



**MARQUEST 2017-I MINING
SUPER FLOW-THROUGH
LIMITED PARTNERSHIP**

QUÉBEC CLASS

MARQUEST 2017-I MINING SUPER FLOW –THROUGH LIMITED PARTNERSHIP - MARQUEST 2017-I QUÉBEC CLASS

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A NOTE ON FORWARD-LOOKING STATEMENTS

This report contains forward looking statements. These statements primarily relate to assessments of future economic and market conditions. Such information has been included to assist readers with assessing recent developments in the Partnership's operating climate and possible future developments that may affect Partnership performance. All forward looking statements are based on management's current beliefs and assumptions which are subject to numerous risks and uncertainties. Statements with respect to future economic and market conditions are based on management's beliefs and assumptions with respect to a range of factors, including market conditions generally and within the sectors in which the Fund's investments operate. While management considers such beliefs and assumptions to be reasonable based on information currently available to it, no assurance can be given that such beliefs and assumptions will prove to be correct. As a result, these forward looking statements would typically include words such as "anticipates, believes, intended or estimated". Events or circumstances may cause actual results to differ materially from those expressed or implied by such forward looking statements as a result of numerous known and unknown risks and uncertainties, including, but not limited to, those associated with economic and market conditions, political stability and other risks identified in the Fund's prospectus. Most of these factors are beyond the control of the Fund and its Manager. Neither the Fund nor its Manager assumes any obligation to update any of the forward looking statements made in this report.

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This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Marquest 2017-I Mining Super Flow-Through Limited Partnership – Québec Class (the “Partnership”). You can get a copy of the annual financial statements at your request, and at no cost, from the manager Marquest Asset Management Inc. (the “Manager”) by calling 1-888-964-3533, by writing to us at Suite 4420, 161 Bay Street, PO Box 204, Toronto, Ontario, M5J 2S1 or by visiting our website at www.marquest.ca or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the Marquest 2017-I Mining Super Flow-Through Limited Partnership - Québec Class proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

The Partnership

Marquest 2017-I Mining Super Flow-Through Limited Partnership is a limited partnership established under the laws of the Province of Ontario with two classes of units – National Class Limited Partnership Units and Québec Class Limited Partnership Units (the “Québec Class”). Each class of limited partnership units is a separate non-redeemable investment fund for securities laws purposes and has its own investment portfolio and investment objectives. The Québec Class investment portfolio is intended for investors in the province of Québec. The Québec Class was first offered on April 28, 2017 and issued 903,050 units for gross proceeds of \$9,030,500 during its offering period.

Investment Objectives and Strategies

The Québec Class primary investment objective is to invest in flow-through shares (under Canadian tax legislation) (“Flow-Through Shares”) of resource issuers (which are acceptable under Canadian tax legislation) engaged in mineral exploration and/or development in the Province of Québec, with a view to maximizing the tax benefit of an investment in units of the Québec Class, preserving capital and achieving capital appreciation for the Québec Class Limited Partners.

Investments will be made in the resource sector with the objective of creating a diversified portfolio of investments in resource issuers engaged in mineral exploration and/or development across Canada. An emphasis will be on resource issuers engaged in mineral exploration and/or development. The Manager has invested a minimum of 50% of the portfolio in companies with a market capitalization of \$25 million. The Québec Class intends to focus on companies in the intermediate and junior resource sector and companies with advanced exploration programs which:

- represent good value in relation to the market price of the Resource Issuer's shares;
- have experienced and capable senior management;
- have a strong exploration program in place; and
- offer potential for future growth.

Management of the investment portfolio may involve the sale of Flow-Through Shares held by the Québec Class (for example, in the event a take-over bid is made for such shares) and the reinvestment of the net proceeds from any such dispositions in additional shares of Resource Issuers.

Risks

There are risks associated with investing in the Québec Class. There have been no changes to the Québec Class which affect the risks associated with investing in the Québec Class during the period. Specific risk information can be found in the Québec Class prospectus available through our website at www.marquest.ca or at SEDAR's website www.sedar.com.

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Results of Operations

The Québec Class issued 903,050 units for gross proceeds of \$9,030,500 during its initial public offering, which was completed on May 24, 2017. As at December 31, 2017, the proceeds raised during the initial public offering were fully invested in the Québec Class portfolio.

As at December 31, 2017 the Partnership's total NAV was \$9,485,998, an increase of 5.04% since the closing of the initial offering. The change is due to net unrealized appreciation on investments of \$1,162,560 partially offset by offering expenses of \$681,951.

Recent Developments

Global economies are experiencing a coordinated period of accelerating growth. Consumer and business confidence improved dramatically in 2017 lending further support to the improving global economic growth trends. The pro-business economic agenda of the Trump administration played a major role in boosting confidence in the economic outlook. Deregulation is a major part of the Trump agenda and is expected to have a positive impact on the corporate sector and the financial industry in particular. The overhaul of the US Tax plan specifically the lowering of US Corporate taxes should result in a boost to corporate earnings and continued economic strength in the US economy. As a result of the improving economic trends stock markets around the world performed strongly in 2017.

While US 10 year Treasury yields were flat during 2017 they did see a significant uptick from early September into year end. The US Federal Reserve hiked the Federal Funds rate three times in 2017 and we expect the gradual normalization of interest rates worldwide to continue in 2018 including what could be the beginning of this process in Europe and Japan. We expect the rising interest rate environment will be a challenge for bond investors. The strong performance of equity markets worldwide in 2017 was due in major part to a significant shift in asset allocation from bonds to equities. We believe we are now in the late stages of the economic cycle which is characterised by firm labour markets, rising interest rates, strong commodity prices, increases in capital spending and rising inflation. In this market environment cyclical sectors outperform due to their operating leverage to increasing volumes and stronger pricing.

Related Party Transactions

MQ 2017-I SD Limited Partnership (the General Partner) is the general partner of the Partnership. The General Partner has the responsibility for the management of the ongoing business, investment and administrative affairs of the Partnership, but has delegated the direction of the day-to-day business, operations and affairs of the Partnership to the Portfolio Manager. The Partnership is responsible for paying management fees to the General Partner equal to 2% of the NAV of the Partnership's assets.

During the period, \$124,940 in management fees (including HST) was charged by the General Partner.

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Financial Highlights

The following tables show selected key financial information about the Québec Class and are intended to help you understand the Québec Class financial performance since inception. The information is derived from the Québec Class audited annual financial statements.

Marquest 2017-I Mining Super Flow-Through Limited Partnership - Québec Class Units*	
<i>Net Assets per Unit (\$) ⁽¹⁾</i>	
	2017*
Net assets, beginning of the year ⁽²⁾	10.00
Increase (decrease) from operations:	
Total revenue	-
Total expenses	(0.21)
Realized gains (losses) for the year	0.18
Unrealized gains (losses) for the year	1.29
Total increase (decrease) from operations ⁽²⁾	1.26
Distributions:	
From income (excluding dividends)	-
From dividends	-
From capital gains	-
Return of capital	-
Total annual distributions ⁽³⁾	-
Net assets at December 31st of year shown	10.50

Notes:

⁽¹⁾ This information is derived from the Québec Class unaudited interim financial statements. The net assets attributable to partners per unit presented in the financial statements may differ from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to financial statements, if applicable.

⁽²⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

⁽³⁾ Distributions were paid in cash or re-invested in additional units of the Québec Class.

* The financial information is for the period April 28, 2017 - December 31, 2017.

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Financial Highlights (continued)

Ratios and Supplemental Data		2017
Total net asset value (000's) ⁽¹⁾	\$	9,486
Number of units outstanding ⁽¹⁾		903,050
Management expense ratio ⁽²⁾		15.80%
Management expense ratio before waivers or absorption ⁽⁵⁾		15.80%
Trading expense ratio ⁽³⁾		0.01%
Portfolio turnover rate ⁽⁴⁾		2.47%
Net asset value per share ⁽¹⁾		\$10.50

Notes:

⁽¹⁾ The information is provided as at December 31st of the year shown.

⁽²⁾ Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. Excluding issuance costs, the management expense ratio for the year ended December 31, 2017 was 3.40%.

⁽³⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

⁽⁴⁾ The Québec Class portfolio turnover rate indicates how actively the Québec Class portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Québec Class buying and selling all of the securities in its portfolio once in the course of the year. The higher the Québec Class portfolio turnover rate in a year, the greater the trading costs payable by the Québec Class in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Québec Class.

⁽⁵⁾ Waivers and absorption of certain expenses associated with the Québec Class are at the Manager's discretion and may be terminated at any time.

* The financial information is for the period April 28, 2017 - December 31, 2017.

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Past Performance

In accordance with National Instrument 81-106, performance data for the Partnership will be shown after the Partnership has been operational for at least 12 consecutive months.

Annual Compound Returns

In accordance with National Instrument 81-106, performance data for the Partnership will be shown after the Partnership has been operational for at least 12 consecutive months.

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Summary of Investment portfolio as at December 31, 2017

Total Net Asset Value: \$ 9,485,998

Portfolio Allocation

	% of Partnership's Net Asset Value
Precious Metals	72.66%
Base Metals	22.83%
Energy	4.05%
Cash	1.00%
Net other assets (liabilities)	-0.54%
	100.00%

Top Holdings*

	% of Partnership's Net Asset Value
1 Garibaldi Resources Corp.	41.92%
2 Wallbridge Mining Co.	6.02%
3 Yorbeau Resources Inc.	5.69%
4 Royal Nickel Corp.	4.92%
5 Globex Mining Enterprise Inc.	4.84%
6 MGX Minerals Inc.	4.70%
7 Focus Graphite Inc.	4.39%
8 Rockhaven Resources Ltd.	4.08%
9 Gowest Gold Ltd.	4.04%
10 Golden Dawn Minerals Inc.	3.87%
11 IsoEnergy Ltd.	3.14%
12 Metallic Minerals Corp.	2.40%
13 Marathon Gold Corp.	2.18%
14 Amex Exploration Inc.	1.90%
15 Ashburton Ventures Inc.	1.73%
16 CBLT Inc.	1.48%
17 Lomiko Metals Inc.	1.32%
18 Cash	1.00%
19 Skyharbour Resources Ltd.	0.91%
	100.54%

* Represents entire portfolio.

The investments and percentages shown may change from time to time due to the ongoing portfolio transactions of the Québec Class. The weightings of the positions are calculated based on the total net asset value of the Québec Class as at December 31, 2017. The Québec Class does not hold short positions. To obtain a copy of the most recent annual report, semi-annual report, quarterly report or simplified prospectus of the Québec Class, please contact a member of our client services team or visit our website at www.marquest.ca or SEDAR at www.sedar.com.

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