Maple Leaf Short Duration 2013 Flow-Through Limited Partnership

Financial Statements
June 30, 2013

(Unaudited – Prepared by Management)

(expressed in Canadian dollars)

Maple Leaf Short Duration 2013 Flow-Through Limited Partnership
National Class
Statement of Net Assets
As at June 30, 2013

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

	$
Assets	
Cash	3,191,341
Due from General Partner	65,604
Deferred loan arrangement fee (note 3)	16,667
Investments - at fair value	2,181,755
	5,455,366
Liabilities	
Accounts payable and accrued liabilities	47,838
Loan payable (note 3)	595,083
	642,921
Net assets representing Partnership equity	4,812,445
Partnership units outstanding (note 5)	240,110
Net assets per Partnership unit	20.04

Approved by the General Partner
Maple Leaf Short Duration 2013 Flow-Through Management Corp.

__(signed) "Hugh Cartwright"__
Hugh Cartwright
Director

__(signed) "John Dickson"__
John Dickson
Director

The accompanying notes are an integral part of these financial statements.

Maple Leaf Short Duration 2013 Flow-Through Limited Partnership
National Class
Statement of Operations
For the period from commencement of operations on February 21, 2013 to June 30, 2013

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

	$
Investment income	
Interest	10,242
Expenses	
Administrative and other (notes 4 and 6)	43,779
Audit fees	6,160
Custodial fees	4,443
Interest	7,641
Management fee	31,449
Registrar and transfer agent	1,983
	95,454
Net investment loss	85,212
Unrealized depreciation on investments	639,890
Decrease in net assets from operations	725,102
Decrease in net assets from operations per Partnership unit	(3.02)

The accompanying notes are an integral part of these financial statements.

Maple Leaf Short Duration 2013 Flow-Through Limited Partnership

National Class

Statement of Changes in Net Assets

For the period from commencement of operations on February 21, 2013 to June 30, 2013

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

	$
Net assets - Beginning of period	-
Decrease in net assets from operations	(725,102)
Partners' transactions	
Proceeds from issuance of Partnership units	6,002,775
General Partner's contribution	10
Redemption of Partnership unit	(25)
Agents fees	(345,158)
Costs of issue	(120,055)
	5,537,547
Net assets - End of period	4,812,445

The accompanying notes are an integral part of these financial statements.

Maple Leaf Short Duration 2013 Flow-Through Limited Partnership

National Class

Statement of Cash Flows

For the period from commencement of operations on February 21, 2013 to June 30, 2013

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

	$
Cash flows from operating activities	
Net investment loss	(85,212)
Changes in non-cash working capital items	
Accounts payable and accrued liabilities	47,838
Deferred loan arrangement fee	(16,667)
Due to general partner	(65,604)
	(119,644)
Purchase of investments	(2,821,645)
	(2,941,289)
Cash flows from financing activities	
General Partner's contribution	10
Issue of initial Partnership unit	25
Redemption of Partnership unit	(25)
Proceeds from issuance of Partnership units	6,002,750
Proceeds from loan	595,083
Agents fees	(345,158)
Costs of issue	(120,055)
	6,132,630
Increase in cash	3,191,341
Cash - Beginning of period	-
Cash - End of period	3,191,341
Interest paid	7,641

The accompanying notes are an integral part of these financial statements.

Maple Leaf Short Duration 2013 Flow-Through Limited Partnership
National Class
Statement of Investment Portfolio
As at June 30, 2013

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

	Number of shares/ warrants	Average cost $	Fair value $	Net assets %
Equity investments				
Alpha Minerals Inc. [1]	79,500	349,800	296,465	6.16
Arsenal Energy Inc. [1]	215,000	116,100	90,273	1.88
Artek Exploration Ltd	59,500	249,900	180,285	3.75
Banks Island Gold Ltd. [1]	367,000	249,560	178,103	3.70
Canada Fluorspar Inc [1]	830,000	249,000	147,936	3.07
Crocotta Energy Inc. [1]	20,000	74,000	55,179	1.15
Denison Mines Corp. [1]	230,000	299,000	272,297	5.66
Energizer Resources Inc. [1]	622,000	124,400	61,593	1.28
Kaminak Gold Corporation [1]	316,000	300,200	235,372	4.89
Madalena Ventures Inc. [1]	400,000	300,200	104,992	2.18
Tourmaline Oil Corp	5,900	248,685	247,800	5.15
Trevali Mining Corp. [1]	125,000	125,000	65,606	1.36
UEX Corporation [1]	600,000	300,000	238,074	4.95
		2,792,034	2,173,975	45.17
Warrants				
Banks Island Gold Ltd. [1]	183,500	16,332	6,547	0.14
Canada Fluorspar Inc. [1]	415,000	13,280	1,867	0.03
		29,612	2,681	0.17
		2,821,645	969,148	45.34
Assets - net of other liabilities			2,630,690	54.66
Net assets			4,812,445	100.00

(1) Subject to hold period restrictions

The accompanying notes are an integral part of these financial statements.

Maple Leaf Short Duration 2013 Flow-Through Limited Partnership
Quebec Class
Statement of Net Assets
As at June 30, 2013

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

	$
Assets	
Cash	4,186,921
Due from General Partner	67,532
Investments - at fair value	1,008,381
	5,262,834
Liabilities	
Accounts payable and accrued liabilities	49,241
Net assets representing Partnership equity	5,213,593
Partnership units outstanding (note 5)	247,153
Net assets per Partnership unit	21.09

Approved by the General Partner
Maple Leaf Short Duration 2013 Flow-Through Management Corp.

__(signed) "Hugh Cartwright"__	__(signed) "John Dickson"___
Hugh Cartwright	**John Dickson**
Director	**Director**

The accompanying notes are an integral part of these financial statements.

Maple Leaf Short Duration 2013 Flow-Through Limited Partnership
Quebec Class
Statement of Operations
For the period from commencement of operations on February 21, 2013 to June 30, 2013

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

	$
Investment income	
Interest	10,543
Expenses	
Administrative and other (notes 4 and 6)	29,220
Audit fees	6,340
Custodial fees	4,139
Filing fees	4,286
Management fee	33,309
Custodial fees	1,458
	78,752
Net investment loss	68,210
Unrealized depreciation on investments	418,174
Decrease in net assets from operations	486,384
Decrease in net assets from operations per Partnership unit	1.97

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Maple Leaf Short Duration 2013 Flow-Through Limited Partnership
Quebec Class
Statement of Changes in Net Assets
For the period from commencement of operations on February 21, 2013 to June 30, 2013

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

	$
Net assets - Beginning of period	-
Decrease in net assets from operations	(486,834)
Partners' transactions	
Proceeds from issuance of Partnership units	6,178,850
General Partner's contribution	10
Redemption of Partnership unit	(25)
Agents fees	(355,282)
Costs of issue	(123,576)
	5,699,976
Net assets - End of period	5,213,593

The accompanying notes are an integral part of these financial statements.

Maple Leaf Short Duration 2013 Flow-Through Limited Partnership

Quebec Class

Statement of Cash Flows

For the period from commencement of operations on February 21, 2013 to June 30, 2013

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

	$
Cash flows from operating activities	
Net investment loss	(68,210)
Changes in non-cash working capital items	
Accounts payable and accrued liabilities	49,241
Due to related parties	(67,532)
	(86,500)
Purchase of investments	(1,426,555)
	(1,513,055)
Cash flows from financing activities	
General Partner's contribution	10
Issue of initial Partnership unit	25
Redemption of Partnership unit	(25)
Proceeds from issuance of Partnership units	6,178,825
Agents' fees	(355,282)
Costs of issue	(123,576)
	5,699,976
Increase in cash	4,186,921
Cash - Beginning of period	-
Cash - End of period	4,186,921

The accompanying notes are an integral part of these financial statements.

Maple Leaf Short Duration 2013 Flow-Through Limited Partnership

Quebec Class

Statement of Investment Portfolio

As at June 30, 2013

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

	Number of shares/ warrants	Average Cost $	Fair value $	Net assets %
Equity investments				
Artek Exploration Ltd	15,500	65,100	46,965	0.90
Denison Mines Corp. (1)	40,000	52,000	47,356	0.91
Energizer Resources Inc. (1)	1,080,000	216,000	106,945	2.05
Falco Pacific Resources Inc. (1)	625,000	250,000	109,295	2.10
Mason Graphite Inc. (1)	750,000	412,500	324,185	6.22
Tourmaline Oil Corp	3,700	155,955	155,400	2.98
UEX Corporation (1)	550,000	275,000	218,235	4.19
		1,426,555	1,008,381	19.34
Assets - net of other liabilities			4,205,212	80.66
Net assets			5,213,593	100.00

(1) Subject to hold period restrictions

The accompanying notes are an integral part of these financial statements.

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

1 Formation and purpose of the Partnership

Maple Leaf Short Duration 2013 Flow-Through Limited Partnership (the "Partnership") was formed on December 14, 2012 as a limited partnership under the laws of the Province of British Columbia. The Partnership consists of two classes of limited partnership units, the National Class and the Quebec Class, each of which is a separate non-redeemable investment fund for securities laws purposes with its own investment portfolio and investment objectives. The investment objective of the investment portfolio in respect of the National Class (the "National Portfolio") is to provide holders of National Class units of the Partnership (the "National Class Limited Partners") with a tax assisted investment in a diversified portfolio of flow-through shares and other securities, if any, of resource issuers across Canada with a view to (i) maximizing the tax benefits of an investment in the National Class units, and (ii) achieving capital appreciation and/or income for the National Class Limited Partners. The investment objective of the investment portfolio in respect of the Quebec Class (the "Quebec Portfolio") is to provide holders of Quebec Class units of the Partnership (the "Quebec Class Limited Partners") with a tax assisted investment in a diversified portfolio of flow-through shares and other securities, if any, of resource issuers principally in Quebec with a view to (i) maximizing the tax benefits of an investment in the Quebec Class units, and (ii) achieving capital appreciation and/or for the Quebec Class Limited Partners.

The Partnership is managed by Maple Leaf Short Duration 2013 Flow-Through Management Corp. (the "General Partner"). Under the Amended and Restated Limited Partnership Agreement between the General Partner and each of the Limited Partners (the "LPA") dated February 19, 2013, 99.9% of the net income of the Partnership, 100% of the net loss of the Partnership and 100% of any Eligible Expenditures renounced to the Partnership will be allocated pro rata to the Limited Partners and the General Partner is to be allocated 0.01% of the net income of the Partnership.

2 Significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The following is a summary of significant accounting policies used by the Partnership:

Investments in public equity securities

The fair value of equity securities traded in active markets is measured using the closing bid price at the year-end date. An appropriate discount from the values of an actively traded security is taken for holdings of securities when a formal restriction limits the sale of the security. The amounts at which the Partnership's publicly traded investments could be disposed may differ from carrying value based on closing bid prices, as the value at which significant ownership positions are sold is often different than the quoted market price due to a variety of factors such as premiums paid for large blocks or discounts due to illiquidity.

Warrants

Warrants are recorded at their estimated fair value using a recognized valuation model.

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

Transaction costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of investments, are recorded as an expense in the statement of operations.

Cash

Cash consists of cash and deposits with original maturities of three months or less and is held with a Canadian chartered bank.

Revenue and expense recognition

Interest income and expenses are accrued on a daily basis and dividend income is recognized at the ex-dividend date. Realized gains and losses on disposal of investments and unrealized gains and losses in the value of investments are reflected in the statement of operations and calculated on an average cost basis. Upon disposal of an investment, previously recognized unrealized gains and losses are reversed, so as to recognize the full realized gain or loss in the period of disposition. Interest is recorded on an accrual basis. All costs directly attributable to operating activities are expensed as incurred. General expenses were allocated based on the number of units issued in each Class with the exception of Class specific fees which would be charged to that Class.

Purchases and sales of securities are accounted for on a trade date basis.

For income tax purposes, the adjusted cost base of flow-through shares is reduced by the amount of expenditures renounced to the Partnership. Upon disposition of such shares, a capital gain will result and be allocated to the Limited Partners based upon their proportionate share of the Partnership.

Issue costs

Expenses related to the initial offering of the Partnership units have been accounted for as a reduction of net assets.

Valuation of Partnership units

Net assets per Partnership unit are calculated by dividing the net assets of the Partnership by its outstanding units on each valuation date.

Increase (decrease) in net assets from operations per Partnership unit

Increase (decrease) in net assets from operations per Partnership unit is determined by dividing the net increase (decrease) in net assets from operations by the weighted average number of units outstanding during the reporting period.

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

Income taxes

Since the Partnership is an unincorporated business, the liability for income taxes is that of the partners and not the Partnership. Accordingly, no provision for income taxes for the Partnership has been made in these financial statements.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and income and expenses during the reporting period. Actual results could differ from those reported and the differences could be material. Significant areas involving the use of estimates include determining estimated fair value of warrants. In calculating the estimated fair value, the Partnership makes maximum use of publicly available market-based inputs.

Financial instruments

Interest receivable and dividends receivable are designated as loans and receivables and recorded at amortized cost. Similarly, accounts payable, accrued liabilities and loans payable are designated as other financial liabilities and recorded at cost or amortized cost. The carrying value of financial liabilities approximates fair value due to the relatively short period to maturity.

3 Loan payable

In February 2013, the Partnership established a credit facility of up to $2,200,000 (subject to certain conditions including borrowing limits based on assets) with a Canadian chartered bank (the “Bank”) for the payment of issue costs and provided the Bank with a security interest in all the assets of the Partnership. Management fees of $25,000 ($25,000 National Class; $nil Quebec Class) have been deferred and recognized over the expected term of the loan. As at June 30, 2013, the loan principal balance outstanding was $595,083 ($595,083 National Class; $nil Quebec Class). The Partnership pays interest on the outstanding loan balance at the Bank’s prime lending rate plus 2.0% per annum. This loan is repayable at the earlier date of (a) dissolution; and (b) June 30, 2014.

4 Expenses of the Partnership

The Partnership will pay all of the expenses of the offering and all other costs that were reasonably incurred in connection with the formation, capitalization or organization of the Partnership, and pays certain operating and administrative costs that are not expected to be fully deductible in computing income of the Partnership pursuant to the *Income Tax Act*.

The Partnership pays all of the expenses of carrying on of its business, including legal and audit fees, interest and administrative costs relating to financial and other reports, and compliance with all applicable laws, regulations and policies. The General Partner is reimbursed for all reasonable out-of-pocket costs and expenses that are incurred by the General Partner on behalf of the Partnership in the ordinary course of business or other costs and expenses incidental to acting as general partner so long as the General Partner is not in default of its obligations. Such costs and expenses include reimbursement for any overhead costs or

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

costs of personnel of the General Partner and its affiliated companies that provide time and services to the Partnership.

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

5 Partners' equity

a) Authorized

The interest of the Limited Partners in the Partnership is divided into an unlimited number of units. The Partnership is authorized to issue a maximum of 800,000 National Class units and 400,000 Quebec Class units.

All Partnership units within each Class are of the same class with equal rights and privileges, including equal participation in any distribution made by each respective Class and the right to one vote at any meeting of the Limited Partners

b) Issued and outstanding

As at June 30, 2013, 240,110 National Class units and 247,153 Quebec Class units were issued and outstanding.

Pursuant to the LPA, the General Partner contributed $10 to the capital of the Partnership.

6 Related party balances and transactions

The General Partner has retained CADO Bancorp Ltd., a related company by way of common directors, to provide office space and perform certain administrative functions on behalf of the General Partner. During the period ended June 30, 2013, an amount of $44,835 ($22,093 National Class; $22,742 Quebec Class) was incurred and is included in administrative and other expenses and the full amount remained payable at June 30, 2013. During the period, the General Partner also charged an administration fee to the Partnership in the amount of $5,390. Balances and transactions with related parties have been recorded at the exchange amount.

7 Custodial fees

During the period ended June 30, 2013, the Partnership incurred custodial fees of $8,582 ($4,286 National Class; $4,286 Quebec Class), which are included in administrative and other expenses in the statement of operations.

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

8 Reconciliation of net asset value

In accordance with the decision made by the Canadian securities regulatory authorities, a reconciliation between the transactional net asset value determined under National Instrument 81 - 106 ("NI 81 - 106") and net assets of an investment fund as determined under Canadian GAAP is required for financial reporting purposes. For investments that are traded in an active market where quoted prices are readily and regularly available, Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3855 requires bid prices (for investments held) and ask prices (for investments sold short) to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purposes of determining net asset value under NI 81 - 106. For investments that are not traded in an active market, Section 3855 requires the use of specific valuation techniques, rather than the use of valuation techniques by virtue of general practice in the investment fund industry. These changes account for the difference between net asset value and net assets as follows:

	Net asset value per NI 81 - 106 as at June 30, 2013 $	**Section 3855 adjustment** $	**Net assets per Section 3855 as at June 30, 2013** $
National Class			
Total net assets	4,860,417	47,972	4,812,445
Total per unit	20.24	0.20	20.04
Quebec Class			
Total net assets	5,237,373	23,781	4,205,212
Total per unit	21.19	0.10	21.09

9 Risk management

The Partnership's activities expose it to a variety of financial instrument risks: market risk (including price risk, interest rate risk and foreign exchange risk), credit risk and liquidity risk.

The Partnership's overall risk management strategy focuses on the unpredictability of performance of early stage public investments and seeks to minimize potential adverse effects on the Partnership's financial performance. The Partnership uses diversification to moderate risk exposures associated with a concentration of investments. The Partnership's investment objective is to provide Limited Partners with a tax-assisted investment in a diversified portfolio of flow-through shares of resource issuers with a view to achieving capital appreciation. The principal business of the resource issuers is mineral, oil or gas exploration, development or production and projects in renewable energy and the development of energy efficient technologies.

The Partnership's investment strategy is to invest in flow-through shares of resource companies that are considered to:

a) have experienced and reputable management with a defined track record in the energy, mining or alternative energy industries;

b) have a knowledgeable Board of Directors;

c) have exploration programs or exploration and development programs in place;

d) have securities that are suitably priced and offer capital appreciation potential; and

e) meet certain market capitalization and other investment criteria.

Market risk

a) Price risk

The Partnership's investments are exposed to market price risk due to changing market conditions for equities as well as specific industry changes in the energy sector, such as changes in commodity prices and the level of market demand as well as any changes to the tax environment in which the investee entities operate. All investments in equity securities have an inherent risk of loss of capital. The maximum risk resulting from financial instruments investments is determined by the fair value of the financial instruments.

The Partnership seeks to manage market risks by careful selection of securities prior to making an investment in an early stage company and by regular ongoing monitoring of the investment performance of the individual investee companies. The Manager also sets thresholds on individual investments to mitigate the risk of exposure to any one investment. The Partnership's overall market positions are monitored on a daily basis by the Partnership's Manager and are reviewed on a semi-annual basis by the Board of Directors.

The Partnership's overall exposure is managed by the investment restrictions outlined in the prospectus, which include a requirement for all investments to be held in publicly traded resource investments and no more than 20% of investments to be held in any one investment.

At June 30, 2013, the Partnership's market risk is impacted directly by changes in equity prices and indirectly by changes in oil and gas and other commodity prices. The immediate impacts on equities of a 5% increase or decrease in the fair value of investments are approximately $109,088 and $50,419 for the National Class and Quebec Class, respectively.

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

b) Interest rate risk

The substantial majority of the Partnership's financial assets are non-interest bearing. As a result, the Partnership is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates except for interest on the loan payable. Any excess cash is invested at short-term market interest rates. The Partnership's interest-bearing financial assets and liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

The table below summarizes the Partnership's exposure to interest rate risks at June 30, 2013. It includes the Partnership's assets and liabilities at fair values, categorized by the earlier of contractual repricing or maturity dates.

			June 30, 2013
	Interest bearing $	Non-interest bearing $	Total $
National Class			
Cash	3,191,341	-	3,191,341
Investments	-	2,181,755	2,181,755
Other asset	-	82,271	82,271
Loan payable	(595,083)	-	(595,083)
Other liabilities	-	(47,838)	(47,838)
	2,596,258	2,216,187	4,812,445
Quebec Class			
Cash	4,186,921	-	4,186,921
Investments	-	1,008,381	1,008,381
Other asset	-	67,532	67,532
Other liabilities	-	(49,241)	(49,241)
	4,186,921	1,026,671	5,213,193

The Partnership's exposure to interest rate changes results from the difference between assets and liabilities and their respective maturities or interest rate repricing dates. Based on current differences as at June 30, 2013, the Partnership estimates that an immediate and sustained 100 basis point change in interest rates would impact net interest expense over the next 12 months by approximately $25,963 and $41,869 for the National Class and the Quebec Class, respectively.

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

c) Foreign exchange risk

The Partnership is not exposed to any significant foreign exchange risk.

Credit risk

The Partnership has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due.

When the Partnership trades in listed or unlisted securities that are settled upon delivery using approved brokers, the risk of default is considered minimal since delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The Partnership only transacts with reputable brokers with a high credit rating.

The Partnership monitors its credit position regularly, and the Board of Directors reviews it on a periodic basis. The Partnership has not identified any past due assets or receivables as at June 30, 2013.

Concentration risk

	% of net assets of National Class	**% of net assets of Quebec Class**
Sector/subgroup		
Base metals	4.46	6.22
Precious metals	8.73	2.10
Energy	32.14	11.03
Cash	66.31	80.31
Net liabilities	(11.65)	0.34
	100.00	100.00

Liquidity risk

The Partnership is a closed end partnership and therefore it does not have significant exposure to early redemptions of Partnership units. There is no market for units of the Partnership and it is unlikely that any public market will develop through which units may be sold. At the time of dissolution, the General Partner intends to transfer the assets of the Partnership to a mutual fund in exchange for shares of that mutual fund. However, there is no assurance that the Liquidity Event will be implemented, and the Limited Partners may receive securities upon dissolution of the Partnership for which there may be an illiquid market or which may be subject to resale restrictions.

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The Partnership invests in early stage energy resource companies that may be publicly listed securities but thinly traded. Securities purchased by the Partnership may be subject to resale restrictions such as hold periods. During periods when resale restrictions apply, the Partnership may dispose of such securities only pursuant to certain statutory exemptions.

The Partnership is exposed to liquidity risk related to the loan payable (note 3), which is due the earlier of (a) dissolution; and (b) June 30, 2014. The Partnership manages liquidity risk by maintaining sufficient liquid cash resources and publicly listed resource companies to ensure the Partnership's liquidity requirements are met.

Fair value disclosure

The three levels of the fair value hierarchy as per CICA Handbook Section 3862, *Financial Instruments - Disclosures,* are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly

Level 3 - Inputs that are not based on observable market data.

The following table illustrates the classification of the Partnership's financial instruments within the fair value hierarchy as at June 30, 2013:

	Financial assets at fair value as at June 30, 2013			
	Level 1 $	**Level 2 $**	**Level 3 $**	**Total $**
National Class				
Equities	428,085	1,745,890	-	2,173,975
Warrants	-	-	7,780	7,780
	428,085	1,745,890	7,780	2,181,755
Quebec Class				
Equities	202,365	806,016	-	1,008,381
Warrants	-	-	-	-
	202,365	806,016	-	1,008,381

The fair value of publicly traded equity securities is generally estimated using observable market data in active markets or bid prices from market makers and broker-dealers. Generally, these securities are categorized in Level 1 or 2 of the fair value hierarchy as observable market data is readily available. The Partnership's publicly traded equity securities that are thinly traded and, where fair values are adjusted for hold period restrictions, are categorized as Level 2.

(Unaudited – Prepared by Management)
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The following table reconciles the Partnership's Level 3 fair value measurements from the commencement of operations to June 30, 2013:

	Fair value measurements using Level 3 inputs	
	Warrants $	Warrants $
	National Class	Quebec Class
Balance – February 21, 2013	-	-
Purchases	29,612	-
Sales/expiry	-	-
Unrealized losses	(21,831)	-
Exercised	-	-
Balance - June 30, 2013	7,780	-

The Partnership's publicly traded warrants are categorized as Level 2. The fair value of remaining warrants is estimated using the Black-Scholes pricing model that factors in current and contractual prices of the underlying instruments, time value of money, yield curve and volatility. These warrants are categorized in Level 3 because significant judgment and estimates were involved to determine volatility. A 10% increase (decrease) in volatility would result in an increase (decrease) in estimated fair values of approximately $778 in the National Class portfolio.

10 Partnership capital

Units issued and outstanding represent the capital of the Partnership. In 2013, the National Class issued 240,110 units for $6,002,750 and the Quebec Class issued 247,153 units for $6,178,825, before issue costs. The Partnership cannot issue any additional units. Until the time of dissolution of the Partnership, the Limited Partners cannot redeem units. The Partnership manages capital in accordance with its investment objectives. There are no externally imposed restrictions on the Partnership's capital although any distributions of capital are limited in relation to the borrowing limits on the loan payable (note 3).

(Unaudited – Prepared by Management)
(expressed in Canadian dollars)

11 Future accounting standards

In 2008, the CICA affirmed its intention to transition to International Financial Reporting Standards ("IFRS") for publicly accountable enterprises. The Canadian Accounting Standards Board decided to extend the deferral of mandatory adoption of IFRS for investment companies until January 1, 2014. The decision is in response to the International Accounting Standards Board's announcement in late 2010 that its investment company project is delayed and will not likely be issued before January 1, 2013. As the Partnership will be dissolved prior to the mandatory IFRS adoption date, it is unlikely that the Partnership will be impacted by these future accounting changes.