Act).

Meetings

The Fund is not required to hold annual meetings. The General Partner may at any time convene a meeting of the partners of the Fund and will be required to convene a meeting on receipt of a request in writing of Limited Partners holding, in aggregate, 25% or more of the Units then outstanding. Each Limited Partner is entitled to one vote for each Unit held. The General Partner is entitled to one vote in its capacity as General Partner. A quorum consists of two or more Limited Partners present in person or by proxy and representing not less than 10% of the Units then outstanding except in the case of an extraordinary resolution to remove the General Partner which requires 50% of the Units then outstanding to establish quorum. If a quorum is not present at any meeting within thirty minutes after the time fixed for the meeting, the meeting, if convened pursuant to a request of Limited Partners, will be cancelled, but otherwise will be adjourned to another day, not less than 10 days nor more than 21 days later, selected by the General Partner and notice for the adjourned meeting must be mailed not less than 10 days in advance. The Limited Partners present at any adjourned meeting will constitute a quorum. The General Partner in respect of any Units which may be held by it from time to time, insiders of the Fund (as such expression is defined in the Securities Act (Ontario)), Affiliates of the General Partner and any director or officer of such persons, who hold Units shall not be entitled to vote on any extraordinary resolution to be adopted by the Limited Partners.

Amendments

The Partnership Agreement may only be amended in writing and with the consent of the Limited Partners given by extraordinary resolution passed by holders of not less than $66\ ^{2}/_{3}\%$ of the Units voting thereon. However, unless all of the Limited Partners consent thereto, no amendment can be made to the Partnership Agreement which would have the effect of reducing the interest in the Fund of any Limited Partner, changing the liability of any Limited Partner, allowing any Limited Partner to participate in the control or management of the business of the Fund, changing the right of a Limited Partner or the General Partner to vote at any meeting or changing the Fund from a limited partnership to a general partnership. In addition, no amendment can be made to the Partnership Agreement which would have the effect of reducing the fees payable to the General Partner or its share of the net income or assets of the Fund unless the General Partner, in its sole discretion, consents thereto or upon a change of the General Partner. No amendment may be made which would have the effect of changing in any manner the allocation of income or loss of the Fund for tax purposes.

Notwithstanding the foregoing, the General Partner is entitled to make certain amendments to the Partnership Agreement without the consent of the Limited Partners for the purpose of adding any provisions which, in the opinion of the General Partner, are for the protection or benefit of the Limited Partners or the Fund, for the purpose of curing an ambiguity or for the purpose of correcting or supplementing any provision which may be defective or inconsistent with another provision or required by law. Such amendments may be made only if they do not and will not, in the opinion of the General Partner, materially adversely affect the interest of any Limited Partner.

Removal of General Partner

The General Partner may not be removed other than by an extraordinary resolution of the Limited Partners in circumstances where the General Partner is in breach or default of its obligations under the Partnership Agreement and, if capable of being cured, such breach or default has not been cured within 20 business days notice of such breach to the General Partner, or if the General Partner becomes bankrupt or insolvent. A quorum for a meeting called for the purposes of removing the General Partner shall consist of two or more Limited Partners present in person or by proxy and representing not less than 50% of the Units outstanding. A new General Partner may be appointed by ordinary resolution.

Power of Attorney

The Partnership Agreement includes an irrevocable power of attorney which authorizes the General Partner on behalf of the Limited Partners, among other things, to execute the Partnership Agreement, any amendments to the Partnership Agreement and all instruments necessary to effect the dissolution of the Fund or any other liquidity alternative as well as any elections, determinations or designations under the Tax Act or taxation legislation of any province or other jurisdiction with respect to the affairs of the Fund or a Limited Partner's interest in the Fund including, without limitation, elections under subsections 85(2) and 98(3) of the Tax Act and the corresponding provisions of applicable provincial legislation in respect of the dissolution of the Fund. By purchasing Units, each investor acknowledges and agrees that he or she has given such power of attorney and will ratify any and all actions taken by the General Partner pursuant to such power of attorney. The power of attorney shall survive any dissolution or termination of the Fund.

The Portfolio Management Agreement

The Portfolio Manager has been retained to provide advice to the Fund and to manage the Fund's mineral investment portfolio pursuant to a Portfolio Management Agreement. The Portfolio Management Agreement is for an initial term expiring on the earlier of the wind-up and dissolution of the Fund or December 31, 2009, or as otherwise mutually agreed upon by the parties. The Portfolio Management Agreement will terminate if the Portfolio Manager or the Fund becomes bankrupt or insolvent, if the Fund is wound-up or dissolved or if any of the licenses or registrations necessary for the Portfolio Manager to perform its duties under the Portfolio Management Agreement is no longer in full force and effect. The agreement is also terminable by either party as a result of a breach or default of the provisions thereof which is not cured within a prescribed period.

If the Portfolio Management Agreement is terminated as provided above, the General Partner will promptly appoint a successor portfolio manager to carry out the activities of portfolio manager.

Mineral Consulting Agreement

Pursuant to the Mineral Consulting Agreement, Southampton Associates Inc., as consultant, has agreed to provide its industry expertise and due diligence services to the Portfolio Manager generally in relation to the mineral sector, and specifically in relation to the identification and review of individual Flow-Through Share investment opportunities to be considered by the Fund (collectively, the "Mineral Consulting Services").

Southampton will monitor the activities of Mineral Issuers in which the Fund has invested to determine whether the Fund's funds are actually expended on an agreed exploration program so that those Mineral Issuers will be able to renounce agreed CEE expenditures to the Fund with an effective date of December 31, 2008.

No compensation is directly payable by the Fund to Southampton. The Portfolio Manager is responsible for any fees payable to Southampton. Southampton is also entitled to reimbursement by the Fund out of its estimate for on-going fees and expenses of certain reasonable out-of-pocket expenses, consisting of travel related and other expenses, for carrying out due diligence of prospective investments.

Pursuant to the Mineral Consulting Agreement, Southampton will provide the Mineral Consulting Services to the Portfolio Manager, and the Portfolio Manager may take into consideration, in the course of discharging its obligations under the Portfolio Management Agreement, the materials, reports and expert advice produced or rendered by Southampton under the Mineral Consulting Agreement.

Under the Mineral Consulting Agreement, Southampton has agreed at all times to perform faithfully, honestly and diligently its obligations under the Mineral Consulting Agreement.

Copies of the contracts referred to above, once executed, may be inspected during normal business hours at 141 Adelaide Street West, Suite 701, Toronto, Ontario, M5H 3L5 throughout the period of distribution and for 30 days thereafter.

ITEM 3. DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 COMPENSATION AND SECURITIES HELD

The following table provides information about each director and officer of the General Partner, each person who directly or indirectly beneficially owns or controls 10% or more of any class of voting securities of the Fund and each promoter of the Fund.

Name and Municipality of Residence	Position with the General Partner and the date of obtaining that position	Compensation paid by the Fund in the most recently completed fiscal year and the compensation anticipated to be paid in the current financial year	Number, type and percentage of securities of the Fund held after completion of the Offering
MICHAEL NEWBURY Toronto, Ontario	Chief Executive Officer, Chairman and Director since December 27, 2007	Nil	Nil
EDWIN (TED) HAWKINS Toronto, Ontario	President and Chief Financial Officer since December 27, 2007	Nil	Nil
PETER BROWNING Aurora, Ontario	Director since December 27, 2007	Nil	Nil
RON SANCHEZ Markham, Ontario	Director since December 27, 2007	Nil	Nil
TRINITY WOOD CAPITAL CORPORATION Toronto, Ontario	Promoter of the Fund	Nil	Nil
TRINITY WOOD STRATEGIC MINING 2008 I-INC. Toronto, Ontario	General Partner / Promoter of the Fund	See "Compensation Paid to Sellers and Finders"	Nil

See "Compensation Paid to Sellers and Finders – Interest of Management in Material Transactions" for a discussion of the agency fees payable to Trinity Wood.

3.2 MANAGEMENT EXPERIENCE

Name	Principal occupation and related experience
Michael Newbury	Chief Executive Officer, Chairman and Director of the General Partner. Mike is a project finance specialist with 35 years experience in the operation, financing and evaluation of natural resource projects – primarily in mining. His mining technical expertise and financial engineering capabilities enable the evaluation and assessment of projects, development of operational plans and financial structures that manage project risks, minimization of equity requirements and maximization of shareholder value. He has a B.Sc. from Queen's and a M.Sc. from McGill, managed Barclays Bank's world mining group and Credit Suisse Corporate Banking Group. He was one of the initial partners in Endeavour Financial and provided his technical expertise to that group for over 10 years. Mr. Newbury is currently Director, President and CEO of Simberi Mining Corp., Renforth Resources and Richview Resources. He is also a director of Iberian Minerals Corp. and Hawk Precious Metals.
Edwin (Ted) Hawkins	President and Chief Financial Officer of the General Partner. Ted has over 40 years of experience in business and 27 years spent in banking. Beginning with a Schedule I Canadian

chartered bank, Ted grew from Area Manager for Africa (based in London) for the bank and continued with another Schedule I Canadian chartered bank, to increasingly senior roles ending with Senior Manager – Corporate Banking. While at that bank, Mr. Hawkins led a $1B US raise on the London market, managed some of the bank's largest clients and was the recipient of an award for outstanding achievement. He also has extensive experience with swaps, Eurobonds, NIFs and tax effective structures. Ted currently has several ongoing business involvements including Director of Tigertel Communications Inc., Director of BPM (Mill St.) Developments Limited, Director and part owner of two BioPed orthotic franchises and is the past President of Hawk Security Systems Limited.

Peter Browning — Director of the General Partner. Peter Browning has 26 years experience in the financial services industry starting with Price Waterhouse. Mr. Browning is the founder and chairman of the board of a number of businesses in a variety of different industries. Mr. Browning has published articles, given seminars, and appeared on television sharing his expertise and ability in the areas of taxation, investments and corporate structuring. Founding Trinity Wood Capital Corporation in 1996, Peter now focuses his expertise on raising equity for emerging companies, developing specialty financial products and distributing them through financial intermediaries.

Ron Sanchez — Director of the General Partner. Ron Sanchez has over 16 years of experience in the Accounting and Finance industry. Currently, Mr. Sanchez is VP Finance of the Frontier*Alt* group of companies.

Directors of the General Partner will not be remunerated for their services as such.

The term of each director's appointment expires at the next annual general meeting of the General Partner, unless re-elected or re-appointed at such meeting. The General Partner does not have an executive committee or an audit committee.

The initial Limited Partner of the Fund holds one Unit, which will be redeemed upon the initial Closing.

Although none of the directors or officers of the General Partner or Portfolio Manager will devote his or her full time to the business and affairs of the Fund or the General Partner, each will devote as much time as is necessary for the management of the business and affairs of the General Partner and the Fund. See "Risk Factors – Conflicts of Interest".

3.3 PENALTIES, SANCTIONS AND BANKRUPTCY

No director or executive officer of the General Partner or person holding a sufficient number of securities of the Fund to affect materially the control of the Fund has in the last 10 years:

(a) been subject to any penalties or sanctions imposed by a court or regulatory authority;

(b) been a director, executive officer or control person of any issuer that has been subject to any penalties or sanctions imposed by a court or by a regulatory authority while the director, executive officer or control person was a director, executive officer or control person of such issuer;

(c) made any declaration of bankruptcy, voluntary assignment in bankruptcy or proposal under bankruptcy or insolvency legislation or been subject to any proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver-manager or trustee to hold assets; or

(d) been a director, executive officer or control person of any issuer that has made any declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under bankruptcy or insolvency legislation, or been subject to any proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver-manager or trustee to hold assets while the director, executive officer or control person was a director, executive officer or control person of such issuer.

Management of the Fund

The General Partner

The General Partner was incorporated on December 27, 2007, and it will assist with the organization of the Fund and, thereafter, to manage the Fund. The management of the business of the Fund is the sole business of the General Partner. The General Partner's principal business address is 141 Adelaide Street West, Suite 701, Toronto, Ontario MH 3L5. The General Partner is currently owned by frontier*Alt* Capital Corporation and Trinity Wood Capital Corporation.

The General Partner has developed and adopted the Investment Objectives, Investment Strategy and Investment Guidelines for the Fund. The General Partner has co-ordinated the organization of the Fund and will develop and implement all aspects of the Fund's communications, marketing and distribution strategies and will manage or supervise the management of the ongoing business and administrative affairs of the Fund and, in conjunction with the Portfolio Manager, the investment affairs of the Fund. The General Partner will assist the Portfolio Manager in the identification, examination and screening of investment opportunities, and the structuring and negotiating of prospective investments. The General Partner will monitor the performance of the Fund's investments. The General Partner has agreed that it will, at all times, act on a basis which is fair and reasonable to the Fund, act honestly and in good faith with a view to the best interests of the Fund and, in connection therewith, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances. The General Partner shall not be liable to the Limited Partners for acts or omissions believed in good faith to be within the scope of its authority if it has satisfied the duties and the standard of care, diligence and skill set forth above. The General Partner will incur liability, however, in cases of wilful misconduct or gross negligence. See "Management of the General Partner".

The Fund's funds shall not be commingled with the General Partner's funds or those of any other entity.

The Portfolio Manager will be responsible for all investment decisions.

Management of the General Partner

The Partnership Agreement grants the General Partner full power and authority to administer, manage, control and operate the business of the Fund and hold title to the property of the Fund. The authority and power vested in the General Partner to manage the business and affairs of the Fund is broad and includes all authority necessary or incidental to carry out the objects, purposes and business of the Fund. The General Partner will, through the Portfolio Management Agreement, utilize the resources of the Portfolio Manager for the assessment of investment opportunities, and in the management of the Fund's investment portfolio. The General Partner may contract for goods or services for the Fund with Affiliates or Associates of the General Partner provided that the contract is in writing and the cost of such goods or services is reasonable and competitive with the costs of similar goods or services provided by an independent third party. The General Partner or other advisors may pay to such persons out of the amounts payable to the General Partner such amounts as the General Partner considers appropriate.

The General Partner has an undivided 0.01% interest in the Fund and is entitled to be reimbursed by the Fund for operating and administrative expenses incurred on behalf of the Fund. In consideration of the services rendered to the Fund, the General Partner will be entitled, during the period commencing on the initial Closing and ending on the date of dissolution of the Fund, to a management fee per annum equal to 2.0% of the Net Asset Value of the Fund calculated and paid monthly in arrears. A portion of the management fee will be payable by the General Partner to the Portfolio Manager. See "Compensation Paid to Sellers and Finders – Fees and Expenses Payable by the Fund" and "The Portfolio Manager".

A Limited Partner will not be permitted to take an active part in, or take part in the control of, the business of the Fund.

Policy on Proxy Voting

The General Partner is responsible for directing how securities held by the Fund are voted. The General Partner has adopted policies and procedures that include a policy for dealing with routine matters on which the Fund may vote; circumstances where the Fund will deviate from the standing policy for routine matters; how the General Partner will determine to vote or refrain from voting on non-routine matters; and safeguards to ensure that securities held by the Fund are voted in accordance with the General Partner's instructions (the "Policies").

The General Partner reviews all proxy statements and considers available research and market material in respect of each issuer of which it holds securities. Generally, it will not exercise voting rights on behalf of the Fund unless at least 4% of

the net assets of the Fund are invested in securities of the issuer, although it may, in its sole discretion, decide to vote in such circumstances. When exercising voting rights, the General Partner will vote with management of the issuer on matters that are routine in nature, and for non-routine matters will vote in a manner which it determines to be consistent with maximizing the value of the Fund's investment in the issuer.

In order to carry out the Policies, factors which the General Partner will consider include: (a) in respect of the appointment of directors – experience, track record, effectiveness, independence, appropriateness of executive compensation, corporate governance; (b) in respect of mergers and acquisitions – adequacy of information, fair valuation, conflict of interest; and (c) in respect of changes in capital structure – anti-takeover measures, dilution, non-voting shares and similar multiple class shares structures.

The Portfolio Manager

Caldwell Investment Management Ltd.

Established in 1990, the Portfolio Manager has managed assets for various types of institutional clients, including not-for-profit organizations, insurance companies, associations, local governments, public and private foundations and prospectus-qualified mutual funds. Throughout this time the company has also served high net worth individuals.

The Portfolio Manager's investment management team is comprised of nine investment professionals who are, in turn, supported by experienced traders, analysts and operations staff. The Portfolio Manager's partners and staff consist of approximately 40 individuals. About half of the entire organization's assets are institutional, and the other half consists of private clients.

The Portfolio Manager's team of investment professionals and support staff interact to produce high quality investment solutions for their clients. The multi-disciplinary team approach attempts to ensure that investment solutions are seamless, from structure, execution, settlement, to reporting.

Caldwell Financial Ltd. ("CFL") is the 100 percent owner of the Portfolio Manager and its affiliate companies, Caldwell Securities Ltd., a Canadian Investment Dealer; and Caldwell Asset Management Inc., a U.S. Investment Management firm based in New York City. Since inception, its employees have owned CFL. Most senior employees own a share of CFL.

Officers

The following are the principal officers of the Portfolio Manager.

Robert M. Callander, BSc, MBA, CFA

Robert M. Callander is a Vice President of Caldwell Securities Ltd., an affiliate of the Portfolio Manager and is a member of the Caldwell Securities Investment Management team with investment research responsibilities specifically pertaining to large corporations. After spending over one year as a close associate and advisor to Caldwell Securities Ltd., he joined the company in 1992.

Mr. Callander has been active in the mining industry for over 30 years. Beginning his career as a mining analyst, Mr. Callander was recognized as one of the top analysts in this sector. Mr. Callander is one of the founders of Minco Mining and Metals Corporation and currently a director. He is also a director of Pacific Canada Resources and Urbana Corporation. While at Burns Fry Limited, Mr. Callander led the formation of Cameco through the combination of assets from Eldorado Nuclear Limited and Saskatchewan Mining Developments Corporation Limited. He also was actively involved with the amalgamation of Placer, Dome Mines and Campbell Red Lake to create Placer Dome, and also assisted Potash Corporation of America Inc. in its successful offer to acquire all of its issued and outstanding preferred shares. During his career, Mr. Callander has gained considerable experience in the corporate finance area; specifically with respect to mergers, acquisitions, valuations and fairness opinions.

Over the last few years, Mr. Callander has appeared regularly on CP24 Business, ROBtv (now known as BNN), CTV Newsnet, CBC Newsworld and Prime Business where he provides insight and analysis on the top business news of the day from an investment perspective.

Mr. Callander received a B.Sc. in Geology form the University of Waterloo and an M.B.A., with emphasis in finance, from York University. He is a member of the Association for Investment Management and Research and the Toronto Society of Financial Analysts.

Thomas S. Caldwell, CM, BComm. Hons-Economics, FCSI, Portfolio Manager

Thomas S. Caldwell is Chairman of Caldwell Financial Ltd. and its subsidiary companies Caldwell Asset Management Inc., Caldwell Securities Ltd. (which he founded in 1980) and the Portfolio Manager. Mr. Caldwell is a Member of the Board of Associates of the Whitehead Institute for Biomedical Research (MIT) Boston. He is a former Governor of the Toronto Stock Exchange, a Fellow of the Canadian Securities Institute and a past Director of the Investment Dealers Association of Canada.

Mr. Caldwell graduated with an Honours Degree in Economics from McGill University in 1965. His career in the investment industry commenced a year prior, at Royal Securities Corporation. Upon graduation, he rejoined that company and remained after its purchase by Merrill Lynch and managed all institutional equity trading in Canada. In 1975, Mr. Caldwell joined a predecessor firm of BMO Nesbitt Burns Inc. as a Senior Investment Advisor.

Brendan T.N. Caldwell, BSc, MA, FCSI, CFA

Mr. Caldwell holds a B.Sc. from the University of Toronto, Trinity College, an M.A. from the University of London and a Chartered Financial Analyst (CFA) designation. Prior to joining Caldwell Investment Management, Mr. Caldwell worked for a large, international investment banking organization and a major mutual fund company.

John R. Kinsey

Mr. Kinsey contributes over forty years of investment experience, which includes portfolio management, research and trading. He also coordinates the equity research functions for Caldwell Investment Management.

Thomas Ratnik, BASc, PEng

Mr. Ratnik's responsibilities include market strategy, timing and technical analysis. With forty years experience as a technical analyst, Mr. Ratnik has developed a series of criteria which assist in establishing entry and exit points for equity portfolio positions. Mr. Ratnik is a professional engineer.

Services to be Provided by the Portfolio Manager

The Portfolio Manager will, with the assistance of the General Partner and Southampton Associates Inc. identify, analyze and select investment opportunities in the mineral sector. The Portfolio Manager will assist the General Partner in monitoring the performance of Mineral Issuers (including their expenditure of Flow-Through Share subscription proceeds within the time frames outlined in the Flow-Through Agreements). Further, under the Portfolio Management Agreement, the Portfolio Manager has agreed to act honestly and in good faith with a view to the best interests of the Fund, and, in connection therewith, to exercise a degree of care, diligence, and skill that a reasonably prudent person having the experience and qualifications of the Portfolio Manager would exercise in comparable circumstances. The Portfolio Management Agreement provides that the Portfolio Manager (i) will not be liable in any way; and (ii) will be indemnified by the Fund; for any loss, default, failure, or defect in any of the securities comprising the investment portfolio of the Fund, unless such loss, default, failure or defect is attributable to the failure of the Portfolio Manager to satisfy the foregoing standard of care. The Portfolio Manager will assist the General Partner in endeavouring to invest the Available Funds in Flow-Through Shares of Mineral Issuers in accordance with the Fund's Investment Objectives, Investment Strategy and Investment Guidelines. In the purchase and sale of securities for the Fund, the Portfolio Manager will seek to obtain overall services and prompt execution of orders on favourable terms.

Fees Payable to the Portfolio Manager

No compensation is directly payable by the Fund to the Portfolio Manager. The Portfolio Manager will be entitled to an annual fee payable monthly by the General Partner out of its management fee, commencing with the month in which the initial Closing is completed.

Mining Industry Consultant

The Portfolio Manager will retain the services of Southampton Associates Inc. to provide the Portfolio Manager with industry expertise and due diligence services generally in relation to the mineral sector. The Portfolio Manager is responsible for any fees paid to Southampton. Although no compensation is directly payable by the Fund to Southampton, reimbursement of certain reasonable out-of-pocket expenses, consisting of travel related and other expenses, and for carrying out due diligence of prospective investments, will be paid by the Fund out of its estimate for on-going fees and expenses to Southampton.

Southampton is a fully integrated consulting firm providing a wide range of services to consulting geologists, geochemists, geophysicists, mining engineers, metallurgists, and legal counsel. Southampton's projects involve a variety of activities related to mineral resource industries, including grass roots exploration, bankable feasibility studies, project management, staffing and regulatory evaluations and valuations required for public and private financings, stock exchange listings, initial public financings, acquisitions and mergers, corporate governance and ethics. Southampton is often retained by mineral companies to identify new management, create new geological programs, and identify synergies with other mineral companies and properties. Mr. David Wahl, the President of Southampton, is a well-known and respected figure in the mining industry with an impressive list of accomplishments.

David G. Wahl

David G. Wahl is the President of Southampton Associates Inc., CEO and President of Latin American Minerals Inc., and a director of Tintina Mines Limited, NSR Resources Inc. and Temex Resources Corp. Mr Wahl is a consulting engineer and geoscientist by profession and a graduate of the Colorado School of Mines, with a degree of Engineer of Mines (1968). Mr. Wahl is a registered Professional Engineer in the province of Ontario (1970) and holds the designation of Consulting Engineer (1975) and has been designated Specialist in Exploration and Development by Professional Engineers Ontario. Additionally, Mr. Wahl is a registered Professional Geoscientist in the province of Ontario (2002) by the Association of Professional Geoscientists of Ontario. Representing the third generation of a family of mining engineers and geoscientists to serve the international mining industry, Mr. Wahl has over 40 years of experience in industry and consulting, as a partner in several major Canadian consulting firms specializing in mineral exploration and property evaluations. In 1995, he founded Southampton Associates Inc. As a member of the Professional Engineers Ontario, Mr. Wahl has served as co-chair of the Mining Standards Working Group established to provide peer review of the joint Toronto Stock Exchange/Ontario Securities Commission Mining Standards Task Force which formed the basis for National Instrument 43-101 – Standards of Disclosure for Mineral Projects, which details reporting and disclosure standards for the exploration and mining industry. Additionally, Mr. Wahl has served as founding member of the Geoscience Advisory Board-Fleming College; industry representative on the Canadian Engineering Accreditation Board to evaluate the Faculty of Applied Science and Engineering at the University of Toronto; Director of the Prospectors and Developers Association of Canada; Director and President of the Engineers' Club of Toronto; Director of the Ontario Club, Director of Canadian Outward Bound Wilderness School and member of the Canadian Institute of Mining, Metallurgy and Petroleum.

Conflicts of Interest

The services of the Portfolio Manager and the Mining Industry Consultant are not exclusive to the Fund.

The officers and directors of the General Partner and its Affiliates may engage in the promotion or management of any other fund or partnership, including other funds, partnerships or other entities which invest in Flow-Through Shares. There is no obligation on the General Partner, the Portfolio Manager or the Mining Industry Consultant or their respective officers, directors and Affiliates to present any particular investment opportunity to the Fund and such persons may recommend such investment opportunities to others (including other flow-through limited partnerships). Affiliates of the General Partner, and the directors and officers thereof, are not in any way limited or affected in their ability to carry on other business ventures for their own account and for the account of others and may be engaged in ownership, acquisition and operation of businesses which compete with the Fund, including acting as the general partner of other limited partnerships which are in the same business as the Fund.

Conflicts may arise from time to time in allocating investment opportunities, timing investment decisions and exercising rights in respect of and otherwise dealing with such securities and issuers. The Portfolio Manager will address such conflicts of interest with regard to the investment objectives of each of the parties involved and will act in accordance with its duty of care to each of them. Certain of the directors and officers of the General Partner may also be directors, officers and shareholders of Mineral Issuers in which the Fund may make an investment, subject to the restrictions contained in the Investment Guidelines and applicable law. Affiliates of the General Partner (including MAK, Allen & Day and Trinity Wood) intend to and the agents and members of agents' selling group may be entitled to receive fees and, in some cases, rights to

purchase shares and/or other securities of Mineral Issuers in connection with the private placement of Flow-Through Shares by Mineral Issuers to the Fund.

Affiliates of the General Partner (including frontier*Alt* Capital Corporation and Trinity Wood) may, from time to time, be involved in raising money for Mineral Issuers and the Fund may or may not commit funds in connection with any such transaction. The selling group members and Affiliates of the General Partner may earn fees on such transactions.

Trinity Wood and MAK, Allen & Day each receive a portion of the agency fee described under "Compensation Paid to Sellers and Finders".

If a liquidity alternative is to be proposed that includes a mutual fund, it is expected that the mutual fund will be one of the frontier*Alt* Group of Mutual Funds, which are managed by frontier*Alt* Capital Corporation (including an associate or affiliate thereof). See "Compensation Paid to Sellers and Finders – Interest of Management and Others in Material Transactions".

See also "Risk Factors – Conflicts of Interest".

Custodian Arrangements

The Fund intends to have Caldwell Securities Ltd. act as custodian of its portfolio.

Legal and Regulatory Matters

Legal matters in connection with the offering of Units of the Fund will be passed upon on behalf of the Fund and the General Partner by McMillan Binch Mendelsohn LLP.

Auditors, Transfer Agent, and Registrar

The auditors of the Fund are Smith Nixon LLP, Chartered Accountants, 390 Bay Street, Suite 1900, Toronto, Ontario M5H 2Y2. KeiDATA BackOffice Solutions Inc., located at 42 Wellington Street East, 3rd Floor, Toronto, Ontario M5E1C7, is the registrar and transfer agent for Units of the Fund.

ITEM 4. CAPITAL STRUCTURE

4.1 CAPITAL STRUCTURE OF THE FUND

Description of Security	Number authorized to be issued	Number outstanding as at January 7, 2008
Units	1,500,000	1

Valuation of Investments

Valuation of Assets

The General Partner will, on the day of the first closing, last business day of each week and on the last business day of each month (each such date, a "Valuation Date"), calculate the value of the Fund's assets for which there exists a published market on the basis of quoted prices in such market. For this purpose, a published market means any market on which such securities are traded if the prices are regularly published in a newspaper or business or financial publication of general and regular paid circulation. In the event that the Fund holds investments in Mineral Issuers for which no published market exists, the General Partner will, on each Valuation Date, value those assets at fair value. See also "Net Asset Value of the Fund".

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

Net Asset Value of the Fund

The net asset value of the Fund (the "Net Asset Value") will be calculated by the General Partner on each Valuation Date by subtracting the aggregate amount of the Fund's liabilities from the aggregate amount of the Fund's assets. The Fund's assets will be valued in accordance with the following principles:

(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 closing 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 for which no published market exists will be valued at fair value; and

(f) 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.

Pursuant to National Instrument 81-106 Investment Fund Continuous Disclosure ("NI 81-106"), investment funds are required to calculate their net asset value in accordance with Canadian GAAP. Canadian GAAP was modified by the introduction of section 3855 of the Canadian Institute of Chartered Accountants Handbook which applies to financial years beginning on or after October 1, 2006. The Canadian Securities Administrators have provided relief from the requirement of NI 81-106 that investment funds calculate their net asset values in accordance with Canadian GAAP for any purpose, other than for purposes of financial statements in respect of financial years commencing on or after October 1, 2006. As a result, the net asset value of the Fund will be calculated as described in this section for all other purposes, but will be calculated in accordance with Canadian GAAP for the purposes of its financial statements for the financial year commencing in 2008. The financial statements of the Fund will include a reconciliation of the net asset value contained in the financial statements to the net asset value used for other purposes. Unless this relief is extended, such relief will terminate on the earlier of September 30, 2008 or the date on which changes to NI 81-106 come into effect with respect to calculating net asset value.

The Net Asset Value per Unit is the amount obtained by dividing the Net Asset Value as of a particular Valuation Date by the total number of Units outstanding on that date.

The month end Net Asset Value per Unit can be obtained by visiting the Trinity Wood website at www.trinitywood.com/mining and the weekly Net Asset Value per Unit by contacting KeiData Back Office Solutions Inc. directly at (416) 623-3160. None of the information contained on this website is or shall be deemed to be incorporated herein by reference.

Audit of Financial Statements

The annual financial statements of the Fund will be audited by the Fund's auditors, in accordance with Canadian generally accepted auditing standards. The auditors will be asked to report that the financial statements present fairly, in all material respects, the financial position and results of operations of the Fund in accordance with Canadian generally accepted accounting principles.

Item 12 of this Offering Memorandum contains the audited balance sheets of the Fund and the General Partner as at January 7, 2008. There has been no material change in the financial position of the Fund and the General Partner as at the date of this Offering Memorandum.

4.2 LONG TERM DEBT

The Fund has no long-term debt.

4.3 PRIOR SALES

There are no prior sales as the inception date of the Fund is the date of this Offering Memorandum.

ITEM 5. SECURITIES OFFERED

5.1 TERMS OF SECURITIES

Units

To become a Limited Partner, an investor must acquire 250 or more Units in the Fund. Fractional Units will not be issued. Investors will be required to make certain representations in the subscription agreement for Units and the General Partner will rely on such representations to establish the availability of the exemptions from applicable prospectus and registration requirements and to grant the power of attorney to the General Partner as set out in the Partnership Agreement. See "Subscription Procedure – Sale of Units." The Partnership Agreement includes representations, warranties and covenants on the part of the investor that he, she or it is not a "non-resident" for the purposes of the Tax Act, that he, she or it will maintain such status during such time as the Units are held by him, her or it, that he, she or it is not a partnership and that payment of the subscription price of his, her or its Units was not financed with indebtedness for which recourse is, or is deemed to be, limited for the purposes of the Tax Act. See "Allocation of CEE" and "Limited Recourse Financings" under "Business of the Fund – Material Agreements – Partnership Agreement". The General Partner may require those Limited Partners who are non-residents of Canada for the purposes of the Tax Act or a partnership to sell their Units to residents of Canada. In addition, if the General Partner becomes aware that owners of 45% or more of the Units then outstanding are, or may be, "financial institutions" for the purposes of the Tax Act or that such a situation is imminent, the General Partner may send notice to certain of these Limited Partners requiring them to sell their Units or a portion thereof within a specified period of not less than 15 days. If a Limited Partner fails to comply with any such request, the General Partner shall have the right to sell such Limited Partner's Units or to purchase the same on behalf of the Fund at fair value as determined by an independent third party selected by the General Partner, whose determination will be final and binding and not subject to review or appeal.

Each Unit entitles the holder to the same rights and obligations as a holder of any other Unit and no Limited Partner is entitled to any privilege, priority or preference in relation to any other Limited Partner. Each Limited Partner is entitled to one vote for each Unit held except for the General Partner and certain related persons as described herein. See "Business of the Fund – Material Agreements – Partnership Agreement – Meetings". On dissolution, the Limited Partners of record holding the then outstanding Units are entitled to receive 99.99% of the assets of the Fund remaining after payment of debts, liabilities and liquidation expenses of the Fund. See "Business of the Fund – Material Agreements – Partnership Agreement – Dissolution". The initial Limited Partner has contributed $10.00 to the capital of the Fund. The initial Unit issued to the initial Limited Partner will be redeemed, and such capital contribution repaid, on or as soon as possible after the initial Closing date.

Transfers of Units

Subject to compliance with applicable securities laws, only whole Units are transferable. A Limited Partner may transfer all or part of his Units by delivering to the General Partner a form of transfer, substantially in the form annexed as Schedule "B" to the Partnership Agreement, or such other form as is acceptable to the General Partner, duly executed by the Limited Partner, as transferor, and the transferee. The transferee, by executing the transfer, agrees to be bound by the Partnership Agreement as a Limited Partner and will be liable for all obligations of a Limited Partner. Transferees who

execute the transfer thereby represent and warrant that they are not "non-residents" within the meaning of the Tax Act and covenant to maintain such status during such time as the Units are held by them. A transferee executing the transfer also thereby represents and warrants that he or she is not a partnership and that his or her acquisition of the Units from the transferor was not financed with a borrowing or other indebtedness for which recourse is, or is deemed to be, limited for the purposes of the Tax Act, deals at arm's length with each Mineral Issuer within the meaning of the Tax Act, ratifies and confirms the power of attorney given to the General Partner in Article 19 of the Partnership Agreement and, unless he or she provides written notice to the contrary to the General Partner with the delivery of such executed transfer form, is deemed to represent and warrant that he or she is not a "financial institution" within the meaning of subsection 142.2(l) of the Tax Act as aforesaid and to covenant that he or she will not become a "financial institution" while he or she holds Units. In addition, a Unit is not transferable to a person, an interest in which is a "tax shelter investment" as that term is defined in the Tax Act.

The General Partner may accept or reject a transfer, in its sole discretion and will deny the transfer of Units to a "non-resident" for the purposes of the Tax Act, to a partnership, or to a transferee who has financed the acquisition of the Units with a borrowing or other indebtedness for which recourse is, or is deemed to be, limited for the purposes of the Tax Act. The General Partner reserves the right to sell any Units held by a "non-resident" or "financial institution" or partnership appearing from time to time on the record of Limited Partners or to purchase the same on behalf of the Fund at fair value.

Pursuant to the provisions of the Partnership Agreement, when the transferee has been registered as a Limited Partner in accordance with the Partnership Agreement, the transferee of Units shall become a party to the Partnership Agreement and shall be subject to the obligations and entitled to the rights of a Limited Partner under the Partnership Agreement. A transferor of Units will remain liable to reimburse the Fund for any amounts distributed to him or her by the Fund which may be necessary to restore the capital of the Fund to the amount existing immediately prior to such distribution, if the distribution resulted in a reduction of the capital of the Fund and the incapacity of the Fund to pay its debts as they became due.

There is no market through which the Units may be sold and none is expected to develop. Limited Partners may find it difficult or impossible to sell their Units. Units or any other securities or debt instruments issued by the Fund, if any, will not be listed or traded on a stock exchange or other public market (as defined for the purposes of section 122.1 of the Tax Act).

5.2 SUBSCRIPTION PROCEDURE

Sale of Units

The Offering consists of a maximum of 1,500,000 Units at a price of $10.00 per Unit. The minimum purchase per investor is 250 Units. Subscriptions in excess of this minimum amount may be made in multiples of 10 Units. The material attributes of the Units are described under "Business of the Fund – Material Agreements – Partnership Agreement – Units". An investor whose subscription is accepted by the General Partner will become a Limited Partner upon the entering of his name and other prescribed information in the record of Limited Partners on or as soon as possible after Closing. It is expected that the initial Closing of the issue of Units will take place on or about January 31, 2008. Subsequent Closings may be held up until the final Closing (on or about March 31, 2008 or such later date as the General Partner may determine). The General Partner is not required to complete any subsequent Closings following the first Closing. The Fund will pay a sales commission equal to 7.0% of the selling price for each Unit sold to an investor. Fractional Units will not be issued.

To subscribe for Units, investors are required to meet the applicable exemption criteria described below and complete, execute and deliver to the General Partner a subscription agreement (and risk acknowledgement form where applicable), which accompanies this Offering Memorandum together with funds due on Closing provided via an electronic order system such as FundSERV, by direct debit from the investor's brokerage account or a certified cheque or bank draft payable to the Fund, in an amount equal to the aggregate amount which the investor wishes to invest in Units. Where Units are purchased through FundSERV, completed subscription agreements must be delivered to the General Partner within five business days of the purchase. All subscriptions will be irrevocable.

The General Partner, on behalf of the Fund, reserves the right to reject any subscription in whole or in part and to reject all subscriptions. If a subscription for Units is rejected or accepted in part, unused monies received will be returned without interest or deduction within 15 days to the investor. If all subscriptions are rejected, all cheques will be returned forthwith to the investors. Subscription proceeds pursuant to this Offering will be received by the General Partner, or such other registered dealers or agents as are authorized by the General Partner, and will be held by the General Partner in trust in a segregated account for at least two business days and until all subscriptions for the applicable Closing are received and the other closing conditions have been satisfied. If the Closing is not completed for any reason, all subscription funds will be forthwith returned to the investors without interest or deduction.

Affiliates of the General Partner (including frontier*Alt* Capital Corporation and Trinity Wood) may, from time to time, be involved in raising money for Mineral Issuers and the Fund may or may not commit funds in connection with any such transaction. The selling group members and Affiliates of the General Partner may earn fees on such transactions.

Affiliates of the General Partner (including MAK, Allen & Day and Trinity Wood) intend to and the agents and members of agents' selling group may be entitled to receive fees and, in some cases, rights to purchase shares and/or other securities of Mineral Issuers in connection with the private placement of Flow-Through Shares by Mineral Issuers to the Fund.

Investors will be required to make certain representations in the subscription agreement for Units and the General Partner will rely on such representations to establish the availability of the exemptions from applicable prospectus and registration requirements.

An investor whose subscription agreement is accepted by the General Partner will become a Limited Partner of the Fund upon the amendment of the record of limited partners maintained by the General Partner. If a subscription is not accepted by the General Partner, all documents will be returned to the investor within 15 days following such rejection.

On the date of Closing, certificates representing all of the Units which are purchased at Closing will be issued in registered form to each Limited Partner.

Each holder of a Unit will be entitled to a certificate or other instrument from the General Partner, or the Fund's registrar and transfer agent evidencing that person's interest in or ownership of Units. Distributions on Units, if any, in respect of those Units purchased by investors will be made by the Fund to the last known address on the books and records of the registrar and transfer agent, if any, or the books and records maintained by the General Partner.

The ability of a holder of a Unit to pledge its Unit or take action with respect thereto may be limited due to the rights of the Fund under the Partnership Agreement.

Details of the Offering

Units may be purchased through persons permitted under applicable securities legislation to sell Units of the Fund. The Units will be offered, subject to a minimum purchase of 250 Units, at a price of $10.00 per Unit payable on the Closing. The price per Unit was established by the General Partner.

The General Partner, on behalf of the Fund, reserves the right to accept or reject any subscription in whole or in part. An investor whose subscription has been accepted by the General Partner will become a Limited Partner upon the amendment of the record of limited partners maintained by the General Partner to include their name and other information prescribed by the Limited Partnerships Act (Ontario).

The Offering

The Fund is offering the Units in each Province and Territory of Canada (the "Offering Jurisdictions") by way of a private placement. In Yukon, individuals may only purchase Units if they qualify as "accredited investors" under the terms of an exemptive relief order issued by the Yukon Registrar of Securities in respect of the Fund if such order is obtained. The Units have not been nor will they be qualified for sale to the public under securities laws and, accordingly, any offer and sale of Units in the Offering Jurisdictions will be made on a basis that is exempt from the prospectus requirements of such jurisdiction's securities laws. This offering is being made by the Fund or through persons who are permitted under applicable securities laws or available exemptions to offer and sell Units.

The offering in the Offering Jurisdictions is being made exclusively as set out in this Offering Memorandum. No person has been authorized to give any information or to make any representation other than those contained in this Offering Memorandum and any decision to purchase Units should be based solely on information contained herein.

Eligible Investors

The offer of Units to investors resident in the Offering Jurisdictions is being made in accordance with and in reliance on exemptions from the prospectus requirements of applicable securities laws.

Minimum Investment

The minimum initial investment in the Fund is Cdn$2,500 and the General Partner has the discretion to accept a lesser initial subscription, provided, in each case, that the issuance of Units of the Fund in respect of such subscription shall otherwise be exempt from the prospectus requirements of applicable securities legislation.

Additional Investments

Additional investments may be made following the required initial minimum investment in the Fund subject to the availability of exemptions from applicable prospectus and registration requirements.

IN ORDER TO BE ABLE TO SUBSCRIBE FOR UNITS, EACH INVESTOR WILL BE REQUIRED TO CONFIRM TO THE FUND IN WRITING THAT IT QUALIFIES AS AN EXEMPT PURCHASER BY FORWARDING TO THE FUND THE REQUISITE FORMS ATTACHED TO THE SUBSCRIPTION BOOKLET PROVIDED TO INVESTORS. UPON CLOSING, ALL NECESSARY FILINGS AND DISCLOSURE WILL BE MADE BY THE FUND WITH THE RELEVANT PROVINCIAL SECURITIES REGULATORS.

ITEM 6. INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY

6.1 DISCLAIMER

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

6.2 SUMMARY OF SIGNIFICANT TAX CONSEQUENCES

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

TAX CONSIDERATIONS ORDINARILY MAKE THE UNITS OFFERED HEREUNDER MOST SUITABLE FOR THOSE INVESTORS SUBJECT TO THE HIGHEST MARGINAL INCOME TAX RATE. REGARDLESS OF ANY TAX BENEFITS THAT MAY BE OBTAINED, A DECISION TO PURCHASE UNITS SHOULD BE BASED PRIMARILY ON AN APPRAISAL OF THE MERITS OF THE INVESTMENT AS SUCH AND ON AN INVESTOR'S ABILITY TO BEAR POSSIBLE LOSS. INVESTORS ACQUIRING UNITS WITH A VIEW TO OBTAINING TAX ADVANTAGES SHOULD OBTAIN INDEPENDENT TAX ADVICE FROM A KNOWLEDGEABLE TAX ADVISOR.

Introduction

In the opinion of McMillan Binch Mendelsohn LLP, counsel to the Fund and the General Partner, the following is a summary, as at the date of this Offering, of the principal Canadian federal income tax considerations under the Tax Act for a Limited Partner in respect of the acquisition of Units pursuant to this Offering. This summary does not address any tax considerations associated with holding, converting or disposing of mutual fund shares that may be received on dissolution of the Fund.

This summary is based on the current provisions of the Tax Act and the Regulations, counsel's understanding of the current published administrative and assessing practices of the CRA and all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (such proposals referred to hereafter as the "Tax Proposals") and relies upon advice from the General Partner as to certain factual matters. This summary does not otherwise take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, nor does it take into account, unless expressly stated, other federal or any provincial, territorial or foreign income tax legislation or considerations. There can be no assurance that the Tax Proposals will be enacted in the form publicly announced or at all.

This summary is applicable only to Limited Partners who pay the purchase price for their Units in full when due and who, for the purposes of the Tax Act, at all relevant times are resident in Canada and hold their Units as capital property. Provided a Limited Partner does not hold Units in the course of carrying on a business, and has not acquired Units as an adventure in the nature of trade, the Units should generally be considered to be capital property to the Limited Partner. It is also assumed that all partners of the Fund are and will be resident in Canada at all relevant times and that interests in the Fund that represent more than 50% of the fair market value of all interests in the Fund are not and will not be held at all relevant times by "financial institutions" as defined in subsection 142.2(1) of the Tax Act.

This summary is not applicable to Limited Partners:

(a) who are non-residents of Canada for the purposes of the Tax Act;

(b) that are financial institutions as defined in subsection 142.2(1) of the Tax Act;

(c) that are principal-business corporations as defined in subsection 66(15) of the Tax Act;

(d) whose business includes trading or dealing in rights, licences or privileges to explore for, drill for or take minerals, petroleum, natural gas or other related hydrocarbons; or

(e) an interest in which is a "tax shelter investment" as defined in subsection 143.2(1) of the Tax Act.

Except as otherwise indicated, this summary assumes that:

(a) recourse for any borrowing or other financing made by a Limited Partner to fund payment of the subscription price of the Units is not limited and will not be deemed to be limited within the meaning of the Tax Act;

(b) each Limited Partner will, at all relevant times, deal at arm's length, for purposes of the Tax Act, with the Fund and with each of the Mineral Issuers with which the Fund has entered into a Flow-Through Agreement;

(c) the Flow-Through Shares acquired by the Fund will be capital property to the Fund; and

(d) the Units or any other securities or debt instruments issued by the Fund, if any, are not listed or traded on a stock exchange or other public market (as defined for the purposes of section 122.1 of the Tax Act).

This summary is based upon the assumption that the Fund is not, and will not at any relevant time be, a "specified person", within the meaning of subsection 6202.1(5) of the Regulations in relation to any Mineral Issuer with which it has entered into a Flow-Through Agreement.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Units and does not describe the income tax considerations relating to the deductibility of interest on money borrowed to acquire Units. Moreover, the income and other tax consequences of acquiring, holding or disposing of Units will vary depending on an investor's particular circumstances including the province or territory in which the investor resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any investor. Investors should consult their own tax advisors for advice with respect to the income tax consequences of an investment in Units, based on their particular circumstances.

Computation of Income

The Fund is not liable for income tax and is not required to file income tax returns other than annual information returns. The Fund must compute its income or loss under the Tax Act for each of its fiscal periods "as if it were" a separate person resident in Canada. A fiscal period of the Fund will end on December 31 each year and on its dissolution. Subject to the important restrictions described below under the heading "Limitations on Deductibility of Expenses or Losses of the Fund", each Limited Partner will be required to include, or be entitled to deduct, in computing income for a taxation year, the Limited Partner's pro rata share of the income, or loss, as the case may be, of the Fund allocated to the Limited Partner under the Partnership Agreement for the fiscal period of the Fund ending in the Limited Partner's taxation year. The Limited Partner's share of the Fund's income or loss must be included in the Limited Partner's income whether or not any distribution has been made to the Limited Partner by the Fund. The income or loss of the Fund will be allocated to a Limited Partner in accordance with the Partnership Agreement.

Fund income or loss is computed by the Fund without taking into account any CEE renounced to the Fund in respect of any Flow-Through Shares acquired by it. Rather, CEE is allocated directly to the Limited Partners in computing their income, as described in more detail below under the heading "Eligible Expenditures". The Fund's income will include taxable capital gains realized by the Fund on a disposition of Flow-Through Shares. For this purpose, the Fund's adjusted cost base of its Flow-Through Shares is deemed to be nil under the Tax Act, with the result that the Fund's capital gain realized on any such disposition should equal its proceeds of disposition of the Flow-Through Shares net of any reasonable costs of disposition. If the CRA were to successfully assert that the Flow-Through Shares are not capital property, the full proceeds of disposition

would be included in the Fund's income. The income of the Fund will include any interest earned on funds held by the Fund and any dividends received on Flow-Through Shares and other securities, if any, each in accordance with detailed rules in the Tax Act.

The following comments must be read in conjunction with the narrative under the heading "Limitations on Deductibility of Expenses or Losses of the Fund" below. Reasonable expenses incurred by the Fund in respect of this Offering, including the agents' fees, will be deductible at the rate of 20% per fiscal period (subject to proration where the fiscal period is less than 365 days). In the event the Fund is dissolved and these expenses have not been fully deducted by the Fund, each Limited Partner immediately prior to the dissolution may deduct, in a taxation year ending after that time, the Limited Partner's pro rata share of the amount the Fund would have been entitled to deduct in its fiscal period ending in the taxation year if the Fund had continued to exist. The adjusted cost base of a Limited Partner's Units will be reduced by the Limited Partner's share of such expenses.

Costs associated with the organization of the Fund are not fully deductible by either the Fund or the Limited Partners. These organization expenses incurred by the Fund are eligible capital expenditures, three-quarters of which may be deducted in computing Fund income at the rate of 7% per year (prorated for the 2008 fiscal period) on a declining balance basis.

Other fees and expenses that are incurred by the Fund in the course of its ongoing business should generally be deductible in the year incurred to the extent they are reasonable.

Each Limited Partner will be required to file an income tax return reporting the Limited Partner's share of the Fund's income or loss. The Fund will provide each Limited Partner with tax information relating to the Units of the Limited Partner. The Fund will not prepare or file income tax returns on behalf of any Limited Partner. Each Limited Partner is required to file an information return in prescribed form containing prescribed information for each fiscal period of the Fund. An information return made by the General Partner is deemed to be made by each Limited Partner in the Fund. Under the terms of the Partnership Agreement, the General Partner is obliged to file the required information return.

Limitations on Deductibility of Expenses or Losses of the Fund

Subject to the "at-risk" rules in the Tax Act and the Proposed Loss Limitation Rule, a Limited Partner's share of business losses of the Fund for any fiscal year may be applied against the Limited Partner's income from any source to reduce net income for the relevant taxation year and, to the extent it exceeds other income for that year, may be carried back three years and forward twenty years and applied against taxable income of such other years.

The "at-risk" rules may, in certain circumstances, limit the amount of deductions, (including CEE allocated by the Fund) and losses that a Limited Partner may claim in respect of the Fund to the amount the Limited Partner has "at risk" in respect thereof. Under these rules, a Limited Partner cannot deduct losses of the Fund or CEE allocated to the Limited Partner by the Fund to the extent these amounts exceed the Limited Partner's "at-risk amount" in respect of the Fund.

Based on the anticipated manner in which the Fund will operate and be financed as described herein, and the assumption that the financing obtained by a Limited Partner for any portion of the subscription price for the Units is not limited or deemed to be limited within the meaning of the Tax Act, it is likely the at-risk rules will not limit a Limited Partner's deductions in respect of losses or CEE in respect of the Fund. A sale of Flow-Through Shares by the Fund in a fiscal year may give rise to a capital gain equal to the proceeds thereof less direct selling costs. The full amount of the portion of such capital gain allocable to a Limited Partner would generally be recognized as an addition to the Limited Partner's at-risk amount at the Fund's fiscal year end. If the Fund reinvests the amount of such capital gain in additional Flow-Through Shares in the same fiscal year, and CEE in this amount is renounced to the Fund effective in this same fiscal year, the amount of such CEE allocable to the Limited Partner at the fiscal year end should not generally be adversely affected by the at-risk rules.

The Tax Act contains additional rules that restrict the deductibility of certain amounts by persons who acquire a "tax shelter investment" as defined in Tax Act. The Units of the Fund have been registered with the CRA under the "tax shelter" registration rules in the Tax Act. If any Unit of a Limited Partner is, in fact, determined to be a "tax shelter investment", the result is that the Units of all Limited Partners thereby become "tax shelter investments" under the Tax Act.

Where a Limited Partner has a "prescribed benefit" in respect of financing the Limited Partner's Units, the Units of all Limited Partners may become "tax shelter investments" and the CEE and other expenses of the Fund may be reduced by the amount of such financing to the extent the financing can reasonably be considered to relate to such amounts. "Prescribed benefit" includes any amount, having regard to statements or representations made in respect of the Units, that may reasonably

be expected to be received or made available to a Limited Partner (or a person who does not deal at arm's length with a Limited Partner) which would have the effect of reducing the impact of any loss that the Limited Partner may sustain by virtue of acquiring, holding or disposing of any interest in the Units. A prescribed benefit also includes certain limited recourse amounts and certain amounts that are deemed to be limited recourse amounts.

The Partnership Agreement provides that, where CEE of the Fund is so reduced, the amount of CEE that would otherwise be allocated to the Limited Partner who utilizes the limited recourse financing will be reduced by the amount of the reduction. Where the reduction of other expenses reduces the loss of the Fund, the Partnership Agreement similarly provides that such reduction will first reduce the amount of the loss that would otherwise be allocated to the Limited Partner who obtains the limited recourse financing.

If the Units are tax shelter investments, the cost of a Unit to a Limited Partner may also be reduced by the total of the "at-risk adjustments" and the limited recourse amounts that can reasonably be considered to relate to such Units. Any such reduction may reduce the amount of deductions otherwise available to the Limited Partner to the extent that deductions are not reduced at the Fund level as described above.

For purposes of the Tax Act, a limited recourse amount is the unpaid principal amount of any debt for which recourse is limited, and the unpaid principal amount of any debt is deemed to be a limited recourse amount unless:

(a) bona fide written arrangements, evidenced in writing, were made, at the time the debt arose, for payment by the debtor of principal and interest within a reasonable period not exceeding ten years;

(b) the debt bears interest at a rate not less than the lesser of the rate prescribed in the Tax Act in effect at the time the indebtedness arose or the rate prescribed from time to time during the term of the debt; and

(c) the interest is paid in respect of the debt at least annually within 60 days of the end of the debtor's taxation year.

Prospective purchasers of Units who propose to finance the acquisition of their Units should consult their own tax advisors. For example, a demand loan may or may not constitute limited recourse financing for this purpose depending on the circumstances.

The Fund has engaged the General Partner to perform management services and, consistent with that arrangement, the Fund intends to deduct management fees payable to the General Partner in computing income in the year in which the services to which they relate are rendered. The CRA may assert that an entitlement of the General Partner to management fees is more appropriately treated as an entitlement to share in any income of the Fund as a partner and, therefore, does not result in a deduction in computing the Fund's income. If the CRA successfully applied any such treatment then a loss of the Fund otherwise allocated to the Limited Partners would be reduced or denied to the extent of such deduction.

On October 31, 2003 the Department of Finance (Canada) announced the Proposed Loss Limitation Rule relating to the deductibility of losses under the Tax Act. Under the Proposed Loss Limitation Rule, a taxpayer will be considered to have a loss from 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 from the business or property during the time that the taxpayer has carried on, or can reasonably be expected to carry on, the business or has held, or can reasonably be expected to hold, the property. Profit, for this purpose, is determined without reference to capital gains or capital losses. If enacted as proposed, the Proposed Loss Limitation Rule will apply to taxation years commencing after 2004. On February 25, 2005, the Minister of Finance (Canada) announced that alternative proposals to replace the Proposed Loss Limitation Rule would be released. No such alternative proposals have being released to date. There can be no assurance such alternative proposals will not adversely affect Limited Partners.

Eligible Expenditures

Provided the relevant provisions in the Tax Act are satisfied, the Fund is deemed to incur CEE that is renounced to the Fund by a Mineral Issuer pursuant to a Flow-Through Agreement between the Fund and the Mineral Issuer. The Fund is deemed to incur the CEE on the effective date of the renunciation.

At the end of each fiscal period, the Fund will allocate CEE deemed to be incurred by it for the fiscal period to its then Limited Partners. As a result, the Limited Partners are considered to have incurred the CEE at that time to the extent of their pro rata ownership interest in the Fund. A Limited Partner adds the CEE so allocated to the Limited Partner's cumulative

Canadian exploration expense account ("CCEE pool"). Subject to the relevant provisions of the Tax Act, in computing income from all sources for a taxation year, the general rule is a Limited Partner may deduct up to 100% of the balance in the Limited Partner's CCEE pool at the end of the year. Any balance in the CCEE pool can be carried forward indefinitely and claimed in a later year. However, a Limited Partner's share of CEE incurred by the Fund in a fiscal period is limited to the Limited Partner's at-risk amount in respect of the Fund at the end of the fiscal period. If the Limited Partner's share of CEE is so limited, any excess CEE may be carried forward indefinitely and deducted in any future years when the Limited Partner has a sufficient at-risk amount. The CCEE pool of a Limited Partner is reduced by deductions in respect of the CCEE pool made by the Limited Partner in prior taxation years. The CCEE pool is also reduced by a Limited Partner's share of any amount the Limited Partner receives or is entitled to receive as assistance or benefits that relate to CEE incurred by the Fund. Where the balance of a Limited Partner's CCEE pool is negative at the end of the taxation year, the negative amount must be included in the Limited Partner's income for that taxation year and the Limited Partner's CCEE pool is adjusted to nil. Certain restrictions apply in respect of the deduction of CEE following an acquisition of control of, or certain reorganizations involving, a corporate Limited Partner.

The sale or other disposition of Units by a Limited Partner will not result in the reduction of the Limited Partner's CCEE pool. A Limited Partner's ability to deduct such expenses will not be restricted as a result of the disposition of Units unless a claim in respect of his or her CCEE pool has been previously reduced by virtue of the application of the "at-risk" rules. In such circumstances, the Limited Partner's future ability to deduct such expenses relating to the Fund may be eliminated. A sale by the Fund of any Flow-Through Shares will not result in a reduction in any Limited Partner's CCEE pool.

Each Flow-Through Agreement will contain covenants and representations of the Mineral Issuer that it will incur CEE in an amount equal to the full purchase price payable for the Flow-Through Shares acquired by the Fund, and that such CEE will be renounced to the Fund with an effective date not later than December 31, 2008. The only exception to this will arise where the Flow-Through Agreement relates to Flow-Through Shares purchased after 2008 with the proceeds generated from the sale of Flow-Through Shares.

If the relevant conditions in the Tax Act are satisfied, certain CEE incurred or to be incurred by a Mineral Issuer in a particular calendar year may be renounced effective December 31 of the preceding calendar year, provided such renunciation is made in the first three months of the particular calendar year. For example, provided certain conditions are satisfied, each Flow-Through Agreement entered into and fully paid for in 2008 may permit a Mineral Issuer to incur such CEE at any time up to December 31, 2009 and renounce such CEE to the Fund with an effective date of December 31, 2008.

If a Mineral Issuer renounces CEE effective December 31, 2008 which it does not, in fact, incur in 2009, the CEE so renounced to the Fund will be reduced accordingly, effective as of December 3l, 2008. The CEE previously allocated by the Fund to Limited Partners as at December 31, 2008 will also be reduced accordingly, and the Limited Partners may be reassessed for their 2008 taxation year as a result. However, Limited Partners will not be charged interest or penalties on any unpaid income tax arising as a result of such reduction for the period, provided any unpaid tax liability is settled on or prior to April 30, 2010. The Mineral Issuers in such circumstances will be responsible for the payment of a tax under Part XII.6 of the Tax Act to the extent that the renounced expenditures are not expended by the end of February of the particular year (2009 in the forgoing example) and an additional amount to the extent that the renounced expenditures are not incurred by the end of the particular year.

The Fund may enter into Flow-Through Agreements that will require the Mineral Issuer to indemnify the Limited Partners for any additional tax payable in the event that the Mineral Issuer fails to incur and renounce CEE equal to the purchase price for the Flow-Through Shares in the manner described above. It is the CRA's position that any indemnity payment made under such agreements would be included in the Limited Partner's income but that the Limited Partner may be able to make an election under subsection 12(2.2) of the Tax Act to exclude such payment from his income. Investors should consult with their own tax advisors if any such indemnity payment is received.

Investment Tax Credits

A Limited Partner who is an individual (other than a trust) may be entitled to a federal non-refundable investment tax credit equal to 15% of a certain type of CEE renounced to the Fund pursuant to an agreement made before April 1, 2008 and allocated to the Limited Partner. Generally, the CEE that gives rise to the investment tax credit relates to specified surface grass roots mining exploration expenses incurred in Canada by a Mineral Issuer before 2009 (including such CEE that is deemed to have been incurred before 2009 in accordance with the Tax Act, as discussed above). The amount of CEE upon which the credit is computed will be reduced by any provincial tax credit that the Limited Partner has received, is entitled to receive or can reasonably be expected to receive in respect of the CEE.

This federal credit can be used by the Limited Partner to reduce the tax otherwise payable in the taxation year of the Limited Partner in which the Limited Partner becomes entitled to the credit. However, the credit will be limited to the extent it reduces the Limited Partner's tax payable beyond the level of alternative minimum tax discussed below. Any unapplied portion of the credit may be claimed in the following twenty years or the preceding three years. To the extent the credit is applied in a year, it is deducted from the Limited Partner's CCEE account in the following taxation year. Where the balance of a Limited Partner's CCEE pool is negative at the end of a taxation year, the negative amount must be included in the Limited Partner's income for that taxation year. As such, a Limited Partner who claims this credit, if any, in 2008 will be required to include in his 2009 income the amount claimed unless there is a sufficient offsetting balance in his CCEE account in 2009.

Provincial tax credits may also be available. For example, Ontario offers a tax credit equal to 5% of an eligible individual's Ontario exploration expenditures in respect of an "Ontario focused flow-through share". Only individuals who are resident in Ontario at the end of the year in which the credit is claimed and subject to Ontario income tax in the year in which the credit is claimed are eligible for the Ontario credit. Ontario exploration expenditures are the surface grass roots mining exploration expenses that constitute CEE to the Limited Partner as described above for the federal credit and that are incurred in respect of a mineral resource in Ontario by a Mineral Issuer. The individual's Ontario exploration expenditures for a taxation year are reduced by the amount of any government assistance or non-government assistance (other than any investment tax credit under subsection 127(9) of the Tax Act) in respect of expenses included in the individual's Ontario exploration expenditures for the year that, at the time of the filing of the individual's return of income for the year, the individual has received, is entitled to receive or can reasonably be expected to receive. Ontario focused flow-through shares are flow-through shares (as defined in the Tax Act) of a principal business corporation (as defined in the Tax Act) that has a permanent establishment in Ontario at the time the renounced expenditures were incurred. Other provinces may have similar tax credits that are available; investors should consult with their own tax advisor for further information in this regard.

Income Tax Withholding and Instalments

Limited Partners who are employees and have income tax withheld at source from their employment income may request that the CRA exercise its discretionary authority and authorize a reduction of such withholding.

Limited Partners who are required to pay income tax on an instalment basis may generally take into account their share, subject to the "at-risk" rules described above, of CEE and any loss of the Fund in determining their instalment remittances.

Adjusted Cost Base of Units

Subject to any adjustments required by the Tax Act, a Limited Partner's original adjusted cost base of a Unit will generally be the purchase price paid for the Unit. The adjusted cost base will be increased by any share of income allocated to the Limited Partner in respect of the Unit, including a pro rata share of any capital gains realized by the Fund. The adjusted cost base will be reduced (subject to the "at-risk" and limited recourse amount rules) by any share of losses allocated from the Fund, including a pro rata share of any capital losses realized by the Fund, any CEE allocated to the Limited Partner and the amount of any distributions made to the Limited Partner from the Fund in respect of the Unit.

Where the total of any such reductions to the adjusted cost base of a Unit exceeds the original cost of the Unit plus any such increases to the adjusted cost base of the Unit at the end of a fiscal period of the Fund, such excess ("negative amount") will be deemed to be a capital gain of the Limited Partner in respect of the Unit for such year.

Disposition of Fund Units

A disposition by a Limited Partner of Units held by the Limited Partner as capital property will result in a capital gain, or capital loss, to the extent that the Limited Partner's proceeds of disposition net of reasonable disposition costs exceed, or are exceeded by, as the case may be, the adjusted cost base of the Units immediately prior to disposition. Generally, one-half of the amount of a capital gain is a "taxable capital gain", and is required to be included in computing a Limited Partner's income in 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 a capital loss may be carried back three years or forward indefinitely in accordance with the rules of the Tax Act.

A Canadian-controlled private corporation, as defined in the Tax Act, may be subject to an additional refundable tax of 6 2/3% on certain investment income, which includes taxable capital gains.

A Limited Partner who is considering a disposition of Units during a fiscal period of the Fund should obtain tax advice before doing so. The Partnership Agreement provides that only a person who is a Limited Partner at the end of a fiscal period of the Fund will be entitled to a pro rata share of the Fund's income, loss, or CEE in that fiscal period.

Transfer of Fund's Assets and Dissolution

With the approval of the Limited Partners as provided in the Partnership Agreement, the General Partner may transfer to a mutual fund corporation all of the assets of the Fund in consideration for mutual fund shares. Provided the appropriate elections are made and filed in a timely manner, and subject to complying with other requirements set out in the Tax Act, no taxable capital gains should be realized by the Fund from the transfer, and the mutual fund corporation should acquire each Fund asset at the cost amount thereof to the Fund. Further, provided the Fund is dissolved within 60 days of the asset transfer and certain other requirements in the Tax Act are satisfied, the mutual fund shares should be distributed to the Limited Partners with a cost for tax purposes equal to the adjusted cost base of the Units held by the Limited Partners (less any cash received), and a Limited Partner should generally not be subject to tax in respect of such transaction.

A transfer of the Fund's assets on a dissolution of the Fund, other than as described in the preceding paragraph, may result in taxable capital gains being allocated to the Limited Partners. However, the form of any such dissolution transaction and the tax consequences associated with it can only be ascertained with any degree of certainty at the time the Fund is to be dissolved.

Alternative Minimum Tax

Under the Tax Act, Limited Partners who are individuals (and certain trusts) must compute their potential liability for "alternative minimum tax". In general, the tax payable by such Limited Partner for a taxation year is the greater of the tax otherwise determined and the amount of alternative minimum tax which is determined by reference to the amount by which the Limited Partner's "adjusted taxable income" for the year exceeds the Limited Partner's basic exemption which, in the case of an individual (other than certain trusts) is $40,000. In computing adjusted taxable income, a Limited Partner must generally include all taxable dividends (without application of the gross-up) and 80% of net capital gains and certain deductions and credits otherwise available are disallowed, including amounts in respect of CEE and any losses of the Fund. In computing the alternative minimum tax, the individual's "basic minimum tax credit for the year", which includes certain specified credits available to the individual under the Tax Act, is subtracted from the alternative minimum tax otherwise determined. The federal rate of minimum tax is currently 15%.

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 the individual's tax otherwise payable for the year.

Tax Shelter

The federal and Québec tax shelter identification numbers in respect of the Fund are TS073916 and QAF-07-01246, respectively. The identification number issued for this tax shelter shall be included in any income tax return filed by the investor. Issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of an investor to claim any tax benefits associated with the tax shelter.

Under the terms of the Partnership Agreement, the General Partner is obliged to file all necessary tax shelter information returns and, where applicable, provide each Limited Partner with copies thereof.

Residents of Québec

The Province of Québec allows for a special tax deduction of up to 150% of certain eligible exploration expenses incurred by a qualifying entity for exploration carried out in the Province of Québec. In addition to a base deduction of 100% for CEE, a resident of the Province of Québec may be entitled to an additional deduction of 25% in respect of certain exploration expenses incurred in the Province of Québec by a qualified corporation. Such a resident may also be entitled to a supplementary deduction of 25% in respect of certain surface mining exploration expenses incurred in the Province of Québec by a qualified corporation. Accordingly, an individual resident in the Province of Québec who is a Limited Partner at the end of the applicable fiscal year of the Fund may be entitled to deduct up to 150% of certain eligible exploration expenses incurred in the Province of Québec by a qualified corporation and renounced by it in favour of the Fund. A corporation has the option for Québec tax purposes to use the flow-through share system or claim a Québec tax credit for its exploration expenses.

Also for Québec tax purposes, the acquirers of flow-through shares who are individuals or partnerships of which a partner is an individual may deduct, in aggregate, an amount equal to the lesser of the issue expenses incurred by the corporation and 15% of the proceeds of the issue of flow-through shares provided the corporation forgoes the deduction of issue expenses thus incurred and that such expenses relate to shares or securities the proceeds of which will be used to incur exploration expenses in Québec.

Accordingly, an individual resident in the Province of Québec who is a Limited Partner at the end of the applicable fiscal year of the Fund may be entitled to deduct his or her pro rata share of the issue expenses renounced to the Fund.

The Province of Québec also provides for an Alternative Minimum Tax similar to the federal one. The rate of minimum tax is 16% and there is a $40,000 exemption. Taxpayers must include 75% of net capital gains in computing their adjusted taxable income. As with the federal rules, CEE is not deductible in computing the adjusted taxable income. However, taxpayers are allowed to deduct both the additional and supplementary CEE with respect to exploration work that is carried out in the Province of Québec.

6.3 ELIGIBILITY FOR INVESTMENT

In the opinion of McMillan Binch Mendelsohn LLP, counsel to the Fund and the General Partner, a Unit will not be a qualified investment under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans or registered disability savings plans.

ITEM 7. COMPENSATION PAID TO SELLERS AND FINDERS

Fees and Expenses Payable by the Fund

Initial Fees and Expenses

The expenses of this Offering shall not exceed 3.75% of the gross aggregate proceeds raised upon completion of the Offering, subject to a maximum of $375,000. Offering expenses include the costs of creating and organizing the Fund, the costs of printing and preparing the Offering Memorandum, legal and audit and accounting expenses of the Fund, marketing expenses and legal and other incidental expenses. In addition, the agents' fees will be paid to the agents from the gross proceeds as described under "Interest of Management in Material Transactions".

Management Fee

The General Partner has coordinated the organization of the Fund, will develop and implement all aspects of the Fund's communications, marketing and distribution strategies and will manage or supervise the management of the ongoing business and administrative affairs of the Fund. In consideration for these services and pursuant to the terms of the Partnership Agreement, the Fund will pay to the General Partner a management fee per annum equal to 2.0% of the Net Asset Value. This management fee will be calculated and paid monthly in arrears based on the Net Asset Value at the end of the preceding month. The General Partner has agreed to pay the Portfolio Manager a fee out of the General Partner's management fee.

Registrar and Transfer Agent Fees

The Fund will pay a fee to KeiDATA BackOffice Solutions Inc., or to any duly appointed successor, for its services as the registrar and transfer agent of the Units.

Operating Expenses

The Fund will pay for all its and the General Partner's expenses incurred in connection with the operation and administration of the Fund. It is expected that these expenses will include, without limitation: (a) mailing and printing expenses for periodic reports to Limited Partners; (b) fees payable to the auditors, legal and other professional advisors of the Fund (including reimbursement of certain reasonable out-of-pocket expenses, consisting of travel related and other expenses, and for carrying out due diligence of prospective investments of Southampton Associates Inc.); (c) taxes and ongoing regulatory filing fees; (d) any reasonable out-of-pocket expenses incurred by the General Partner or its agents in connection with their ongoing obligations to the Fund; (e) expenses relating to portfolio transactions (including commissions); and (f) any expenses which may be incurred in connection with the dissolution of the Fund and if a liquidity alternative is approved by the Limited Partners, the exchange of the assets of the Fund for other securities or assets, including mutual fund shares. The General Partner estimates that these costs will be approximately $50,000 to $55,000, plus commissions payable to dealers upon

the sale of portfolio assets, per annum. The General Partner is authorized to fund fees and expenses in excess of the initial Working Capital Reserve through the sale of shares and Flow-Through Shares held by the Fund. The General Partner may act as custodian of the investments of the Fund and may act as registrar and transfer agent for the Fund. No additional fee will be payable to the General Partner for these services; however, it will be entitled to reimbursement for reasonable out-of-pocket expenses related to its performances of these services.

Interest of Management in Material Transactions

The General Partner will be entitled to receive fees calculated with reference to the Net Asset Value of the Fund. See "Fees and Expenses Payable by the Fund – Management Fee". The General Partner is also entitled to receive 0.01% of any net income or assets allocated to the Partners. See "Business of the Fund – Material Agreements – Partnership Agreement – Units" and "Business of the Fund – Material Agreements – Partnership Agreement – Net Income and Loss".

Peter Browning is a director of the General Partner and a director and officer of Trinity Wood Capital Corporation. Mr. Sanchez is a director of the General Partner and an officer of frontier*Alt* Capital Corporation.

Affiliates of the General Partner (including MAK, Allen & Day and Trinity Wood) intend to and the agents and members of agents' selling group may be entitled to receive fees and, in some cases, rights to purchase shares and/or other securities of Mineral Issuers in connection with the private placement of Flow-Through Shares by Mineral Issuers to the Fund.

Trinity Wood and MAK, Allen & Day each receive a portion of the agency fee. A selling commission of 7.0% of the selling price for each Unit is payable on Closing. Such fee is comprised of 2.0% in the aggregate payable to Trinity Wood and MAK, Allen & Day and 5.0% is payable to persons permitted under applicable securities legislation to sell Units of the Fund.

Except as disclosed elsewhere in this Offering Memorandum, to the best of the General Partner's knowledge, no director or officer of the General Partner has any interest in any material transaction involving the Fund. Some liquidity alternatives may involve exchanging the Fund's assets on a tax-deferred basis for securities of a mutual fund, including those that will be under direct or indirect management by frontier*Alt* Capital Corporation or an affiliate or associate. In such an event, it is likely that frontier*Alt* Capital Corporation or an affiliate or associate would earn, directly or indirectly, a fee for the management and administration of such mutual fund. See "Directors, Management, Promoters and Principal Holders – Conflicts of Interest".

ITEM 8. RISK FACTORS

In addition to the factors set forth elsewhere in this Offering Memorandum, investors should consider the following risk factors before purchasing Units. Any, all or a portion of these risks, or other as yet unidentified and unforeseen risks may have a materially adverse effect on all or any of the Fund, the Mineral Issuers in which the Available Funds are invested, the Units, the potential tax benefits of an investment in the Units and returns to investors.

Speculative Nature of Investment

This Offering is speculative. There is no assurance of a positive, or any, return on an investment in Units. The purchase of Units involves a number of significant risk factors and is suitable only for investors who are in high marginal income tax brackets, who are aware of the inherent risks in mineral exploration and development who are able and willing to risk a total loss of their investment and who have no immediate need for liquidity.

The Fund strongly recommends that prospective investors review this Offering Memorandum in its entirety and consult with their own independent legal, tax, investment and financial advisors to assess the appropriateness of an investment in Units given their particular financial circumstances and investment objectives, prior to purchasing any Units.

Marketability of Units

Although the Units are transferable subject to certain restrictions contained in the Partnership Agreement and in compliance with applicable securities laws, there is currently no market through which the Units may be sold and none is expected to develop. Purchasers may not be able to resell Units purchased under this Offering Memorandum and will generally not be able to transfer the tax benefits related to the Flow-Through Shares to be purchased by the Fund. The Offering is not qualified by way of prospectus and, consequently, the resale of Units is subject to restrictions under applicable securities legislation. The Fund will endeavour to provide Limited Partners with enhanced liquidity for their Units and a liquidity alternative may be proposed to the Limited Partners but there can be no assurance that such endeavours or proposals, as

applicable, will be successfully effected on a tax-deferred basis or receive the requisite approvals. See "Income Tax Consequences and RRSP Eligibility – Summary of Significant Tax Consequences – Transfer of Fund's Assets and Dissolution".

Reliance on the General Partner and Portfolio Manager

Limited Partners must rely entirely on the expertise of the General Partner and the Portfolio Manager in entering into any Flow-Through Agreements with Mineral Issuers and the pricing of the securities purchased for the Fund, in determining (in accordance with the Fund's Investment Objectives, Investment Strategy and Investment Guidelines) the composition of the portfolio of securities of Mineral Issuers to be owned by the Fund, and in determining whether to dispose of securities (including Flow-Through Shares) owned by the Fund.

In assessing the suitability of an investment in any Mineral Issuer, the Portfolio Manager will consider the experience and track record of management of the Mineral Issuer and publicly available information concerning the mineral property interests held by such Mineral Issuers. The Portfolio Manager will not always review engineering or other technical reports prepared in anticipation of an exploration program being financed by Flow-Through Shares issued to the Fund. In some cases the nature of an exploration program to be financed will not warrant an engineering or technical report and the proposed exploration program will be determined by management of the Mineral Issuer. Flow-Through Shares may be issued to the Fund at prices greater than the market prices of comparable ordinary common shares not qualifying as Flow-Through Shares, and Limited Partners must rely entirely on the discretion, knowledge and expertise of the General Partner and the Portfolio Manager in negotiating the pricing of those securities.

Flow-Through Shares

Although the General Partner intends to invest the Available Funds by December 31, 2008, there can be no assurance that the General Partner will, on behalf of the Fund, be able to identify a sufficient number of Mineral Issuers willing to issue Flow-Through Shares to permit the Fund to invest all Available Funds to purchase Flow-Through Shares by such time. Available Funds that have not been invested by the Fund in Flow-Through Shares by December 31, 2008, will be distributed to the Limited Partners of record on December 31, 2008, on a *pro rata* basis, by January 31, 2009 without interest or deduction. If uninvested funds are returned in this manner or if uninvested funds are invested in shares other than Flow-Through Shares, the amount of deductions the Limited Partners will be able to claim for income tax purposes will be reduced.

Blind Pool

This is a blind pool offering. As of the date hereof, the Fund has not entered into any Flow-Through Agreements to acquire Flow-Through Shares or selected Mineral Issuers in which to invest. However, the Fund may, prior to the initial Closing, enter into Flow-Through Agreements with one or more Mineral Issuers, provided such agreements will be conditional upon the completion of the initial Closing.

The purchase price per Unit paid by an investor at a closing subsequent to the initial Closing may be less or greater than the Net Asset Value per Unit at the time of the purchase, and since the proceeds available to the Fund for investment will be net of offering and other expenses, unless the Fund's portfolio increases in value, the purchase price per Unit for such purchasers will be greater than the Net Asset Value per Unit; the extent to which the purchase price per Unit exceeds or is less than the Net Asset Value per Unit will depend on a variety of factors, including whether or not the Fund acquires Flow-Through Shares at a premium or discount to market prices and changes in the value of the Fund's portfolio.

No Cash Distributions

The Fund may, but is not required to make, cash distributions to Limited Partners prior to the dissolution of the Fund.

Tax-Related

Units are more suitable for an investor whose income is subject to a high marginal income tax rate. Regardless of any tax benefits that may be obtained, a decision to purchase Units should be based primarily on an appraisal of the merits of the investment as such and on an investor's ability to bear possible loss. Investors acquiring Units with a view to obtaining tax advantages should obtain independent tax advice from a knowledgeable tax advisor. Federal or provincial income tax legislation may be amended, or its interpretation changed, so as to alter fundamentally the tax consequences to Limited Partners of purchasing, holding or disposing of Units or other securities which may be received in exchange for Units.

There is a risk that Mineral Issuers will not incur and renounce Eligible Expenditures in an aggregate amount equal to the Available Funds which may adversely affect the return on a Limited Partner's investment in the Units. Generally, the subscription price for Flow-Through Shares will be released before CEE has been incurred and renounced. There is a risk under such Flow-Through Agreements that the Mineral Issuer will not incur Eligible Expenditures in an amount equal to the subscription price for such shares. Certain Flow-Through Agreements may provide that if a Mineral Issuer fails to incur and renounce CEE equal to the subscription price for Flow-Through Shares the Mineral Issuer will indemnify each Limited Partner for the additional tax payable by the Limited Partner. There is no assurance, however, that any of the Flow-Through Agreements entered into by the General Partner will contain such provisions or that such provisions would be enforceable. There is a further risk that the expenditures incurred by the Mineral Issuers and renounced to the Fund may not qualify as CEE, which may adversely affect the return on a Limited Partner's investment in the Units.

Under current legislation, the expenditures to which the investment tax credits relate are required to be renounced pursuant to an agreement with a Mineral Issuer made before April 1, 2008. There can be no assurance as to what portion, if any, of the Available Funds will be capable of being renounced pursuant to a Flow-Through Agreement made before April 1, 2008.

If the Fund sells Flow-Through Shares, it will realize a capital gain substantially equal to the sale proceeds because the Flow-Through Shares have a nil cost for tax purposes. There is a possibility that Limited Partners will receive allocations of income (including taxable capital gains) from the Fund without receiving a corresponding cash distribution to satisfy any resulting tax liability. The alternative minimum tax could limit tax benefits available to Limited Partners.

If a Limited Partner finances the subscription price of his Units with a borrowing or other indebtedness that is, or is deemed under the Tax Act to be, a limited recourse financing, CEE or other expenses incurred or deemed to be incurred by the Fund may be reduced by the amount of such financing and the tax benefits of the investment to such Limited Partner, and possibly to other Limited Partners, will be adversely affected. The Proposed Loss Limitation Rule or any alternative Tax Proposal could limit the deductibility of losses realized by the Fund and allocated to the Limited Partners, losses realized by Limited Partners from the deduction of any interest expense in a year and the deduction by Limited Partners of Offering expenses and agents fees after the dissolution of the Fund. The summary set out under the heading "Income Tax Consequences and RRSP Eligibility" does not address the deductibility of interest by the Limited Partners and any Limited Partner who has borrowed money to acquire Units should consult his or her own tax advisor in this regard.

The Taxation Act (Québec) limits the ability of a Québec taxpayer who is an individual (including a trust) to deduct investment expenses incurred to earn investment income to the amount of investment income earned in that year. For these purposes, investment expenses include, among others, certain interest and losses of a Limited Partner and 50% of CEE incurred outside Québec, and investment income includes, among others, taxable capital gains not eligible for the capital gains exemption, interest, taxable dividends from Canadian corporations and trust income. A Limited Partner who is an individual (including a trust) resident, or subject to tax, in Québec on December 31 of a given year may, in computing his or her income for Québec income tax purposes, deduct an amount equal to 100% of certain CEE incurred in Québec and 50% of CEE incurred outside Québec, in each case allocated to such Limited Partner by the Fund. The remaining CEE allocated to such Limited Partner (including 50% of CEE incurred outside Québec and certain CEE incurred in Québec) will be deductible for Québec tax purposes only if such Limited Partner has investment income in that year equal to or greater than such CEE. Investment expenses not deductible in a given taxation year may generally be carried over and applied against investment income (net of investment expenses for the particular taxation year) earned in any of the three preceding taxation years or in any subsequent taxation year.

Tax authorities may disagree with the characterization of gains realized by the Fund on the sale of Flow-Through Shares as being on capital account rather than on income account and with the classification of the Eligible Expenditures made by Mineral Issuers, and any such recharacterization or reclassification, as the case may be, resulting from such disagreement will reduce the return on an investment in the Units.

A Mineral Issuer may not renounce Eligible Expenditures incurred by it after December 31, 2008 with an effective date of December 31, 2008 to a partnership with which it does not deal at arm's length at any time during 2009. The Fund will be deemed to not deal at arm's length with a Mineral Issuer if any of its partners do not deal at arm's length with such Mineral Issuer.

Loan Arrangements

A Canadian chartered bank has agreed to provide loan facilities for the purchase of Units to each subscriber who applies for a loan and is approved by the bank. It is not anticipated that the Fund will make any material distributions to Limited Partners. Therefore, a Limited Partner will not receive sufficient distributions from the Fund to pay interest on, or to repay the principal amount of, any such loan. Each Limited Partner is responsible for ensuring that all principal and interest owing on any such loan is paid in full when due. The failure to pay amounts when due may result in legal action being taken against the Limited Partner by the bank to enforce payment, the loss of any collateral pledged to the bank by the Limited Partner, including the Units held by such Limited Partner and adverse income tax consequences to the Limited Partner.

Concentration Risk

The Fund intends to invest the Available Funds in Flow-Through Shares of companies in the mineral sector with a focus on intermediate and junior companies engaged in mineral exploration. Concentrating its investment in this manner may result in the value of the Units fluctuating to a greater degree than if the Fund had a more diversified portfolio. While an investment strategy with less emphasis on mineral exploration might reduce the potential for or extent of fluctuations in value of the Units, such an investment strategy may not provide the potential tax benefits to investors which is among the Fund's principal Investment Objectives.

The size of the Offering will directly affect the degree of diversification of the portfolio of Flow-Through Shares held by the Fund and may affect the scope of investment opportunities available to the Fund.

Marketability of Underlying Securities

The value of Units will vary in accordance with the value of the securities acquired by the Fund and in some cases the value of securities owned by the Fund may be affected by such factors as investor demand, resale restrictions, general market trends or regulatory restrictions. Fluctuations in the market values of such securities may occur for a number of reasons beyond the control of the General Partner or the Fund and there is no assurance that an adequate market will exist for securities acquired by the Fund. Up to 25% of the Available Funds may be invested in securities of non-reporting issuers which are subject to a continuing hold period. These securities, if distributed to the Limited Partners in connection with a dissolution of the Fund, may not be sold by a Limited Partner unless an exemption is available under applicable securities laws. The investment involves a high degree of risk and should only be considered by persons who can afford a loss of their investment.

Many of the securities held by the Fund, including those listed and not subject to resale restrictions, may be relatively illiquid and may decline in price if a significant number of shares are offered for sale.

Risks Associated With Mineral Issuers

In general, the business of the Fund will be to make investments in Mineral Issuers engaged in mineral exploration and development. The business activities of Mineral Issuers are typically speculative and may be adversely affected by sector specific risk factors, outside the control of the Mineral Issuers, which may ultimately have an impact on the Fund's investments in such companies' securities. Because of such factors, the Net Asset Value may be more volatile than portfolios with a more diversified investment focus. The value of the Fund's portfolio may fluctuate with the underlying market prices for commodities produced by those sectors of the economy.

Mineral Exploration Risks

The business of exploration for minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At the time of investment in a Mineral Issuer by the Fund, it may not be known if such Mineral Issuer's properties have a known body of ore of commercial grade. Unusual or unexpected formations, formation pressures, fires, explosions, power outages, labour disruptions, flooding, blow-outs, cave-ins, landslides and the inability of the Mineral Issuer to obtain suitable machinery, equipment or labour are all risks which may occur during exploration for and development of mineral deposits. Substantial expenditures are required in order to establish reserves through drilling, to develop metallurgical processes to extract the metal from the ore, to develop the mining, production, gathering or processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineral deposit, no assurance can be given that minerals, as applicable, will be discovered in sufficient quantities by the Mineral Issuers in which the Fund may invest to justify commercial operations or that such issuers will be able to obtain the funds required for development on a timely basis or at all. The economics of developing mining properties is affected by many factors, including the cost of operations, variations in the grade of ore mined, fluctuations in the prices of ore which can be

obtained on the metal markets, and such other factors as aboriginal land claims and government regulations, including regulations relating to royalties, allowable production, importing and exporting and environmental protection. There is no certainty that the expenditures to be made by the Mineral Issuer in the exploration and development of the interests described herein will result in discoveries of commercial quantities of a mineral.

Market Risks

The marketability of natural resources which may be acquired or discovered by a Mineral Issuer will be affected by numerous factors which are beyond the control of such Mineral Issuer. These factors include market fluctuations in the price of the minerals, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of materials and environmental protection. The exact effect of these factors cannot be accurately predicted, but any one or a combination of these factors could result in a Mineral Issuer not receiving an adequate return for shareholders.

Uninsurable Risks

Mineral operations generally involve a high degree of risk. Hazards such as unusual or unexpected formations, rock bursts, cave-ins, fires, explosions, blow-outs, formations of abnormal pressure, flooding or other conditions may occur from time to time. A Mineral Issuer may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect on such Mineral Issuer's financial position.

No Assurance of Title or Boundaries, or of Access

While a Mineral Issuer may have registered its mineral interests, as applicable, with the appropriate authorities and filed all pertinent information to industry standards, this cannot be construed as a guarantee of interest. In addition, a Mineral Issuer's properties may consist of recorded mineral interests which have not been legally surveyed, and therefore, the precise boundaries and locations of such interests may be in doubt and may be challenged. A Mineral Issuer's properties may also be subject to prior unregistered agreements or transfers or native land claims, and a Mineral Issuer's interest may be affected by these and other undetected defects.

Government Regulation

A Mineral Issuer's operations are subject to extensive government legislation, policies and controls relating to prospecting, land use, trade, environmental protection, taxation, rate of exchange, return of capital and labour relations. A Mineral Issuer's mineral property interests may be located in foreign jurisdictions, and its exploration operations in such jurisdictions may be affected in varying degrees by the extent of political and economic stability, and by changes in regulations or shifts in political or economic conditions that are beyond the control of the Mineral Issuer. Such factors may adversely affect the Mineral Issuer's business and/or its mineral property holdings. Although a Mineral Issuer's exploration activities may be carried out in accordance with all applicable rules and regulations at any point in time, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development of the Mineral Issuer's operations. Amendments to current laws and regulations governing the operations of a Mineral Issuer or more stringent enforcement of such laws and regulations could have a substantial adverse impact on the financial results of the Mineral Issuer.

Environmental Regulation

A Mineral Issuer's operations may be subject to environmental regulations enacted by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mineral industry operations. A breach of such legislation may result in the imposition on the Mineral Issuer of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which has lead to stricter standards and enforcement and greater fines and penalties for non-compliance. The cost of compliance with government regulations may reduce the profitability of a Mineral Issuer's operations.

Nominal Assets

While the General Partner has agreed to indemnify the Limited Partners in certain circumstances, the General Partner has nominal assets and it is unlikely that it will have sufficient assets to satisfy any claims pursuant to such indemnity. The General Partner and Fund are newly formed with no operating history.

Conflicts of Interest

Conflicts of interest may exist between the General Partner and the Fund. Some of these conflicts arise as a result of the power and authority of the General Partner to manage and operate the business and affairs of the Fund. The General Partner has fiduciary obligations to the Limited Partners of the Fund. These conflicts of interest could have a detrimental effect on the Net Asset Value of the Fund.

The General Partner may not act as the general partner of any other limited partnerships or engage in any business other than the management of the business of the Fund as set out in the Partnership Agreement. The directors and officers of the General Partner, Portfolio Manager, Southampton Associates Inc. and their Affiliates are not in any way limited or affected in their ability to carry on other transactions or business ventures for their own account or for the account of others, and may be engaged in the ownership or acquisition of businesses which compete with the Fund and may be engaged in the promotion, administration, management or investment management of other funds, partnerships or investment vehicles which invest in Flow-Through Shares or in other securities of Mineral Issuers and certain conflicts may arise from time to time in the management of such funds or vehicles and in determining appropriate investment opportunities. Investment in the Fund will not carry with it the right for either the Fund or any Limited Partner to invest in any other property or venture of the directors and officers of the General Partner, Portfolio Manager and the Mining Industry Consultant or their Affiliates, or to any profit therefrom or to any interest therein. The General Partner has the responsibility to enter into Flow-Through Agreements on behalf of the Fund. To the extent that an opportunity arises to enter into such an agreement, the directors of the General Partner have the discretion to determine whether the Fund will avail itself of the investment opportunity. Certain directors and officers of the General Partner may also be directors, officers and shareholders of Mineral Issuers, and subject to compliance with the Investment Guidelines and applicable law, the Fund may enter into Flow-Through Agreements with such Mineral Issuers. Affiliates of the General Partner (including MAK, Allen & Day and Trinity Wood) intend to and the agents and members of agents' selling group may be entitled to receive fees and, in some cases, rights to purchase shares and/or other securities of Mineral Issuers in connection with the private placement of Flow-Through Shares by Mineral Issuers to the Fund.

Affiliates of the General Partner (including frontier*Alt* Capital Corporation and Trinity Wood) may, from time to time, be involved in raising money for Mineral Issuers and the Fund may or may not commit funds in connection with any such transaction. The selling group members and Affiliates of the General Partner may earn fees on such transactions.

Trinity Wood and MAK, Allen & Day each receive a portion of the agency fee described under "Compensation Paid to Sellers and Finders".

The General Partner will receive fees as described herein under "Compensation Paid to Sellers and Finders" and "Directors, Management, Promoters and Principal Holders – Management of the Fund". Conflicts may arise because none of the directors or officers of the General Partner will devote his full time to the business and affairs of the Fund or the General Partner. However, each will devote as much time as is necessary for the management of the business and affairs of the General Partner and the Fund.

Possible Loss of Limited Liability of Limited Partners

Limited Partners may lose their limited liability in certain circumstances, including by taking part in the control of the business of the Fund. The principles of law in the various jurisdictions of Canada recognizing the limited liability of the limited partners of limited partnerships subsisting under the laws of one province but carrying on business in another province or territory have not been authoritatively established. If limited liability is lost, there is a risk that Limited Partners may be liable beyond their contribution and share of undistributed net income of the Fund in the event of judgment on a claim in an amount exceeding the sum of the net assets of the General Partner and the net assets of the Fund.

Limited Partners remain liable to return to the Fund such part of any amount distributed to them as may be necessary to restore the capital of the Fund to the amount existing before such distribution if, as a result of any such distribution, the capital of the Fund is reduced and the Fund is unable to pay its debts as they become due.

Forward-looking statements

This Offering Memorandum contains forward-looking statements that involve risk and uncertainties. These forward-looking statements relate to, among other things, strategy, indicators and expectations for the mineral sector and Mineral Issuers and other expectations, intentions and plans contained in this Offering Memorandum that are not historical fact.

When used in this Offering Memorandum, the words "expects", "anticipates", "intends", "plans", "may", "believes", "seeks", "estimates", "appears" and similar expressions generally identify forward-looking statements. These statements reflect the General Partner's current expectations. They are subject to a number of risks and uncertainties, including, but not limited to, changes in the global economy, changes in general economic and business conditions, existing governmental regulations, supply, demand and other market factors. In light of the many risks and uncertainties surrounding the mineral sector, the forward-looking statements contained in this Offering Memorandum may not be realized.

Liquidity Alternatives

There can be no assurance that the General Partner will be able to arrange and implement a liquidity alternative or, if implemented, that it will be effected on a tax-deferred basis. If a liquidity alternative is to be proposed that includes a mutual fund, said mutual fund may be one that is part of the frontier*Alt* Group of Mutual Funds.

ITEM 9. REPORTING OBLIGATIONS

9.1 REPORTING TO LIMITED PARTNERS

Limited Partners will receive a statement every six months showing Units held by the Limited Partners and any transactions for the preceding period. Limited Partners will receive statements, at least annually, setting out the assets and portfolio securities owned by the Fund. Interim reporting to Limited Partners will be at the discretion of the General Partner. The Fund may enter into other agreements with certain Limited Partners which may entitle such Limited Partners to receive additional reporting.

The fiscal year end of the Fund is December 31. Limited Partners will be sent audited annual financial statements and unaudited semi-annual financial statements within such time period after the end of each fiscal year end and after June 30, respectively, if required by law. Limited Partners will receive the applicable required tax form(s) within the time required by applicable law to assist Limited Partners to make the necessary tax filings.

The General Partner will keep or will cause to be kept adequate books and records reflecting the activities of the Fund. A Limited Partner or the duly authorized representative of a Limited Partner will have the right to examine the books and records of the Fund during normal business hours at the offices of the General Partner from time to time. Notwithstanding the foregoing, a Limited Partner shall not have access to any information which, in the opinion of the General Partner, should be kept confidential in the interests of the Fund.

ITEM 10. RESALE RESTRICTIONS

10.1 GENERAL STATEMENT

These securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under securities legislation.

There is no formal market for the Units and none is expected to develop. Furthermore, this offering of Units is not qualified by way of prospectus and consequently, the resale of Units will be subject to restrictions under applicable securities legislation.

THE DISTRIBUTION OF THE UNITS IS BEING MADE ON A PRIVATE PLACEMENT BASIS, IN RELIANCE UPON EXEMPTIONS FROM THE PROSPECTUS REQUIREMENTS OF APPLICABLE SECURITIES LAWS. ACCORDINGLY, ANY RESALE OF THE UNITS MUST BE MADE IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS. PURCHASERS ARE ADVISED TO SEEK LEGAL ADVICE PRIOR TO ANY RESALE OF THE UNITS.

10.2 RESTRICTED PERIOD

Unless permitted under securities legislation, for jurisdictions in Canada other than Manitoba you cannot trade the securities before the date that is 4 months and a day after the date the Fund becomes a reporting issuer in any province or territory of Canada.

10.3 MANITOBA RESALE RESTRICTIONS

With respect to trades in Manitoba, unless permitted under securities legislation, you must not trade the securities without the prior consent of the regulator in Manitoba unless: (a) the Fund has filed a prospectus with the regulator in Manitoba with respect to the securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus; or (b) you have held the securities for at least 12 months. The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

ITEM 11. STATUTORY AND CONTRACTUAL RIGHTS OF ACTION

Rights of Action for Damages or Rescission

If you purchase these securities you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer.

The following statutory or contractual rights of action for damages or rescission will apply to a purchase of Units. The applicable securities legislation in certain jurisdictions provides purchasers, or requires purchasers be provided, with remedies for rescission or damages, or both, if this Offering Memorandum or any amendment to it contains a misrepresentation. However, these remedies must be exercised within the time limits prescribed. Purchasers should refer to the applicable legislative provisions for the complete text of these rights and/or consult with a legal advisor.

Rights for purchasers in British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Northwest Territories and Nunavut purchasing under the offering memorandum exemption as such exemption is described in applicable securities legislation:

Two-Day Cancellation Right – You can cancel your agreement to purchase these securities. To do so, you must send a notice to us by midnight on the 2nd Business Day after you sign the agreement to buy the securities.

Statutory Rights of Action in the Event of a Misrepresentation for purchasers in British Columbia, Saskatchewan, Manitoba, New Brunswick, Prince Edward Island and Nova Scotia – If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

(a) the Fund to cancel your agreement to buy these securities, or

(b) for damages against the Fund, and, except in New Brunswick, every person who signed the Offering Memorandum, as well as in Saskatchewan, every person who or company that signs this Offering Memorandum, every promoter of the Fund at the time of delivery of the Offering Memorandum and every person who or company that sells securities on behalf of the Fund.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. In British Columbia, Manitoba, Saskatchewan, Prince Edward Island and New Brunswick, you must commence your action to cancel the agreement within 180 days after you signed the agreement to purchase the securities. In British Columbia, you must commence your action for damages within the earlier of 180 days after learning of the misrepresentation and 3 years after you signed the agreement to purchase the securities. In Saskatchewan and New Brunswick, you must commence your action for damages before the earlier of one year after learning of the misrepresentation and 6 years after you signed the agreement. In Nova Scotia, your action to cancel the agreement or for damages cannot be made more than 120 days after you made your initial payment for Units. In Prince Edward Island, you must commence your action for damages before the earlier of one year after learning of the misrepresentation and three years after you signed the agreement. In Manitoba, you must commence your

action for damages within the earlier of 180 days after learning of the misrepresentation and two years after you signed the agreement.

Contractual Rights of Action in the Event of a Misrepresentation for purchasers in Newfoundland and Labrador, Alberta, Northwest Territories and Nunavut– If there is a misrepresentation in this Offering Memorandum, you have a contractual right to sue the Fund:

(a) to cancel your agreement to buy these securities, or

(b) for damages.

This contractual right to sue is available to you whether or not you relied on the misrepresentation. However, in an action for damages, the amount you may recover will not exceed the price that you paid for your securities and will not include any part of the damages that the Fund proves does not represent the depreciation in value of the securities resulting from the misrepresentation.

The Fund has a defence if it proves that you knew of the misrepresentation when you purchased the securities.

If you intended to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after you signed the agreement to purchase the securities. You must commence your action for damages within the earlier of 180 days after learning of the misrepresentation and 3 years after you signed the agreement to purchase the securities.

The rights of action for rescission or damages are in addition to, and does not detract from, any other right of the purchaser.

Rights of Purchasers in Ontario

Securities legislation in Ontario provides that purchasers of securities are entitled to rights of action for rescission or damages where an offering memorandum and any amendment to it contain a Misrepresentation. Where used in this section, "Misrepresentation" means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

In accordance with Section 130.1 of the Securities Act (Ontario) (the "Ontario Act"), in the event that this Offering Memorandum or any amendment thereto contains a Misrepresentation the purchaser who purchases Units offered by this Offering Memorandum during the period of distribution has, without regard to whether the purchaser relied upon the misrepresentation, a right of action against the Fund for damages, or, while still the owner of the Units purchased by that purchaser, for rescission, in which case, if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages against the Fund, provided that:

(a) the Fund will not be liable if it proves that the purchaser purchased the Units with knowledge of the Misrepresentation;

(b) in the case of an action for damages, the Fund will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Units as a result of the Misrepresentation relied upon; and

(c) in no case will the amount recoverable in any action exceed the price at which the Units were sold to the purchaser.

The foregoing rights provided in accordance with Section 130.1 of the Ontario Act do not apply to the following purchasers relying upon the accredited investor exemption in Ontario:

(a) a Canadian financial institution, meaning either:

  (i) an association governed by the Cooperative Credit Associations Act (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or

  (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services corporation, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction in Canada;

(b) a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the Bank Act (Canada),

(c) The Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada), or

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

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

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

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

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

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

The rights of action described above are in addition to and without derogation from any other right or remedy that the purchaser may have at law.

Rights for Other Purchasers in Manitoba

When an offering memorandum contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum is deemed to have relied on the representation if it was a misrepresentation at the time of purchase, and the purchaser has

(a) a right of action for damages against

i. the issuer, and

ii. every person or company who signed the offering memorandum; or

(b) a right of rescission against the issuer.

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

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

When a misrepresentation is contained in an offering memorandum, no person or company is liable

(a) if the person or company proves that the purchaser had knowledge of the misrepresentation;

(b) other than with respect to the issuer, if the person or company proves

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

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

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

(d) other than with respect to the issuer, if, with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, the person or company proves that the person or company did not have any reasonable grounds to believe and did not believe that

i. there had been a misrepresentation, or

ii. the relevant part of the offering memorandum

(a) did not fairly represent the expert's report, opinion or statement, or

(b) was not a fair copy of, or an extract from, the expert's report, opinion or statement; or

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

i. did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or

ii. believed there had been a misrepresentation.

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

No action may be commenced to enforce a right

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

(b) in any other case, more than the earlier of

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

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

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

Rights for Other Purchasers in New Brunswick

The Securities Act (New Brunswick) (the "New Brunswick Act") provides that, subject to certain limitations, where this Offering Memorandum or any amendment thereto, which is provided to a purchaser of the Units contains an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made (a "misrepresentation"), a purchaser who purchases the Units shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and the purchaser has, subject to certain defences, a right of action for damages against the Fund or may elect to exercise a right of rescission against the Fund, in which case he shall have no right of action for damages, provided that:

(a) in an action for rescission or damages, the defendant will not be liable if it proves that the purchaser purchased the security with knowledge of the misrepresentation;

(b) in an action for damages, the defendant is not liable for all or any portion of the damages that it proves do not represent the depreciation in value of the security as a result of the misrepresentation relied upon; and

(c) in no case shall the amount recoverable under the right of action described herein exceed the price at which the security was offered.

The right of action for rescission or damages described herein is conferred by section 150 of the New Brunswick Act and is in addition to and without derogation from any right the purchaser may have at law.

Pursuant to section 161 of the New Brunswick Act, no action shall be commenced to enforce a right of rescission unless such action is commenced not later than 180 days after the date of the transaction that gave rise to the cause of action

and in the case of any action, other than an action for rescission, such action shall be commenced before the earlier of: (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action, and (ii) six years after the date of the transaction that gave rise to the cause of action.

Rights for Other Purchasers in Nova Scotia

The Securities Act (Nova Scotia) provides that, subject to certain limitations, where this Offering Memorandum, together with any amendment to this Offering Memorandum, or any advertising or sales literature (as such terms are defined in the Securities Act (Nova Scotia)) disseminated in connection with the offering, contains an untrue statement of material fact or omits to state a material fact that is necessary to prevent a statement in this Offering Memorandum, amendment to this Offering Memorandum or advertising or sales literature from being misleading in light of the circumstances in which the statement was made (each, a "Misrepresentation"), a purchaser who purchases the Units is deemed to have relied on the misrepresentation, if it was a Misrepresentation at the time of purchase and has a right of action for damages against the Fund, and, subject to certain additional defences, every seller (other than the Fund) of Units, directors of the Fund and persons who have signed this Offering Memorandum.

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

The foregoing rights are subject to, among other limitations, the following:

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

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

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

(d) in no case will the amount recoverable in any action exceed the price at which the Units were offered to the purchaser under this Offering Memorandum or amendment to this Offering Memorandum.

In addition no person or company other than the Fund is liable if the person or company proves that:

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

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

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

Furthermore no person or company other than the Fund is liable with respect to any part of this Offering Memorandum or amendment to this Offering Memorandum not purporting (a) to be made on the authority of an expert; or (b) to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company (c) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation; or (d) believed that there had been a misrepresentation.

If a misrepresentation is contained in a record incorporated by reference in, or deemed incorporated into, this Offering Memorandum or amendment to this Offering Memorandum, the misrepresentation is deemed to be contained in this Offering Memorandum or amendment to this Offering Memorandum.

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

Rights for Other Purchasers in Newfoundland and Labrador

Purchasers of Units in Newfoundland and Labrador are entitled to contractual rights of action for rescission or damages against the Fund if this Offering Memorandum contains a misrepresentation, without regard to whether the purchaser relied on the misrepresentation.

These contractual rights of rescission or damages are subject to the following limitations:

(a) the Fund will not be liable if it proves that the purchaser purchased the Units with knowledge of the misrepresentation;

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

(c) in no case will the amount recoverable in any action exceed the price at which the Units were sold to the purchaser.

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

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

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

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

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

The contractual rights for rescission or damages are in addition to and do not detract from any other right of the purchaser.

Rights for Other Purchasers in Saskatchewan

The Securities Act, 1988 (Saskatchewan) (the "Saskatchewan Act") provides, subject to certain limitations, purchasers of Units pursuant to this Offering Memorandum or any amendment thereto with a right of action for damages against the Fund, every promoter of the Fund at the time this Offering Memorandum or any amendment thereto was sent or delivered to a purchaser, every person or company whose consent has been filed with this Offering Memorandum or an amendment thereto but only with respect to reports, opinions or statements that have been made by them, every person or company that signed this Offering Memorandum or any amendment thereto, and every person who, or company that, sells Units on behalf of the Fund under this Offering Memorandum or any amendment thereto, if this Offering Memorandum, together with any amendment thereto, contains a misrepresentation (as defined in the Saskatchewan Act) that was a misrepresentation at the time of purchase. Alternatively, where the purchaser purchased the Units from the Fund, the purchaser may elect to exercise a right of rescission against the Fund. There are various defences available to the persons or companies who may be sued, including if the Purchaser knew of the misrepresentation at the time of purchase.

The Saskatchewan Act also provides that, subject to certain limitations, where any advertising or sales literature (as such terms are defined therein) disseminated in connection with the offering of Units contains a misrepresentation, a purchaser who purchases Units referred to in that advertising or sales literature has a right of action against the Fund, every promoter of the Fund at the time the advertising or sales literature was disseminated and every person who, or company that, at the time the advertising or sales literature was disseminated, sells Units on behalf of the Fund in the offering with respect to which the advertising or sales literature was disseminated, provided that such misrepresentation was a misrepresentation at the time of purchase.

In an action for damages, the defendant will not be liable for all or any part of the damages that the defendant proves does not represent the depreciation in value of the Units resulting from the misrepresentation. The amount recoverable will not exceed the price at which the Units were offered.

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

The Saskatchewan Act also provides a purchaser who has received an amended Offering Memorandum delivered in accordance with subsection 80.1(3) of the Saskatchewan Act has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended Offering Memorandum.

If Units are sold in contravention of the Saskatchewan Act, the regulations or a decision of the Saskatchewan Financial Services Commission, the purchaser of such Units has a right to void the purchase agreement and recover all money and other consideration paid therefor from the vendor of the Units. Further, a purchaser of Units who is not sent or delivered a copy of this Offering Memorandum or any amendment thereto prior to entering into an agreement of purchase and sale has a right of action for rescission or damages against the Fund or, if purchased through a dealer, the dealer who failed to so send or deliver this Offering Memorandum or any amendment thereto.

No action to enforce the foregoing rights may be commenced:

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

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

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

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

These rights are in addition to, and without derogation from, any other right the purchaser may have at law.

Rights for Québec Purchasers and Other Purchasers in British Columbia, Alberta, Prince Edward Island, Northwest Territories, Nunavut and Yukon

Investors in British Columbia, Alberta, Québec, Prince Edward Island, Northwest Territories, Nunavut and Yukon not otherwise described in this Item 11 are granted the same rights of action for damages or rescission as residents of Ontario who purchase Units.

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

ITEM 12. FINANCIAL STATEMENTS

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AUDITORS' CONSENT

We have read the offering memorandum of **Trinity Wood Mining 2008-I Flow-Through Limited Partnership** (the "Partnership") dated January 7, 2008 relating to the offering of up to 1,500,000 limited partnership units of the Partnership. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the inclusion in the above-mentioned offering memorandum of our report to the directors of Trinity Wood Strategic Mining 2008-I Inc. in its capacity as general partner of the Partnership on the balance sheet of the Partnership as at January 7, 2008. Our report is dated January 7, 2008. We also consent to the inclusion in the above-mentioned offering memorandum of our report to the directors of Trinity Wood Strategic Mining 2008-I Inc. on the balance sheet of Trinity Wood Strategic Mining 2008-I Inc. as at January 7, 2008. Our report is dated January 7, 2008.

Toronto, Ontario
January 7, 2008

(Signed) Smith Nixon LLP
Licensed Public Accountants
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Board of Directors of
Trinity Wood Strategic Mining 2008-I Inc.

We have audited the balance sheet of **Trinity Wood Strategic Mining 2008-I Inc.** as at January 7, 2008. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, this opening balance sheet presents fairly, in all material respects, the financial position of the Company as at January 7, 2008 in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario
January 7, 2008

(Signed) Smith Nixon LLP
Licensed Public Accountants
CHARTERED ACCOUNTANTS

TRINITY WOOD STRATEGIC MINING 2008-I INC.
BALANCE SHEET
AS AT JANUARY 7, 2008

ASSETS

Cash	$10

SHAREHOLDER'S EQUITY

Capital Stock
Authorized – Unlimited common shares

Issued and fully paid 100 – common shares	$10

APPROVED ON BEHALF OF
THE BOARD OF DIRECTORS:

(Signed) Peter Browning, Director

(Signed) Ron Sanchez, Director

The accompanying notes are an integral part of this balance sheet.

TRINITY WOOD STRATEGIC MINING 2008-I INC.

NOTES TO BALANCE SHEET
JANUARY 7, 2008

1. NATURE OF BUSINESS

Trinity Wood Strategic Mining 2008-I Inc. (the "**Company**"), was incorporated under the laws of the Province of Ontario on December 27, 2007. The primary business activity of the Company is to manage and act as the general partner of Trinity Wood Mining 2008-I Flow-Through Limited Partnership (the "**Fund**"), an Ontario limited partnership, the primary business of which is to invest in flow-through shares and other securities of mineral companies.

The Company has remained inactive since its incorporation on December 27, 2007 through to the date of this financial statement. Accordingly, statements of income and cash flow have not been presented.

2. MATERIAL CONTRACTS

The Company is responsible for the management of the Fund in accordance with the terms of the limited partnership agreement dated January 7, 2008. In consideration for these services, the Company will be entitled during the period commencing on the first closing of the offering of units of the Fund and ending on the date of the transfer of the assets of the Fund to a mutual fund corporation or to the limited partners of the Fund, as the case may be, to an annual management fee (the "**Management Fee**") equal to 2.0% of the net asset value of the Fund, payable monthly in arrears in cash.

The Company will also be entitled to 0.01% of the net income or loss of the Fund.

The Company is committed to pay Caldwell Investment Management Ltd. (the "**Portfolio Manager**") an annual fee, payable monthly out of the Company's Management Fee (the "**Portfolio Fee**").

AUDITORS' REPORT

To the Board of Directors of
Trinity Wood Strategic Mining 2008-I Inc. in its capacity as
General Partner of
Trinity Wood Mining 2008-I Flow-Through Limited Partnership

We have audited the balance sheet of **Trinity Wood Mining 2008-I Flow-Through Limited Partnership** as at January 7, 2008. This financial statement is the responsibility of the General Partner's. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, this balance sheet presents fairly, in all material respects, the financial position of the Partnership as at January 7, 2008 in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario
January 7, 2008

(Signed) Smith Nixon LLP
Licensed Public Accountants
CHARTERED ACCOUNTANTS

TRINITY WOOD MINING 2008-I FLOW-THROUGH LIMITED PARTNERSHIP

BALANCE SHEET
AS AT JANUARY 7, 2008

ASSETS

Cash.....	$10

PARTNER'S CAPITAL

Issued and fully paid –	
Initial Limited Partner –	
one partnership unit at $10 per unit	$10

APPROVED ON BEHALF OF
THE BOARD OF DIRECTORS OF
TRINITY WOOD STRATEGIC MINING 2008-I INC., as General Partner

(Signed) Ron Sanchez, Director

(Signed) Peter Browning, Director

The accompanying notes are an integral part of this opening balance sheet.

TRINITY WOOD MINING 2008-I FLOW-THROUGH LIMITED PARTNERSHIP

NOTES TO BALANCE SHEET
JANUARY 7, 2008

1. FORMATION OF THE FUND

Trinity Wood Mining 2008-I Flow-Through Limited Partnership (the "**Fund**") was formed as a limited partnership under the laws of the Province of Ontario on January 7, 2008. The General Partner of the Fund is Trinity Wood Strategic Mining 2008-I Inc., a company owned by frontier*Alt* Capital Corporation and Trinity Wood Capital Corporation.

2. NATURE OF BUSINESS

The Fund intends to invest in flow-through shares and other securities of mining companies in accordance with defined investment objectives, investment strategies and investment restrictions. In common with investment vehicles of this nature, the Fund is subject to various risk factors including, but not limited to, the lack of a public market for the units of the Fund, risks inherent in mineral exploration, adverse fluctuations in the value of securities to be held by the Fund, and illiquidity of flow-through shares and other securities, if any, of mining companies owned by the Fund.

3. PAYMENTS TO GENERAL PARTNER

The General Partner will be responsible for the management of the Fund in accordance with the terms and conditions of the Partnership Agreement. In consideration for these services, the General Partner will be entitled, during the period commencing on the first closing of the offering of units of the Fund and ending on the date of the transfer of the assets of the Fund to a mutual fund corporation or to the Limited Partners, as the case may be, to an annual management fee (the "**Management Fee**") equal to 2.0% of the net asset value of the Fund, payable monthly in arrears in cash.

The General Partner will also be entitled to 0.01% of the net income or loss of the Fund.

ITEM 13. DATE AND CERTIFICATE

Dated: January 7, 2008

Trinity Wood Strategic Mining 2008-I Inc.
as General Partner and Promoter of the Fund

and

Trinity Wood Capital Corporation
as Promoter of the Fund

CERTIFICATE

This Offering Memorandum does not contain a misrepresentation.

TRINITY WOOD MINING 2008-I FLOW-THROUGH LIMITED PARTNERSHIP, by its General Partner and Promoter, **TRINITY WOOD STRATEGIC MINING 2008-I INC.**

By: (Signed) *Michael Newbury*
Chief Executive Officer, Chairman and Director

By: (Signed) *Edwin Hawkins*
President and Chief Financial Officer

By: (Signed) *Peter Browning*
Director

By: (Signed) *Ron Sanchez*
Director

TRINITY WOOD CAPITAL CORPORATION

By: (Signed) *Peter Browning*
President, Chief Executive Officer and Director

This **LIMITED PARTNERSHIP AGREEMENT**, made as of the 7th day of January, 2008.
BETWEEN:

TRINITY WOOD STRATEGIC MINING 2008-I INC., a corporation duly incorporated under the laws of Ontario and having its principal place of business in Toronto, in the Province of Ontario,

(the "**General Partner**"),

OF THE FIRST PART;

- and -

TRINITY WOOD CAPITAL CORPORATION, a corporation duly incorporated under the laws of Ontario and having its principal place of business in Toronto, in the Province of Ontario,

(the "**Initial Limited Partner**"),

OF THE SECOND PART;

- and -

Each person who, from time to time, becomes a limited partner in accordance with the terms of this Agreement,

(hereinafter individually referred to as a "**Limited Partner**" and collectively referred to as the "**Limited Partners**"),

OF THE THIRD PART.

WITNESSES THAT WHEREAS the General Partner and the Initial Limited Partner have agreed to enter into this limited partnership agreement to establish a limited partnership under the firm name and style of "Trinity Wood Mining 2008-I Flow-Through Limited Partnership" (the "Fund") in respect of which a Declaration will be filed and recorded registering the Fund as a limited partnership under the laws of the Province of Ontario;

AND WHEREAS the General Partner intends to sell Units to investors pursuant to the Offering Memorandum and to admit as Limited Partners those investors whose subscriptions are accepted by the General Partner.

NOW THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE 1- INTERPRETATION

1.1 Where used in this Agreement or any amendment hereto, the following terms shall, unless the context otherwise requires, have the following meanings, respectively:

"Affiliate"	of a company means any company which would be deemed to be an affiliate of such company pursuant to subsection 1(2) of the *Securities Act* (Ontario) as it exists on the date of this Agreement;
"Agreement"	means this limited partnership agreement made as of the 7th day of January, 2008, and all schedules attached hereto;
"Associate"	has the meaning set forth in subsection 1(1) of the *Securities Act* (Ontario) as it exists on the date of this Agreement;
"Available Funds"	means all funds available after deducting from the total proceeds of the issue of Units pursuant to the Offering Memorandum, the agents' fee, the expenses related to the Offering and the initial Working Capital Reserve;
"CEE"	means "Canadian exploration expense" as defined in subsection 66.1(6) of the Tax Act that

may be renounced pursuant to the Tax Act;

"Certificate" means a certificate of ownership of Units issued in accordance with Article 11 hereof;

"Closing" means a closing of a sale of Units to investors;

"Closing Date" means the date of Closing;

"Declaration" means the declaration dated January 7, 2008 filed under the *Limited Partnerships Act* establishing the Fund as a limited partnership, as from time to time amended;

"Dissolution Date" means the date on which the Fund is dissolved which, subject to earlier dissolution on the terms set forth herein, shall be on or about December 31, 2009 or such later date as determined by Extraordinary Resolution of the Limited Partners;

"Eligible Expenditures" means CEE that can be renounced as CEE to the Fund;

"Extraordinary Resolution" means a resolution passed by 66 2/3% 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 66 2/3% or more of the Units outstanding entitled to vote on such resolution at a meeting;

"Flow-Through Agreement" means a Flow-Through Share subscription agreement to be entered into between the Fund and a Mineral Issuer pursuant to which the Fund will subscribe for Flow-Through Shares (and other securities, if applicable) and the Mineral Issuer will agree to incur and renounce to the Fund Eligible Expenditures in an amount equal to the subscription price for the Flow-Through Shares;

"Flow-Through Share" means a share in the capital of a Mineral Issuer (or a right to have such a share issued) which qualifies as a "flow-through share" as defined in subsection 66(15) of the Tax Act and which entitles the Fund to a renunciation of Eligible Expenditures, and "**Flow-Through Shares**" means more than one Flow-Through Share;

"Fund" means the partnership formed by the General Partner and the Initial Limited Partner under the terms of this Agreement and registered as a limited partnership pursuant to the filing of the Declaration under the Limited Partnerships Act on the same date;

"Fund Capital" means the amount of capital of the Fund, which is raised pursuant to subscriptions for Units;

"General Partner" means Trinity Wood Strategic Mining 2008-I Inc. or any other party who may become the General Partner of the Fund in place of or in substitution for Trinity Wood Strategic Mining 2008-I Inc., from time to time, in each case until such General Partner ceases to be the General Partner of the Fund under the terms of this 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 or securities issued or guaranteed by the Government of Canada or by the government of any province of Canada or agency thereof or preferred shares with a remaining term of three years or less and having a rating of P-2 (Standard & Poors), of PFD2 (Dominion Bond Rating Service) or better, or a money market mutual fund with similar quality constraints;

"Initial Limited Partner" means Trinity Wood Capital Corporation;

"Investment Guidelines" mean the investment guidelines set forth in Schedule "A" to this Agreement;

"Investment Objectives" means the investment objectives of the Fund described in the Offering Memorandum under

the heading "Business of the Fund – Our Business – Investment Objectives";

"Investment Strategy" means the investment strategy of the Fund described in the Offering Memorandum under the heading "Business of the Fund – Our Business – Investment Strategy";

"Limited Partner" means any registered owner of at least one Unit whose name appears on the current record of the Fund's limited partners as maintained by the General Partner pursuant to the *Limited Partnerships Act* and, where the context requires, the Initial Limited Partner;

"Limited Partnerships Act" means the *Limited Partnerships Act* (Ontario), as amended from time to time;

"Liquidity Alternatives" means one or more alternatives to the simple dissolution of the Fund and distribution of the net assets of the Fund to the Partners, including, without limitation, a proposal that the Fund exchange its assets for securities of a mutual fund corporation or other appropriate investment vehicle (including a fund in the frontier*Alt* Group of Mutual Funds), and distribute such securities to the Limited Partners on a tax-deferred basis, which alternatives may be proposed by the General Partner and must be accepted by Ordinary Resolution of the Partners at a special meeting of the Fund;

"Mineral Issuer" means a corporation which represents to the Fund in a Flow-Through Agreement that its principal business is mineral exploration, development and/or production, and that it is a "principal-business corporation" as defined in subsection 66(15) of the Tax Act that intends (either by itself or through a Related Corporation) to incur CEE on at least one property in Canada;

"Net Asset Value" of the Fund on any date will be calculated by the General Partner by subtracting the aggregate amount of the Fund's liabilities from the aggregate of the Fund's assets on that date. The Fund's assets will be valued as follows:

(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 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 closing 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 for which no published market exists will be valued at fair value; and

(f) 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.

"Net Asset Value per Unit" is the amount obtained by dividing the Net Asset Value as of a particular date by the total number of Units outstanding on that date;

"Offering" means the offering of Units as described in the Offering Memorandum;

"Offering Memorandum" means the Offering Memorandum of the Fund relating to the Offering, including any amendments thereto;

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

"Partner" means any Limited Partner or the General Partner;

"Regulations" means the regulations to the Tax Act as promulgated from time to time;

"Related Corporation" means a corporation that is related to a Mineral Issuer for the purposes of subsection 251(2) or 251(3) of the Tax Act;

"Subscription" means a subscription for two hundred and fifty (250) or more Units;

"Subscription Price" means, in respect of a Unit, the amount of $10.00 to be contributed to the Fund Capital in consideration for the issue of that Unit;

"Tax Act" means the *Income Tax Act* (Canada), as may be amended, supplemented or replaced from time to time;

"Transfer Form" means a transfer form as provided for in paragraph 12.1(a) hereof;

"Unit" means an equal and undivided interest in 99.99% of the net assets of the Fund acquired by subscription therefor or transfer thereof;

"Valuation Date" means the day of the first Closing, the last business day of each week and the last business day of each month during the term of the Fund; and

"Working Capital Reserve" means funds which in the opinion of the General Partner, are necessary or advisable, having regard to the current and anticipated cash requirements of the Fund including, without limitation, funding the ongoing fees and general administrative expenses of the Fund (which reserve amount will not at any time exceed $200,000) to be held in High-Quality Liquid Investments.

1.2 The division of this Agreement into Articles, Sections, paragraphs, subparagraphs and clauses and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereto", "herein", "hereunder" and similar expressions refer to this Agreement (including the schedules annexed hereto) and not to any particular Article, Section, paragraph or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

1.3 Words denoting the singular number only shall include the plural and vice versa. Words denoting the use of any gender shall include all genders. Words denoting persons shall include firms, trusts and corporations and vice versa.

1.4 In the event that one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality or enforceability of the remaining provisions hereof shall not be affected or impaired thereby. Each of the provisions of this Agreement is hereby declared to be separate and distinct.

1.5 Wherever in this Agreement reference is made to a calculation or determination to be made, it shall be made in accordance with generally accepted accounting principles consistently applied from time to time and approved by the Canadian Institute of Chartered Accountants, or any successor institute, applicable as at the date on which such calculation or determination is made or required to be made, all of which will be binding upon the Partners.

1.6 The schedules hereto and forming part of this Agreement are as follows:

Schedule "A" – Investment Guidelines
Schedule "B" – Transfer Form and Power of Attorney

ARTICLE 2 – FORMATION OF FUND

2.1 The General Partner and the Initial Limited Partner hereby agree to form a limited partnership under the Limited Partnerships Act.

2.2 The Fund shall have only one General Partner at any time and one or more Limited Partners. Without dissolving or determining the Fund, additional Limited Partners may be admitted to the Fund on the terms and conditions contained herein.

2.3 The rights and liabilities of the Partners are as provided in the Limited Partnerships Act except as otherwise expressly set out in this Agreement.

2.4 The General Partner and the Initial Limited Partner shall execute all certificates and other documents as are required to duly register the Fund as a limited partnership within the meaning of the Limited Partnerships Act.

2.5 From time to time, upon request of the General Partner, each additional Limited Partner shall immediately execute all certificates and other documents consistent with the terms of this Agreement necessary for the General Partner to accomplish all filing, recording, publishing and other acts as may be appropriate to comply with all requirements for the operation of the Fund as a limited partnership in Ontario.

2.6 Subject to Sections 3.3 and 10.1, the term of the Fund commenced on January 7, 2008 and shall continue until on or about December 31, 2009 unless earlier dissolved in accordance with the terms of this Agreement, or by operation of law or by judicial decree.

ARTICLE 3 – NAME, REGISTERED OFFICE AND DURATION OF THE FUND

3.1 The name of the Fund shall be "Trinity Wood Mining 2008-I Flow-Through Limited Partnership" or such other name or names as the General Partner may from time to time deem appropriate or to comply with the laws of the jurisdictions in which the Fund may carry on business. The Fund may also use the French form of such name. If the General Partner changes the name of the Fund, it will give notice of the new name to the Limited Partners within 30 days of the name change becoming effective.

3.2 The registered office of the Fund shall be located at 141 Adelaide Street West, Suite 701, Toronto, Ontario, M5H 3L5. The Fund shall have the right to change its registered office after having given 15 days notice to that effect to the Limited Partners on the condition that it be to a place situated within the Province of Ontario.

3.3 The Fund shall pursue its activities until on or about December 31, 2009 unless it is dissolved or undertakes a liquidity alternative before that date or the term of the Fund is extended in accordance with the terms of this Agreement.

ARTICLE 4 – UNITS

4.1 The interest in the Fund of the Limited Partners will be divided into and represented by a total of not more than 1,500,000 Units.

4.2 The General Partner may raise capital for the Fund by selling Units and may determine the terms and conditions of any such sale and may do all things in that regard including preparing the Offering Memorandum, and such other documents as may be necessary or advisable, paying the expenses of issue and entering into agreements with any person providing for a commission or fee in respect of such sale, either to agents or purchasers, all in a manner that is not inconsistent with the

provisions of the Offering Memorandum, provided that the General Partner complies with applicable securities laws and Section 13.4 of this Agreement.

4.3 The General Partner shall have the right to accept or reject Subscriptions in whole or in part. Without limiting the generality of the foregoing, the General Partner will reject Subscriptions by "non-residents" within the meaning of the Tax Act, subscriptions financed with limited recourse financing and subscriptions made in nominee names and the General Partner may reject Subscriptions of Units to be issued in more than one name. If a Subscription is rejected in whole or in part, monies received and not applied towards the Subscription Price shall be returned to the investor without interest or deduction within 15 days following such rejection.

4.4 Except for the Initial Limited Partner, a Limited Partner shall subscribe for no fewer than two hundred and fifty (250) Units. Subject to the maximum number of Units which may be issued by the Fund, there shall be no restriction on the maximum number of Units that a Limited Partner is entitled to hold in the Fund. No fractional Units shall be issued.

4.5 Each investor who subscribes for Units on Closing shall furnish to the capital of the Fund the Subscription Price which shall be payable in the manner contemplated herein and in the Offering Memorandum, except for the Initial Limited Partner who shall furnish $10.00 to the capital of the Fund upon execution of this Agreement. Upon or as soon as possible after the first Closing, the interest of the Initial Limited Partner shall be redeemed by the Fund. Every person whose Subscription has been accepted in whole or in part by the General Partner shall become a Limited Partner upon being recorded as such in the current record maintained by the General Partner pursuant to the Limited Partnerships Act and shall be deemed to have been accepted as such by all other Limited Partners.

4.6 Subject to Sections 4.9, 6.8 and 15.5 hereof, each Unit shall entitle the holder thereof to the same rights and obligations in respect of that one Unit as the holder of any other Unit and no Limited Partner shall be 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.

4.7 The General Partner may, but is not obligated to, subscribe for or otherwise acquire Units.

4.8 In the event of default in payment of the Subscription Price when due of any Unit by any Limited Partner for any reason whatsoever, the General Partner and any agent of the General Partner or the Fund authorized by the General Partner may (i) execute and deliver to the General Partner a transfer of Units from such Limited Partner in favour of the Fund, which transfer of Units shall be sufficient to transfer the Units to the Fund; and (ii) deny any transfer of Units proposed by that Limited Partner; all without prejudice to any other recourse the Fund may otherwise have against such Limited Partner; provided, however, that no such action shall be taken by the General Partner without giving at least 15 days' notice of such default to the Limited Partner.

4.9 At no time may "financial institutions" (as that term is defined in subsection 142.2(l) of the Tax Act) (each a "financial institution") be the beneficial owners of more than 45% of the Units. The General Partner may require any Limited Partner to provide a declaration as to its status as a financial institution. If the General Partner becomes aware that the beneficial owners of 45% or more of the Units then outstanding are, or may be, financial institutions or that such a situation is imminent, the General Partner shall not accept a subscription for Units from or issue or register a transfer of Units to a person unless the person provides a declaration in form and content satisfactory to the General Partner that the person is not a financial institution. If, notwithstanding the foregoing, the General Partner determines that more than 45% of the Units are held by financial institutions, the General Partner may send a notice to Limited Partners that are financial institutions, chosen in inverse order to the order of acquisition or registration or in such other manner as the General Partner may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 15 days from delivery of such notice. If the Limited Partners receiving such notice have not sold the specified number of Units or provided the General Partner with satisfactory evidence that they are not financial institutions within such period, the General Partner shall have the right to sell such Limited Partners' Units (and in the interim, shall suspend the voting and distribution rights attached to such Units) or to purchase the same on behalf of the Fund at fair value determined by an independent third party selected by the General Partner, whose determination will be final and binding and not subject to review or appeal. Upon such sale, the affected Limited Partners shall cease to be Limited Partners and their rights shall be limited to receiving the net proceeds of sale of such Units.

ARTICLE 5 – BUSINESS OF THE FUND

5.1 The Fund will invest its Available Funds in accordance with the Investment Guidelines in Mineral Issuers in accordance with Flow-Through Agreements pursuant to which the Mineral Issuers will incur Eligible Expenditures to be renounced in favour of the Fund and will issue Flow-Through Shares to the Fund. The General Partner will manage the

resulting portfolio of Flow-Through Shares and common shares, if any. The Fund shall not carry on any other business except as incidental to the foregoing, provided that the Fund may invest and reinvest its funds, subject to the restrictions herein contained.

5.2 The General Partner shall use its best efforts to invest all of the Available Funds in accordance with this Agreement on or before December 31, 2008 under Flow-Through Agreements pursuant to which Mineral Issuers will renounce CEE equal to the amount invested with an effective date of not later than December 31, 2008. If any portion of the Available Funds have not been invested by the Fund by December 31, 2008, the uninvested funds shall be returned to the Limited Partners of record on December 31, 2008 by January 31, 2009 or the Dissolution Date, whichever is earlier, without interest or deduction. Interest earned by the Fund from time to time after the Closing on funds of the Fund will accrue to the benefit of the Fund. If accrued prior to December 31, 2008, such interest will form part of the Available Funds which will be invested with regard to the Investment Guidelines; if accrued after that time, such interest, at the General Partner's discretion, will be used to fund the Fund's expenses or invested in additional Flow-Through Shares of other Mineral Issuers or in common shares of Mineral Issuers which do not constitute Flow-Through Shares or in High-Quality Liquid Investments.

ARTICLE 6 – EXPENSES, ALLOCATION OF PROFITS AND LOSSES OF THE FUND AND DISTRIBUTIONS

6.1 The Fund shall pay all fees and expenses payable in connection with the issue and sale of Units, including the costs of organization of the Fund and fees payable in connection with raising the funds required to finance the foregoing, which shall not exceed 3.75% of the gross aggregate proceeds raised upon completion of the Offering, subject to a maximum of $375,000.

6.2 The General Partner will be entitled to receive a management fee equal to 2.0% of the Net Asset Value of the Fund, which shall be calculated and payable monthly in arrears on or before the 10th day after the end of each month based on the Net Asset Value of the Fund at the end of such month.

6.3 The General Partner shall not be entitled to charge for its overhead or other administrative costs, other than reasonable costs incurred by the General Partner in connection with preparation, delivery and filing of financial statements, reports and other information referred to in Article 8 or required by law and/or acting as registrar and transfer agent of the Fund; provided, however, that the General Partner shall be entitled to be reimbursed for all expenses, fees and costs of third parties incurred (including FundSERV access costs) by the General Partner and incurred on behalf of the Fund for services rendered to the Fund.

6.4 Subject to Section 7.7 hereof, the proceeds from the issue of Units by the Fund will be applied only to pay those fees and expenses referred to in Sections 6.1 to 6.3 hereof and any applicable taxes and to pay the purchase price for the Flow-Through Shares of the Mineral Issuers subscribed for by the Fund in accordance with the terms and conditions of Flow-Through Agreements.

6.5 The net income and net loss of the Fund for each fiscal year, after deducting the amounts referred to in Section 6.1 hereof, and the amounts payable to the General Partner referred to in Sections 6.2 to 6.3 hereof, shall be allocated among the Partners as follows:

(a) the Limited Partners of record at the end of the fiscal year shall be entitled to 99.99% of the net income or net loss of the Fund which shall be allocated among the Limited Partners in proportion to the number of Units held by each of them; and

(b) the General Partner shall be entitled to 0.01% of the net income or net loss of the Fund.

6.6 The net income or net loss of the Fund for each fiscal year for income tax purposes shall be allocated among the Partners on the basis set forth in Section 6.5. The CEE renounced to the Fund with an effective date in a fiscal year shall be allocated among the Limited Partners of record at the end of the fiscal year in proportion to the number of Units held by each of them. In computing the net income or net loss of the Fund for each fiscal year for income tax purposes, the Fund shall claim the maximum amounts allowable under the Tax Act in respect of offering expenses, operating expenses and discretionary deductions.

6.7 The Fund may, but is not required to make, cash distributions to Partners prior to the dissolution of the Fund.

6.8 Any grants, payments, credits or other amounts in respect of any government program, received by the Fund or to which the Limited Partners are entitled shall be allocated among the Limited Partners of record at the end of the relevant fiscal year in proportion to the number of Units then held by each of them unless otherwise required by law. Distribution of such

grants, payments, credits or other amounts shall be made by the Fund to Limited Partners so entitled on or before the date of dissolution of the Fund.

6.9 Notwithstanding Section 6.6, in the event that the actions of a particular Limited Partner result in a reduction in the net loss of the Fund or a reduction in the amount of any CEE renounced or that might otherwise be renounced to the Fund, the amount of such reduction shall be applied firstly to reduce the share of the net loss or the CEE, as applicable, that would otherwise be allocated to the particular Limited Partner pursuant to Section 6.6. To the extent the amount of such reduction exceeds the net loss of the Fund or the CEE that would otherwise be allocated to the particular Limited Partner, the net loss or the CEE after such reduction will 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 period, the particular Limited Partner takes steps which offset all or part of the reduction in the net loss of the Fund or the reduction in the amount of such CEE, such amount of the net loss of the Fund or CEE, as the case may be, as is restored at such time shall first be allocated pro rata among the other Limited Partners until their share of the net loss or CEE are restored to what they would have been but for the actions of the particular Limited Partner and then to the particular Limited Partner.

ARTICLE 7 – FUNCTIONS AND POWERS OF THE PARTNERS

7.1 The General Partner shall have exclusive authority to manage the operations and affairs of the Fund, to make all decisions regarding the business of the Fund, to bind the Fund and to admit Limited Partners. No person dealing with the Fund shall be required to verify the power of the General Partner to take any measure or any decision in the name of the Fund.

7.2 Without limiting the foregoing, but always in pursuance of the business of the Fund and subject to the terms of this Agreement and to any applicable limitations set forth in the Limited Partnerships Act which have not been amended by this Agreement, the General Partner shall be vested with all of the rights, powers and obligations that may be possessed by a general partner pursuant to the Limited Partnerships Act, including without limitation the following powers:

(a) to execute and carry out all agreements on behalf of the Fund involving matters or transactions which are within the ordinary course of the Fund's business, including without limitation, Flow-Through Agreements, subject to Sections 7.8 and 7.9 hereof;

(b) to admit any person as a Limited Partner, subject to the provisions of Sections 4.3 and 12.1 hereof;

(c) to open and manage in the name of the Fund bank accounts and to name signing officers for these accounts and to spend the Fund Capital in the exercise of any right or power possessed by the General Partner;

(d) to manage, control and develop all the activities of the Fund and to take all measures necessary or appropriate for the business of the Fund or ancillary thereto;

(e) to conclude agreements with third parties so that services may be rendered to the Fund and to delegate to any such person any power or authority of the General Partner hereunder where, in the discretion of the General Partner, it would be in the best interests of the Fund to do so (provided that such agreement or delegation will not relieve the General Partner of any of its obligations hereunder);

(f) to decide in its sole and entire discretion any additional time when property of the Fund shall be distributed to the Partners and the amount of any such distribution;

(g) to manage, administer, conserve, develop, operate and dispose of any and all properties or assets of the Fund, including Flow-Through Shares and common shares, if any, and in general to engage in any and all phases of business of the Fund;

(h) without altering or affecting the rights, titles and interests hereby, to hold the assets of the Fund in the name of the General Partner, as nominee for the Fund, and for the use and benefit of the Partners in accordance with the terms and provisions hereof, until such time as the General Partner determines that it is appropriate or advisable for the assets to be held or registered in the name of the Fund, another nominee or otherwise (for greater certainty, such holding of the assets will not prevent the vesting of the legal and beneficial title thereto in the Fund in the manner and at the time that may be otherwise herein provided); and

(i) to execute any and all other deeds, documents and instruments and do all acts as may be necessary or desirable to carry out the intent and purpose of this Agreement.

7.3 Subject to Section 6.3 concerning administration expenses, the General Partner or an Affiliate or Associate thereof may render services to the Fund, provided that the services rendered by the General Partner or by such Affiliate or Associate are performed pursuant to a written agreement and are charged to the Fund at rates consistent with those of a third party dealing at arm's length with the Fund and furnishing similar services.

7.4 The General Partner may enter into contracts with third parties so that services may be rendered to the Fund.

7.5 The General Partner shall file on behalf of the Fund, on a timely basis whenever required, any amendment to the Declaration and any other declarations, certificates or amendments thereto that might be required by the laws of the Province of Ontario or any other jurisdiction in which the Fund may carry on business. The General Partner shall take every reasonable action necessary to preserve the limited liability of the Limited Partners and shall not take any action which or omit to take any action, the omission of which, could reasonably be expected to jeopardize the limited liability of the Limited Partners.

7.6 The General Partner shall have the power to make on behalf of the Fund and on behalf of each Limited Partner, in respect of any Partner's interest in the Fund, any and all elections, determinations or designations under the Tax Act, the Regulations or any other taxation or other legislation or laws of like import of Canada or of any province or jurisdiction including, without limitation, elections under subsections 85(2) and 98(3) of the Tax Act and the corresponding provisions of applicable provincial legislation in respect of the dissolution of the Fund. The General Partner shall file, on behalf of the General Partner and the Limited Partners, any information return required to be filed in respect of the activities of the Fund under the Tax Act, or any other taxation or other legislation or laws of like import of Canada or of any province or jurisdiction including, without limiting the generality of the foregoing, any information returns required to be filed under section 237.1 of the Tax Act by a promoter of a tax shelter and, where applicable, will provide each Limited Partner with copies thereof.

7.7 The General Partner will invest that portion of the funds of the Fund, if any, not yet expended or distributed in accordance with this Agreement, in High-Quality Liquid Investments.

7.8 Notwithstanding any of the foregoing provisions, the General Partner shall not be entitled to:

(a) dissolve the Fund or wind-up its affairs except in accordance with the provisions of Article 10 hereof;

(b) subject to Section 7.11, enter into any Flow-Through Agreement unless:

(i) by the terms of the Flow-Through Agreement, the Mineral Issuer agrees to incur, in an amount at least equal to the aggregate subscription price thereunder for Flow-Through Shares, CEE that will be renounced by the Mineral Issuer in favour of the Fund with an effective date in 2008 and such Mineral Issuer will be liable to the Fund if it fails to do so;

(ii) by the terms of the Flow-Through Agreement, the Flow-Through Shares and common shares, if any, are to be issued in the name of the Fund or in the name of the General Partner as trustee for the benefit of the Fund; and

(iii) by the terms of the Flow-Through Agreement, if the Mineral Issuer is a reporting issuer in any one or more of provinces of Canada, it will remain a reporting issuer in such jurisdictions until at least December 31, 2009;

(c) borrow money or otherwise become indebted;

(d) unless authorized by an Extraordinary Resolution, engage in any undertaking, other than the investment of the Fund's assets with regard to the Fund's Investment Objectives, Investment Strategy and the Investment Guidelines; or

(e) unless authorized by an Extraordinary Resolution, effect a bulk sale of the assets of the Fund.

7.9 In addition to the restrictions in Section 7.8 hereof, and notwithstanding any of the foregoing provisions, the General Partner, in entering into Flow-Through Agreements and investing Available Funds, shall be bound by the Investment Guidelines. In investing Available Funds, the General Partner shall have regard to the Investment Objectives and Investment Strategy set forth in the Offering Memorandum. The General Partner may act as custodian of the investments of the Fund. No additional fee will be payable to the General Partner for these services; however, the General Partner will be entitled to reimbursement of reasonable out-of-pocket expenses related to its performances of these services.

7.10 No Limited Partner, as such, shall take part in the management or control of the business of the Fund, transact any business for the Fund or have the power to sign for or bind the Fund.

7.11 If the Fund sells Flow-Through Shares acquired pursuant to Flow-Through Agreements under which the subscription price was funded with Available Funds, the General Partner, if it considers it in the best interests of the Fund to do so, may invest all or part of the sale proceeds in additional Flow-Through Shares to be acquired pursuant to Flow-Through Agreements. In such event, the Fund may enter into Flow-Through Agreements after 2008 which contemplate that CEE may be renounced with an effective date not later than December 31, 2009 and Section 7.8(b) shall apply *mutatis mutandis*.

ARTICLE 8 – ACCOUNTING AND REPORTING

8.1 The Fund shall use the calendar year as its fiscal year for tax and financial reporting purposes.

8.2 The General Partner shall keep, during the term of the Fund and for a period of six years thereafter, at its principal place of business, proper and complete records and books of account reflecting the assets, liabilities, income and expenditures of the Fund and, either directly or by the intermediary of a trust company appointed from time to time as registrar pursuant to Article 11, a register listing the names and addresses of all the Limited Partners and the number of Units held by each of them. Such books, records and registers will be kept available for inspection and audit by any Limited Partner or his duly authorized representatives during business hours at the office of the General Partner or in the case of the register, at the office of any registrar that may be duly appointed for such purpose. A Limited Partner, however, will not have access to any information of the Fund contained in its books and records (other than the register) which, in the opinion of the General Partner, should be kept confidential in the interests of the Fund, and each Limited Partner hereby waives any right, statutory or otherwise, to greater access to the books and records of the Fund than is permitted herein, to the greatest extent permitted by law.

8.3 Limited Partners may obtain a copy of the information contained in the register referred to in Section 8.2 hereof by mail on written request, within a reasonable period of time from the date of receipt of such request, subject to the Limited Partner:

(a) agreeing, in writing, that the information contained in the register will not be used by him or her except in connection with:

(i) an effort to influence the voting of Limited Partners;

(ii) an offer to acquire Units; or

(iii) any other matter relating to the affairs of the Fund; and

(b) paying, if requested, a fee in an amount not exceeding the reasonable costs to the Fund of providing the information.

8.4 The General Partner will, except as permitted by applicable law, forward to each person who was a Limited Partner of record at the end of each fiscal year of the Fund:

(a) such reports as the Fund may be required by law to deliver to Limited Partners; and

(b) prepare and file within the prescribed time all forms and information returns and other documents required by law to be filed by the Fund with any governmental authority.

8.5 The General Partner is authorized to establish from time to time accounting policies with respect to the financial statements of the Fund and to change from time to time any policy that has been so established so long as such policies are consistent with generally accepted accounting principles in Canada.

8.6 The appointment of auditors for the Fund will be made by the General Partner in its sole and unfettered discretion provided only that such auditors be chartered accountants licensed to practice accounting in Canada.

8.7 The General Partner will, on each Valuation Date, calculate the value of the Fund's assets and the Net Asset Value of the Fund.

ARTICLE 9 – LIABILITIES OF THE PARTNERS

9.1 The General Partner has unlimited liability for the undertakings, liabilities and obligations of the Fund. The liability of each Limited Partner for the liabilities, undertakings and obligations of the Fund shall be limited to the amount of such Limited Partner's capital contribution plus his pro rata share of the undistributed income of the Fund. A Limited Partner will have no further personal liability or liabilities and obligations and, following the payment of the Subscription Price, a Limited Partner will not be liable for any further calls or assessments or further contributions to the Fund. If, however, as a result of a distribution to the Partners, the Fund Capital is returned to the Partners and the Fund becomes unable to discharge its debts in the normal course, the Partners having received any such distribution are liable to the Fund, or where the Fund is dissolved, to its creditors for any amount, not in excess of the amount returned with interest, necessary to discharge the liabilities of the Fund to all creditors who extended credit or whose claims otherwise arose before the return of the Fund Capital. In addition, the Limited Partners acknowledge that there is also a possibility that Limited Partners may lose their limited liability: (a) to the extent the principles of Canadian law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one province but operating, owning property or incurring obligations in another province; (b) by taking part in the control of the business; or (c) as a result of false statements in the public filings made pursuant to the Limited Partnerships Act, in which case they may be liable to third parties.

9.2 The General Partner is not liable to the Limited Partners for any mistakes or errors in judgment, or for any act or omission believed by it in good faith to be within the scope of authority conferred by this Agreement other than an act, omission or error in judgment which is in contravention of Section 13.4 hereof or which is a result of gross negligence or wilful misconduct. The General Partner is not liable to the Limited Partners for any loss or damage to any of the property of the Fund attributable to an event beyond the control of the General Partner.

9.3 Notwithstanding Section 9.2 hereof, the General Partner shall indemnify and hold harmless each Limited Partner (including former Limited Partners) from and against all costs, damages, liabilities or losses incurred by such Limited Partner that result from such Limited Partner not having limited liability, other than a loss of limited liability caused by any act or omission of such Limited Partner or a change in any applicable legislation and only in respect of amounts which, in the aggregate, exceed the capital contribution of such Limited Partner. The amount of any such indemnity will be limited to the extent of the assets of the General Partner and will under no circumstance include the assets of any Affiliate or Associate of the General Partner. Except as specifically provided for in this Section 9.3, the General Partner will not otherwise be called upon or be liable to indemnify the Fund or any Limited Partner. The General Partner will indemnify the Fund for any costs, damages, liabilities or losses incurred by the Fund as a result of an act of gross negligence or wilful misconduct by the General Partner, its agents or employees or of any act or omission not believed by it in good faith to be within the scope of authority conferred by this Agreement. The obligations under this Section 9.3 shall survive any termination of this Agreement or the Fund.

9.4 Neither the General Partner nor the Fund shall have any responsibility to prepare or file income tax returns for any Limited Partner.

9.5 In any action, suit or other proceeding commenced by a Limited Partner against the General Partner, the Fund shall bear the reasonable expenses of the General Partner (including fees and expenses of any legal counsel retained on its behalf, on a substantial indemnity basis) in any such action, suit or other proceedings in which or in relation to which the General Partner is adjudged not to be in breach of any duty or responsibility imposed upon it hereunder; otherwise, such costs will be borne by the General Partner.

9.6 If any provision of this Agreement has the effect of imposing upon any Limited Partner any of the liabilities or obligations of a general partner under the Limited Partnerships Act, such provision shall be deemed to be of no force and effect and severed from the remainder of this Agreement.

ARTICLE 10 – DISSOLUTION

10.1 Unless the Partners approve by Ordinary Resolution a liquidity alternative, the Fund shall be dissolved on or about December 31, 2009. However, if any of the following events shall occur prior thereto the Fund shall be dissolved on such earlier date:

(a) if the General Partner, or Limited Partners holding at least 51% of the Units, make a demand in writing for dissolution and the Limited Partners consent thereto by means of an Extraordinary Resolution, on the date specified in such Extraordinary Resolution;

(b) on the date which is 180 days following the date of the dissolution, liquidation, bankruptcy, insolvency or winding-up of the General Partner or the nomination of a trustee, sequestrator or liquidator, or the date of any event permitting a trustee or a sequestrator to administer the affairs of the General Partner, provided that the trustee, sequestrator or liquidator performs his functions for 60 consecutive days, unless a new General Partner is admitted to the Fund by Ordinary Resolution prior to the expiration of such 180 day period; or

(c) on December 31 of the year during which all of the property of the Fund is sold or otherwise realized and has been settled and distributed in accordance with this Article.

10.2 The Fund will not be dissolved or terminated by the resignation, removal, death, incompetence, bankruptcy, insolvency, dissolution, liquidation, winding-up or receivership of, or the admission or withdrawal of, the General Partner or any Limited Partner or upon the transfer of any Units, except as otherwise provided in this Agreement.

10.3 If:

(a) the Limited Partners have approved a liquidity alternative in accordance with the terms hereof, the General Partner shall take such steps as may be required to implement such liquidity alternative; or

(b) the Limited Partners have not approved a liquidity alternative, then not less than 15 days prior to the dissolution of the Fund, the General Partner (or in the event that dissolution results from an event referred to in paragraph 10.1(b) hereof, such other person as may be appointed by Ordinary Resolution of the Limited Partners) shall:

(i) sell or otherwise convert to cash such of the Fund's assets as may be required to pay or provide for the payment of the debts and liabilities of the Fund and liquidation expenses and as may be required to distribute the remaining assets of the Fund to the Limited Partners as provided herein;

(ii) pay or provide for the payment of the debts and liabilities of the Fund and liquidation expenses;

and thereafter,

(iii) distribute the remaining assets as to 99.99% to the Limited Partners, proportionate to the number of Units held on such date and as to 0.01% to the General Partner; and

(iv) satisfy all applicable formalities in such circumstances as may be prescribed by applicable law.

The General Partner (or in the event that dissolution results from an event referred to in paragraph 10.1(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 Fund 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 10.1(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 Fund not less than 15 days prior to such date, or as soon as practicable thereafter.

10.4 Except upon a dissolution of the Fund or the return of capital to the Initial Limited Partner pursuant to Section 4.5 hereof or to the Limited Partners pursuant to Section 5.2 hereof, no Limited Partner is entitled to any reimbursement of his contribution to the Fund Capital.

10.5 Except as provided for in this Agreement, no Limited Partner shall have the right to ask for the dissolution of the Fund, for the winding-up of its affairs or for the distribution of its assets.

10.6 Notwithstanding the dissolution of the Fund, this Agreement shall not terminate until the General Partner (or other appointee) has complied with the provisions of Section 10.3 hereof.

10.7 Notwithstanding anything else herein contained, 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 Fund.

ARTICLE 11 – UNIT CERTIFICATES

11.1 The General Partner may appoint, but is not compelled to do so, a trust company or other qualified corporation to be the registrar and transfer agent for the Units upon such terms and conditions and at such remuneration as the General Partner considers appropriate. The General Partner may from time to time terminate the engagement of a particular registrar and transfer agent and engage another and will provide notice to the Limited Partners of such appointment within 30 days thereafter. If no such registrar and transfer agent is appointed, the General Partner shall act as registrar and transfer agent of the Units for no additional fee; provided however that the General Partner will be entitled to reimbursement of its reasonable out-of-pocket expenses related to its performance of these services.

11.2 The registrar and transfer agent shall maintain the register of Limited Partners, record issues and transfers of Units, and carry out such other formalities related to the registration and records of the Fund as is agreed between the registrar and transfer agent and the General Partner.

11.3 The registrar and transfer agent will be considered in its capacity as registrar as having an office only at such location as is, and as transfer agent as having offices only at that location and such other locations as are, approved by the General Partner from time to time and will not be required to transact any business concerning the registration or transfer of Units at any other office.

11.4 A Certificate evidencing the Units will be issued to each Limited Partner or its nominee on the Closing Date as its interest may appear. All distributions will be made to the registered holders of any Units at the last known address provided to the registrar and transfer agent or the General Partner, as the case may be.

11.5 Every Certificate must be signed by at least one officer or director of the General Partner and by the registrar and transfer agent, if any, of the Units and the validity of a Certificate will not be affected by the circumstance that a person whose signature is so reproduced is deceased or no longer holds the office which he held when the reproduction of his signature in that office was authorized. The signature of any officer or director of the General Partner may be mechanically reproduced in facsimile and Certificates bearing such facsimile signature shall be binding upon the Fund as if the Certificate had been manually signed by such director or officer; provided, however, that all Certificates shall bear at least one manual signature.

11.6 A Certificate may be sent through the mail by registered or first class prepaid mail or delivered to the order of the Limited Partner and neither the General Partner, the Fund nor the registrar and transfer agent will be liable for any loss by a Limited Partner that results from the loss of a Certificate by reason that it is so sent.

11.7 If any Certificate is lost, mutilated, stolen or destroyed, the General Partner shall issue, or cause the registrar and transfer agent to issue, a replacement Certificate to the Limited Partner upon receipt of evidence satisfactory to the General Partner of such loss, mutilation, theft or destruction, and upon receiving such indemnification as it deems appropriate in the circumstances.

11.8 No Unit may be subscribed for by, beneficially owned by or registered in the name of, any person who is not an individual, corporation, body corporate, trustee, executor, administrator or other legal representative and no Unit may be subscribed for, beneficially owned by or registered in the name of, a partnership.

11.9 The General Partner shall be entitled to be reimbursed by the Fund for all reasonable costs and expenses incurred by it in performing its obligations pursuant to this Article 11; provided, however, that it shall not be entitled to reimbursement for amounts which are in excess of amounts which would be charged by a trust company or other qualified corporation to act as registrar and transfer agent in accordance with the provisions of this Article 11.

11.10 Upon the dissolution of the Fund and distribution to a Limited Partner of the assets to which such Limited Partner is entitled hereunder, any Certificate for Units issued to such Limited Partner shall become null and void.

11.11 If a Limited Partner at any time changes its address it shall promptly notify the registrar and transfer agent or the General Partner, as the case may be, of such change.

ARTICLE 12 – TRANSFER OF UNITS

12.1 No Unit may be transferred except in conformity with the following provisions and in compliance with applicable securities laws:

(a) a Unit is not transferable in part, and a Limited Partner may transfer only all or some of his Units by delivering to the General Partner the transfer form in the form annexed as Schedule "B" hereto or such other form acceptable to the General Partner duly completed and executed by both parties to such transfer with the signature of the transferor 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 any recognized stock exchange;

(b) the transfer shall be effective and the transferee shall become a Limited Partner on the later of (i) the day on which the transfer form, or such other form duly completed and executed by the transferor and transferee, is accepted by the General Partner, and (ii) the day that the current record of limited partners of the Fund maintained by the General Partner pursuant to section 17 of the Limited Partnerships Act is updated to show the transferee as a Limited Partner;

(c) the General Partner will deny the transfer of Units to a "non-resident" within the meaning of the Tax Act, to a partnership, to a transferee an interest in which is a "tax shelter investment" as that term is defined in the Tax Act, to a transferee who has financed the acquisition of any Units through indebtedness for which recourse is or is deemed to be limited within the meaning of the Tax Act, to a transferee that is identified only by nominee name or to a transferee that does not deal at arm's length with a Mineral Issuer within the meaning of the Tax Act and may deny the transfer of Units to a "financial institution" as defined in subsection 142.2(l) of the Tax Act;

(d) no transfer of Units will be accepted by the General Partner after the sending of the notice of dissolution provided for in Section 10.3 hereof; and

(e) the General Partner shall have the right, in its sole and absolute discretion, to refuse any transfer in whole or in part, and without limiting the foregoing, the General Partner may deny any transfer of Units if the General Partner has reason to believe that the transfer is not being made in compliance with applicable securities laws.

12.2 A transferee of Units will automatically become bound and subject to this Agreement without execution of further instrument from and after the time set forth in Section 12.1(b) above, and, without limiting the generality of the foregoing, such transferee shall be deemed to make all of the representations and warranties, covenants and acknowledgements of a Limited Partner pursuant to this Agreement and to grant the power of attorney provided for in Section 19.1 hereof.

12.3 In the case of a transfer of less than all of the Units represented by a Certificate (if a Certificate has been issued), a new Certificate for the balance of the Units retained by the transferor also shall be issued.

12.4 Neither the General Partner nor the registrar and transfer agent, if any, shall be bound to see to the execution of any trust, express, implied or constructive, or of any charge, pledge or equity to which any of the Units or any interests therein are subject, to ascertain or inquire whether any sale or transfer of any such Units or interest therein by a Limited Partner or his personal representatives is authorized by such trust, charge, pledge or equity or to recognize any person having any interest therein except for the person recorded as such Limited Partner. No transfer shall relieve the transferor from any obligations to the Fund incurred prior to the transfer becoming effective. Any transfer of Units made in accordance with the provisions hereof shall be made without charge.

12.5 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 12.1 hereof, such entitlement will not be recognized or entered in the register evidencing ownership of the Units until that person:

(a) has produced evidence satisfactory to the General Partner of such entitlement; and

(b) has acknowledged in writing that he is bound by the terms of this Agreement.

12.6 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 this Article 12, only the registered holder of the Unit shall be recognized by the General Partner and all distributions shall be made to such registered holder.

12.7 Promptly following the registration by the General Partner of any transfer implemented in accordance with this Article 12, the General Partner shall notify the registrar and transfer agent, if any, of the particulars thereof.

ARTICLE 13 – CONFLICTS OF INTEREST

13.1 The General Partner may not act as the general partner of any other limited partnerships or engage in any business other than the management of the business of the Fund as herein set forth.

13.2 The services of the directors and officers of the General Partner are not exclusive to the Fund. The Limited Partners acknowledge and agree that the directors and officers of the General Partner and their affiliates, are not in any way limited or affected in their ability to carry on other business ventures for their own account or for the account of others, and may be engaged in transactions or in the ownership, acquisition and operation of businesses which compete with the Fund. The Limited Partners acknowledge and waive any rights to which they might otherwise be entitled as Partners in the Fund to invest in any other property or venture of the directors and officers of the General Partner or their affiliates, or to any profit therefrom or to any interest therein. The Limited Partners acknowledge and agree that:

(a) if an investment opportunity does not arise solely from a director's or officer's activities on behalf of the General Partner, the directors and officers of the General Partner have no obligation to offer the investment opportunity to the Fund; and

(b) to the extent that an opportunity arises to enter into a Flow-Through Agreement, the directors of the General Partner have the discretion to determine whether the Fund will avail itself of the investment opportunity and, if it does not, any of the directors and officers of the General Partner and any of their affiliates shall be able to decide amongst themselves whether to pursue the opportunity for their respective accounts.

13.3 Funds of the Fund will not be commingled with the funds of the General Partner or of any other entity.

13.4 The General Partner will exercise its powers and discharge its duties honestly, in good faith and in the best interest of the Fund and will exercise the care, diligence and skill that a reasonably prudent person would exercise in the circumstances.

ARTICLE 14 – REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PARTNERS

14.1 The General Partner hereby represents and warrants to the Limited Partners that:

(a) it is a body corporate, duly incorporated under the laws of Ontario and it is and shall continue to be existing and in good standing under the said laws and under the laws of any jurisdiction where it carries on business and it is not a "non-resident" within the meaning of the Tax Act;

(b) it has and shall continue to have the capacity to act as the General Partner and its obligations herein do not conflict with nor constitute a default under its articles of incorporation, its by-laws or any agreement by which it is bound;

(c) it shall exercise the powers conferred on it hereunder in pursuance of the business of the Fund;

(d) it shall carry out such investigations and obtain such assurances as a prudent investor would deem necessary or appropriate prior to entering into a Flow-Through Agreement with a Mineral Issuer; and

(e) it will devote to the conduct of the affairs of the Fund such time as may be reasonably required for the proper management of the affairs of the Fund.

14.2 Each Limited Partner represents, warrants and covenants to the General Partner and all the 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 this Agreement and to take all actions required pursuant thereto and hereto;

(b) if a corporation or body corporate, it has the legal capacity and competence to enter into this Agreement and to take all actions required pursuant hereto and all necessary approvals by its directors, shareholders and members, or otherwise, have been given to authorize the entering into of this Agreement and to take all actions required pursuant hereto;

(c) he or it is not, and will not be as long as he or it is a Limited Partner, a "non-resident" as that expression is defined in the Tax Act;

(d) no interest in the Limited Partner is a "tax shelter investment" as that term is defined in the Tax Act;

(e) he or it has not financed, and will not finance, his or its acquisition of the Units with a borrowing or other indebtedness for which recourse is or is deemed to be limited within the meaning of the Tax Act and, for the purpose of this representation, warranty and covenant, limited recourse indebtedness includes:

(i) indebtedness in respect of which bona fide written arrangements were not made at the time the indebtedness was incurred for repayment of all principal and interest within a reasonable period not exceeding 10 years;

(ii) indebtedness on which interest is not payable, at least annually, at a rate equal to or greater than the lesser of the rate prescribed under the Tax Act at the time the indebtedness arose and the prescribed rate that is applicable from time to time during the term of the indebtedness; and

(iii) indebtedness in respect of which such interest is not paid by the debtor within 60 days of the end of the debtor's tax year;

(f) he or it shall not transfer his or its Units in whole or in part in a manner that would not conform with Article 12;

(g) he or it acknowledges and confirms that he or it has conveyed to his or its agent in respect of the offering described in the Offering Memorandum his or its compliance with the representations and warranties set forth in paragraphs 14.2(c) and 14.2(d) above;

(h) it is not a partnership; and

(i) acknowledges that it may be obliged to provide the General Partner with a declaration that it is not a "financial institution" as that term is defined in subsection 142.2(l) of the Tax Act and it covenants and warrants that any such declaration will be accurate.

14.3 Each Limited Partner covenants and agrees that he will not cease to be a resident of Canada for the purposes of the Tax Act or otherwise change his status as represented herein or transfer or purport to transfer his Units to any person that is not a resident of Canada for the purposes of the Tax Act or to a partnership or in any other case if such change, transfer or purported transfer would have the effect of altering the status of the Fund in relation to the Tax Act or any similar statute affecting such status. Each Limited Partner covenants and agrees that he will promptly provide evidence to the General Partner upon request of his status under such statute or any similar statute affecting the status of the Fund or of any other matter which affects or may from time to time affect such status. The General Partner may require those Limited Partners who are non-residents of Canada for the purposes of the Tax Act or partnerships to sell their Units to residents of Canada. In the event that a Limited Partner fails to comply with such a request, the General Partner shall have the right to sell such Limited Partner's Units or to purchase the same on behalf of the Fund at fair value as 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.

14.4 Each Limited Partner will, on the request of the General Partner, immediately execute such documents considered by the General Partner to be necessary to comply with any applicable law or regulation of any jurisdiction in Canada, for the continuation, operation or good standing of the Fund.

14.5 The representations and warranties contained in this Article 14 shall remain valid after the execution of this Agreement and each party shall be required to ensure that each representation and warranty made by such party pursuant to the above provisions remains true so long as such party remains a Partner.

ARTICLE 15 – FUND MEETINGS

15.1 The Fund shall not be required to hold annual general meetings of the Fund; however, the General Partner may at any time and shall, upon the written request of Limited Partners representing 25% or more of the Units outstanding requesting a meeting and stating the purpose for which the meeting is to be held, call a meeting. If the General Partner fails or neglects to call such a meeting within 30 days after receipt of the written request, any Limited Partner who was a party to the request may call the meeting. Meetings of Limited Partners are to be held at such place in the City of Toronto or other city as the General

Partner may designate or, in the event of a meeting called by a Limited Partner in the aforesaid circumstances, at such place in the City of Toronto as the said Limited Partner may designate.

15.2 Notice of any Partners' meeting shall be given to each Limited Partner and to the General Partner. The notice shall be mailed by prepaid post at least 21 and not more than 60 days prior to the meeting and shall specify the time and place of the meeting and in reasonable detail, the nature of all business to be transacted. Notice for adjourned meetings shall be mailed not less than 10 days in advance and otherwise in accordance with the provisions of notice contained in this Article 15, except that it need not specify the nature of the business to be transacted. Accidental failure to give notice to any Partner shall not invalidate a meeting or proceeding thereat.

15.3 The Chairman of all meetings will be chosen by the General Partner unless those Limited Partners present in person or represented by proxy at the meeting choose, by Ordinary Resolution, some other person present to be Chairman. To the extent that the rules and procedures for the conduct of a meeting of the Partners are not prescribed in this Agreement, such rules and procedures may be determined by the Chair of the meeting.

15.4 Two or more Limited Partners present in person and holding or representing by proxy at least 10% of the Units outstanding shall constitute a quorum at any meeting of the Partners, except for purposes of passing an Extraordinary Resolution to remove the General Partner pursuant to Article 18, in which case two or more Limited Partners present in person and holding or representing by proxy at least 50% of the Units outstanding and entitled to vote thereon shall constitute a quorum. If a quorum is not present for a meeting of Partners within 30 minutes after the time fixed for holding the meeting, the meeting, if convened pursuant to a written request of Limited Partners, will be cancelled, but otherwise will be adjourned to such date not less than 10 or more than 21 days after the original date for the meeting as is determined by the General Partner at a time and location determined by the General Partner. The Limited Partners present at any such adjourned meeting shall constitute a quorum.

15.5 At a meeting of Partners, each Limited Partner shall be entitled to one vote for each Unit held and the General Partner shall be entitled to one vote in its capacity as General Partner. The Chairman shall not have a casting vote. Every question submitted to a meeting shall be decided by a show of hands unless a poll is demanded by a Partner or the Chairman before the question is put or after the results of the show of hands has been announced and before the meeting proceeds to the next item of business, in which case a poll shall be taken. The General Partner in respect of Units held by it, if any, insiders, as such expression is defined in the Securities Act (Ontario), and Affiliates of the General Partner and any director or officer of such persons, if any, who holds Units shall not be entitled to vote on any Extraordinary Resolution. At any meeting of the Partners, upon any matter:

(a) for which no poll is requested, a declaration made by the Chairman of the meeting as to the voting on any particular resolution shall be conclusive evidence thereof; or

(b) for which a poll is requested, the result of the poll shall be deemed to be the decision of the meeting on the question or resolution in respect of which the poll was taken.

15.6 At any meeting of Partners, any Limited Partner entitled to vote may vote by proxy in a form acceptable to the General Partner, provided the proxy shall have been received by the General Partner for verification prior to the meeting. Any individual may be appointed as proxy and every instrument of proxy shall be considered valid unless it is dated more than one year before the date of the meeting or is challenged by a Partner or holder of another proxy prior to or at the time of its exercise. The Chairman shall determine the validity of any challenged instrument of proxy.

15.7 A vote cast in accordance with the terms of an instrument of proxy shall be valid notwithstanding the subsequent death, incapacity, insolvency, bankruptcy or insanity of the Limited Partner giving the proxy or the revocation of the proxy, provided that no written notice of such death, incapacity, insolvency, bankruptcy, insanity or revocation shall have been received by the General Partner prior to the time fixed for the holding of the meeting. A Partner which is a corporation may appoint under seal an officer, director or other authorized individual as its representative to attend, vote and act on its behalf at meetings of Partners, and may by a like instrument revoke any such appointment, and for all purposes of meetings of Partners, other than the giving of notice, an individual so appointed will be deemed to be the holder of every Unit held by the corporation he represents.

15.8 In addition to all other powers conferred on them by this Agreement, but subject to Article 16 hereof, the Limited Partners may by Extraordinary Resolution:

(a) waive any default on the part of the General Partner on such terms as they may determine and release the General Partner from any claims in respect thereof;

(b) approve any amendment to this Agreement, including without limitation, to change the nature of the business permitted to be carried on by the Fund pursuant to Article 5 and to amend the Investment Guidelines;

(c) approve the sale of all or substantially all of the assets of the Fund;

(d) require the General Partner on behalf of the Fund to enforce any obligation or covenant on the part of any Limited Partner; and

(e) extend the term of the Fund.

In addition, the Limited Partners may from time to time, by Extraordinary Resolution or Ordinary Resolution, advise as to the management of the Fund's business, including as to any transaction proposed to be made outside the normal course of business of the Fund, provided that, notwithstanding Section 15.10 hereof, any such Extraordinary Resolution or Ordinary Resolution shall not be binding on the Partners or the Fund and shall be advisory only.

15.9 Minutes and proceedings of every meeting of the Partners shall be made and recorded by the General Partner. Minutes, when signed by the Chairman of the meeting, shall be prima facie evidence of the matters therein stated. Until the contrary is proved, every meeting in respect of which minutes have been made shall be taken to have been duly held and convened and all proceedings referred to in the minutes shall be deemed to have been duly passed or not to have been passed, as the case may be.

15.10 Any Extraordinary Resolution or Ordinary Resolution shall be binding on all Partners and their respective heirs, executors, administrators or other legal representatives, successors and assigns, whether or not such Partner was present or represented by proxy at the meeting at which such resolution was passed and whether or not such Partner voted against such resolution.

ARTICLE 16 – AMENDMENT

16.1 Subject to Section 16.2 hereof, this Agreement may be amended only in writing and with the consent of the Limited Partners given by Extraordinary Resolution provided that:

(a) this Article 16 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 this Agreement which would have the effect of reducing the General Partner's share of the net income or loss of the Fund or the fees payable hereunder 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 this Agreement without the unanimous consent of the Limited Partners which would have the effect of reducing the interest in the Fund of any Limited Partner, changing the liability of any Limited Partner, allowing any Limited Partner to participate in the control or management of the business of the Fund, changing the right of the General Partner or of a Limited Partner to vote at any meeting or changing the Fund from a limited partnership to a general partnership;

(d) no amendment shall be made to this Agreement which would have the effect of changing in any manner the allocation of income or loss of the Fund 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), except for the removal of the General Partner pursuant to Section 18.1 hereof or the replacement of the General Partner pursuant to Section 10.3 hereof.

16.2 The General Partner may, without prior notice to or consent from any Limited Partner, amend from time to time any provision of this Agreement or add any provision, if such amendment or addition is, in the opinion of the General Partner, for the protection or benefit of Limited Partners or of the Fund or to cure an ambiguity or to correct or supplement any provisions contained herein which may be defective or inconsistent with any other provision contained herein or if required by law and if the cure, correction or supplemental provision does not and will not, in the opinion of the General Partner, materially adversely affect the interest of any Limited Partner.

16.3 Limited Partners will be notified of the full details of any amendment to this Agreement under Section 16.1 within 15 days of the effective date of the Extraordinary Resolution.

ARTICLE 17 – NOTICES

17.1 Any notice or other written communications which must be given or sent under this Agreement shall be deemed to have been validly given or received the fifth day following its sending by first class mail to the address of the General Partner and the Limited Partners as follows: in the case of the General Partner, to 141 Adelaide Street West, Suite 701, Toronto, Ontario, M5H 3L5, Attention: President or any other new address following a change of address in conformity with Section 17.2 below, and in the case of the Limited Partners to the postal address inscribed in the register of the Limited Partners.

17.2 A Limited Partner may, at any time, change his address for the purposes of service by written notice to the General Partner or to such other person as is then the registrar and transfer agent for the Fund. The General Partner may change its address for the purposes of service by written notice to all the Limited Partners and to the registrar and transfer agent, if any.

17.3 In the event of any disruption, strike or interruption in the Canadian postal service after mailing and before receipt or deemed receipt of a document, it will be deemed to have been received on the sixth business day following full resumption of the Canadian postal service. If the party giving any notice or other written communication knows or ought reasonably to know of any difficulties with the postal system that might affect the delivery of mail, any such demand, notice or other communication may not be mailed but must be given by personal delivery or by facsimile or other electronic means of communication or, in the case of communication to the Limited Partners, by publication once in the national edition of The Globe and Mail or, if such publication is impracticable, by publication once in any newspaper(s) published in the English language having general circulation in each of Vancouver, Calgary, Regina, Winnipeg and Toronto.

17.4 Notices may also be validly given by way of facsimile or other electronic means of communication or hand deliveries and if sent on a business day during normal business hours of the recipient they shall be deemed to have been received on the date of their transmittal and, if not, on the next business day or on the date of delivery as the case may be.

17.5 An accidental omission in the giving of, or failure to give, a notice required by this Agreement will not invalidate or affect in any way the legality of any meeting or other proceedings in respect of which such notice was or was intended to be given.

ARTICLE 18 – CHANGE OF GENERAL PARTNER

18.1 Subject to Section 10.1(b), the General Partner may be removed as General Partner only by an Extraordinary Resolution to that effect and then only if (i) the General Partner has materially breached its obligations under this Agreement and, if capable of being cured, such breach continues unremedied for a period of 20 business days after the General Partner has received written notice thereof from any Limited Partner or, if the General Partner becomes bankrupt or insolvent; and (ii) the Limited Partners shall appoint by Ordinary Resolution, concurrently with the removal of the General Partner, a replacement General Partner which shall assume all the responsibilities and obligations of the General Partner under this Agreement. Upon removal of the General Partner, a new General Partner may be appointed by Ordinary Resolution. The General Partner may not be a "non-resident" within the meaning of the Tax Act. Except as provided in this Section 18.1 and in Section 10.7 hereof, the General Partner may not resign unless it has given at least 180 days' written notice to the Limited Partners of such intention and nominates a qualified successor whose appointment is approved by Ordinary Resolution and who accepts such position within such period and the General Partner may not sell, assign, transfer or otherwise dispose of its interest in the Fund unless such sale, assignment, transfer or disposition is to the continuing corporation resulting from the amalgamation, merger or reorganization of the General Partner with another company, which continuing corporation will become the General Partner upon such amalgamation, merger or reorganization. Notwithstanding anything else set forth in this Agreement, the General Partner may not resign if the effect of its resignation would be to dissolve the Fund. A new General Partner may be appointed by Ordinary Resolution upon the occurrence of an event described in paragraph 10.1(b). In the event of appointment of a new General Partner, the General Partner which has withdrawn or has been removed from the Fund shall no longer be entitled to its share of the net income or net loss of the Fund or to the amounts referred to in Sections 6.2 or 6.3 except in respect of those amounts to which such General Partner has received or become entitled prior to or at the fiscal quarter end of the Fund immediately preceding the withdrawal or removal of the General Partner, which shall be paid to the General Partner, without set-off or counterclaim, prior to the effective date of its removal or resignation.

18.2 The new General Partner will execute a counterpart of this Agreement and will forthwith assume the obligations of the General Partner as of and from the date of its appointment and shall thereafter have the sole right to exercise all rights of the General Partner as manager of the Fund and to receive the General Partner's share of net income or net loss of the Fund and the amounts required by Sections 6.2 and 6.3 to be distributed to the General Partner and the resigning or retiring General Partner

shall do all things and take all steps necessary to effectively transfer the management of the Fund and all rights to which such new General Partner is entitled hereunder to the new General Partner and shall execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfer.

18.3 In the event of a change of the General Partner, the Fund and the Limited Partners shall release and hold harmless the former General Partner from all actions, claims, costs, demands, losses, damages and expenses with respect to events which occur in relation to the Fund after the effective date of removal or resignation of the former General Partner, unless such events arise from the gross negligence or wilful misconduct of the General Partner, its agents or employees or from any act or omission not believed by it in good faith to be within the scope of this Agreement occurring before such change of General Partner.

ARTICLE 19 – POWER OF ATTORNEY

19.1 Each Limited Partner hereby irrevocably makes, constitutes and appoints the General Partner, and any successor to the General Partner under the terms of this Agreement, as its true and lawful attorney and agent, with full power of substitution and authority 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) this Agreement and any amendment hereto made in accordance with the terms hereof;

(ii) any amendment to the Declaration and all certificates and other instruments necessary or appropriate to qualify or to continue the qualification of the Fund as a limited partnership in the Province of Ontario and in each other jurisdiction where the Fund 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 this Agreement subject to the terms and restrictions of this Agreement;

(iv) all instruments and other documents necessary to effect the dissolution and liquidation of the Fund or such other liquidity alternative as may be approved by the Partners for the purposes of winding-up the affairs of the Fund, subject to the terms and restrictions of this Agreement, including cancellation of any Certificate;

(v) all instruments relating to the admission of additional or substituted Limited Partners subject to the terms and restrictions of this Agreement;

(vi) any instrument in connection with the sale, transfer or forfeiture of a Unit for which the Subscription Price is not paid when due; 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 Fund or of a Partner's interest in the Fund 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 Fund or in connection with this Agreement;

(c) accept service for process for and on behalf of the undersigned at the principal office of the General Partner in Toronto, Ontario; and

(d) make any application for and receive any amount or credit under a federal or provincial incentive program.

19.2 Each Limited Partner will be bound by any representation or action made or taken by the General Partner pursuant to the power of attorney in Section 19.1 hereof and waives any and all defenses which may be available to contest, negate or disaffirm any action of the General Partner taken in good faith under such power of attorney.

19.3 This power of attorney shall be irrevocable and survive this Agreement and shall bind 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. If, for any reason, this power of attorney shall not bind a Limited Partner, his heirs, executors, administrators and other legal representatives and successors and assigns of the Limited Partner, the General Partner shall have the right to sell such Limited Partner's Units or to purchase the same on behalf of the Fund at fair value as determined by an independent party selected by the General Partner, whose determination will be final and binding and not subject to review or appeal.

19.4 The General Partner shall have the power to execute documents in the name of all the Limited Partners pursuant to this power of attorney by affixing its signature thereto with the indication that it is acting on behalf of all the Limited Partners.

19.5 Each Limited Partner will, on request by the General Partner, immediately execute every certificate or other instrument necessary to comply with any law or regulation of any jurisdiction in Canada for the continuation and good standing of the Fund.

ARTICLE 20 – MISCELLANEOUS

20.1 No action or consent of the Limited Partners shall be required for the admission at any time or from time to time of additional Limited Partners.

20.2 The General Partner and the Limited Partners agree that this Agreement, the Subscriptions and the Transfer Form shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and they irrevocably accept and attorn to the exclusive jurisdiction of the courts of Ontario.

20.3 This Agreement may be executed by multiple counterparts, including by facsimile transmission, each of which shall be deemed to be an original and all of which shall be construed together as one agreement.

20.4 This Agreement constitutes the entire agreement between the parties and there are no other written or verbal agreements or representations.

20.5 With the exception of the requirements of Section 14.1, any curable default of the General Partner resulting from an omission to take any measure within a prescribed time period and having no material adverse effect on the Limited Partners or the Fund will be deemed to have been corrected if the measure is taken within 45 days following a notice by a Limited Partner requesting the General Partner to remedy the default.

20.6 This Agreement will be binding upon and enure to the benefit of the respective heirs, executors, administrators and other legal representatives and, to the extent permitted hereunder, the respective successors and assigns of the parties.

20.7 Time shall be of the essence of this Agreement.

20.8 The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written at Toronto, Province of Ontario.

TRINITY WOOD CAPITAL CORPORATION

By: (Signed) *Peter Browning*
Name: Peter Browning
Title: President, Chief Executive Officer and Director

TRINITY WOOD STRATEGIC MINING 2008-I INC. as attorney for Trinity Wood Mining 2008-I Flow-Through Limited Partnership

By: (Signed) *Peter Browning*
Name: Peter Browning
Title: Director

SCHEDULE "A"

to the Limited Partnership Agreement dated as of January 7, 2008

INVESTMENT GUIDELINES

Subject to Section 7.9 of the Limited Partnership Agreement, in entering into Flow-Through Agreements with Mineral Issuers on behalf of the Fund, the Investment Guidelines that will be considered by the General Partner are described below. For purposes of the guidelines listed below, the percentage limitation in paragraph (b) applies only immediately prior to the purchase of the Flow-Through Shares and any subsequent change in any applicable percentage resulting from changing values or changing market capitalization will not require elimination of any security from the Fund's portfolio. The restrictions in paragraphs (a), and (c) through (q), inclusive shall apply at all times. These Investment Guidelines are as follows:

(a) **Mineral Issuers.** The Fund will invest Available Funds in Flow-Through Shares issued by Mineral Issuers, provided that the Fund may invest in cash and cash equivalents until suitable investment opportunities arise. To the extent the Fund disposes of Flow-Through Shares, the Fund may reinvest the net proceeds from any such dispositions in additional shares of Mineral Issuers, cash and cash equivalents, Government bonds and securities of entities listed on a Canadian stock exchange. Up to 25% of Available Funds may be invested in Flow-Through Shares of Mineral Issuers that are not reporting issuers and which, may, therefore, be subject to continuing resale restrictions.

(b) **Exchange Listing.** The Fund will invest a minimum of 75% of Available Funds in Flow-Through Shares of Mineral Issuers whose shares are listed and posted for trading on a Canadian stock exchange, including without limitation, the Toronto Stock Exchange, the TSX Venture Exchange and CNQ.

(c) **No Other Undertaking.** The Fund will not engage in any undertaking other than the investment of the Fund's assets with regard to the Fund's Investment Objectives, Investment Strategy and Investment Guidelines.

(d) **Purchasing Securities.** The Fund will purchase securities (other than Flow-Through Shares) only through normal market facilities unless the purchase price therefor approximates or is less than the prevailing market price or is negotiated or established on an arm's length basis from the Fund and the General Partner.

(e) **Fixed Price.** The Fund will not purchase any security which may by its terms require the Fund 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.

(f) **No Material Interest.** The Fund will not purchase securities from or sell securities to the General Partner or any of the General Partner's respective Affiliates, any officer, director or shareholder of any of them, any person, trust, firm or corporation managed by the General Partner or any of their respective 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 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. The restriction will not apply to a sale of Fund assets to a mutual fund in advance of the dissolution of the Fund, if such a transaction should occur.

(g) **No Borrowing.** The Fund may not borrow money.

(h) **No Commodities.** The Fund will not purchase or sell commodities.

(i) **No Guarantees.** The Fund will not guarantee the securities or obligations of any person.

(j) **No Real Estate.** The Fund will not purchase or sell real estate or interests therein.

(k) **No Lending.** The Fund will not lend money. For purposes of this restriction, investments in High Quality Liquid Investments are not considered lending.

(l) **No Control.** The Fund 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 10% of the issued and outstanding voting securities of any particular Mineral Issuer in which it may invest.

(m) **Restriction on Underwriting.** The Fund will not act as an underwriter except to the extent that the Fund may be deemed to be an underwriter in connection with the sale of securities in its investment portfolio.

(n) **No Short Sales.** The Fund will not make short sales of securities other than for hedging purposes against existing positions held by the Fund.

(o) **No Mortgages.** The Fund will not purchase mortgages.

(p) **No Mutual Funds.** The Fund will not purchase the securities of any mutual fund, other than in connection with a liquidity alternative.

(q) **No Derivatives.** The Fund will not purchase or sell derivatives.

SCHEDULE "B"

TRINITY WOOD MINING 2008-I FLOW-THROUGH LIMITED PARTNERSHIP – POWER OF ATTORNEY AND TRANSFER FORM

All capitalized terms used herein without definition have the meanings ascribed thereto in the Partnership Agreement, as hereinafter defined.

The undersigned, a Limited Partner of TRINITY WOOD MINING 2008-I FLOW-THROUGH LIMITED PARTNERSHIP (the "Fund"), hereby assigns to _____ all of the undersigned's right, title and interest to_____ Units in the Fund. The undersigned agrees to furnish to the General Partner of the Fund (the "General Partner") such documents, certificates, assurances and other instruments as the General Partner may require to effect this assignment and to continue and keep the Fund in good standing as a limited partnership.

DATED this _____ day of _____, 20___.

_____ _____

Guarantor

(Residence Address)

The assignee acknowledges that, by executing this transfer, he: (i) has reviewed and agrees to be bound by the terms of the Limited Partnership Agreement dated January 7, 2008, as from time to time amended, governing the business and affairs of the Fund (the "Partnership Agreement") and will be liable for all obligations of a Limited Partner; (ii) is making certain representations and warranties as to residency and limited recourse financing as set out in the Partnership Agreement; (iii) the assignee represents and warrants that the assignee deals at arm's length with each Mineral Issuer within the meaning of the *Income Tax Act* (Canada), and (iv) irrevocably ratifies and confirms the power of attorney given to the General Partner pursuant to the Partnership Agreement. The Partnership Agreement includes representations, warranties and covenants on the part of the assignee that he is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada), that no interest in the assignee is a "tax shelter investment" as that term is defined in the Tax Act, that he will maintain such status during such time as Units are held by him or her, that the assignee is not a partnership, and that his acquisition of the Units was not, and will not be, financed through a borrowing or other indebtedness for which recourse is or is deemed to be limited within the meaning of the *Income Tax Act* (Canada). Unless the assignee has concurrently with the delivery of this transfer, delivered written notice to the General Partner that it is a "financial institution" as that term is defined in subsection 142.2(l) of the *Income Tax Act* (Canada), by executing this transfer, it is deemed to represent and warrant that it is not a "financial institution" and to covenant that it will not become a "financial institution" during such time as Units are held by it. The assignee further acknowledges that it may be obliged to provide the General Partner with a declaration that it is not a "financial institution".

The assignee acknowledges that in addition to certain other requirements there is also a possibility that Limited Partners may lose their limited liability to the extent the principles of Canadian law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one province but operating, owning property, or incurring obligations in another province. The assignee also acknowledges that the transfer of Units to a "non-resident" within the meaning of the *Income Tax Act* (Canada), to a partnership, to a transferee an interest in which is a "tax shelter investment" as that term is defined in the *Income Tax Act* (Canada) to a transferee who has financed the acquisition of any Units through indebtedness for which recourse is or is deemed to be limited within the meaning of the *Income Tax Act* (Canada), to a transferee that is identified only by nominee name or to a transferee that does not deal at arm's length with any Mineral Issuer within the meaning of the *Income Tax Act* (Canada) shall be denied and that the transfer of Units to a "financial institution", as defined in subsection 142.2(l) of the *Income Tax Act* (Canada), may be denied.

Dated at _____ in the Province of _____ this _____ day of _____, 20____.

(Witness)	(Signature of Assignee) (Seal)
(Name of Registered Dealer or Broker and No.)	(Name of Assignee – Please Print)
(Name of Registered Representative and No.)	(Social Insurance Number or Corporation Acct. No.)
	(Incorporation Number, if any)
	(Residential Address)
	(City, Province, Postal Code)
	(O) (H)
	(Telephone Numbers; Office, Home)
	(Mailing address, if different from residence address)
	(Mailing address)
	(City, Province, Postal Code)

PLEASE INDICATE IF YOU WISH TO HAVE YOUR UNITS DEPOSITED INTO YOUR BROKER ACCOUNT (YES/NO). IF YES, PLEASE INDICATE THE APPROPRIATE BROKER ACCOUNT NUMBER:

_____.

NOTES:

1. The signature of the Limited Partner assigning the within Unit(s) must 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 any recognized stock exchange.

2. No assignment of a Unit may be made without delivering the documents and instruments required under Article 12 of the Partnership Agreement.

3. No assignment of a fraction of a Unit may be made.

4. An assignment of a Unit may have income tax implications to the assignor and the assignee.

TRANSFER ACKNOWLEDGED

This transfer is hereby acknowledged

TRINITY WOOD MINING 2008-I FLOW-THROUGH LIMITED PARTNERSHIP
by its General Partner,
TRINITY WOOD STRATEGIC MINING 2008-I INC.

Per: _____
Authorized Signatory

- 3 -

- 3 -

A-4

- SA-4 -

SB - 4

SB - 4

Limited Partners

Trinity Wood Mining 2008-I
Flow-Through Limited Partnership

Renounced Eligible Expenditures

$ Investment in Flow-Through Shares

Caldwell Investment Management Ltd.
(Portfolio Manager)

Southampton Associates Inc.
(Mining Industry Consultant)

Trinity Wood Strategic Mining 2008-I Inc.
(General Partner)

Mineral Issuers

Renounced Eligible Expenditures	$