

FLOW-THROUGH UPDATE: **QUEBEC CLASS**

Marquest 2016-II Mining Super Flow-Through LP



AS AT NOVEMBER 17, 2016

INVESTMENT SUMMARY

TOP 5 HOLDINGS

1. HPQ Silicon Resources Inc.
2. Noront Resources Inc.
3. Gold Bullion Development Corp.
4. Encanto Potash Corp.
5. Falco Resource Ltd.

TOTAL NUMBER OF HOLDINGS: **19**

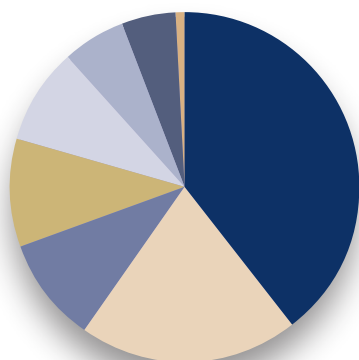
QUÉBEC ISSUERS: **60.2%**

AVERAGE WEIGHTED PREMIUM: **14.3%***

% OF HOLDINGS WITH WARRANTS: **15.8%**

% OF HOLDINGS OVER \$20M MARKET CAP: **66.7%**

SECTOR WEIGHTING



■ GOLD	39.5%
■ GRAPHITE/LITHIUM	20.3%
■ BASE METALS	9.9%
■ SILICON	9.9%
■ POTASH	8.9%
■ URANIUM	5.9%
■ RARE EARTHS	5.0%
■ DIAMONDS	0.6%

FEATURE HOLDING: Falco Resources Ltd.

Falco Resources has a 100% interest in 74,000 hectares in the Rouyn-Noranda Mining Camp including the world-class Horne mine and 13 other former gold and base metals mines. The major focus of the company is the Horne Mine which was the highest gold grade volcanogenic massive sulfide (VMS) deposit in the world. It has historically produced 11.6 million ounces of gold and 2.5 billion pounds of copper. The historical mining was focused on copper production which left significant gold resources in the ground. Falco's Horne 5 Project is to develop the gold resources in the historical Horne mine and the surrounding area.

In May 2016 Falco announced a Preliminary Economic Assessment (PEA) on the Horne 5 Project. The PEA indicates that the Horne 5 Project represents a high margin twelve year underground mining project with attractive economics. Annual production is expected to be 236,000 ounces beginning in 2020 with an all in cost of \$660 US per ounce. Initial capital costs are estimated to be \$905 million with a 3.8 year pre-tax payback.

Falco has a strong balance sheet, experienced management team and a robust infrastructure to support the Horne 5 Project



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