

Canadian Exploration Expenses (CEE) Flow-Through LP Taxation Cycle with No Mutual Fund Rollover

Investment Year	Following Year (12 Months)	Year 2 (13-24 months)
<ol style="list-style-type: none"> Investor invests in a CEE flow-through limited partnership (the "LP"). At the time of investment, an investor's LP's Adjusted Cost Base ("ACB") is as low as \$0.00. Should capital gains in the LP be realized from portfolio management activity, LP investors would have a taxable capital gain to report on their tax filing. Investors will receive a flow-through tax deduction up to 100% of their investment. Investment in the mining sector may entitle an investor to additional federal tax credit of 15% as well as additional provincial tax credits. A T5013 tax form will be issued to LP investors by their brokerage firm when purchased through their Registered Advisor for this taxation year in the following year, typically in March. All reportable tax numbers will be noted on this form. 	<ol style="list-style-type: none"> Investors continue to own units of the LP. Should additional capital gains in the LP be realized from portfolio management activity, LP investors would have a taxable capital gain to report on their tax filing. A T5013 tax form for this taxation year is issued to LP investors by their brokerage firm when purchased through their Registered Advisor typically in March of the following year. If all the LP proceeds are returned to LP investors in this year then this would be the last issuance of the T5013 form. All reportable tax numbers will be noted on this form. If available, LP investors can start to deduct amortized issue costs (this tax information is posted on Qwest's website in the Tax Summary document). 	<ol style="list-style-type: none"> Investors continue to own units of the LP if the proceeds have not been fully returned within 12 months. Should capital gains in the LP be realized from portfolio management activity, LP investors would have a taxable capital gain to report on their tax filing. A T5013 tax form for this taxation year is issued to LP investors by their brokerage firm when purchased through their Registered Advisor, typically in March of the following year. If all the LP proceeds are returned to LP investors in this year then this would be the last issuance of the T5013 form. All reportable tax numbers will be noted on this form. If available, LP investors can start to deduct amortized issue costs (this tax information is posted on Qwest's website in the Tax Summary document).

Flow-Through tax information posted on Qwest's website: 1) Issue Cost Deduction and Adjusted Cost Base; 2) Capital Gains Estimate. To view any post of important tax information guidance log onto www.qwestfunds.com / Tax Information