

## **Rollover Completion and Dissolution Information**

### **Marquest Mining Québec 2023-I Super Flow-Through Limited Partnership**

Dear former Limited Partners,

The Marquest Mining Québec 2023-I Super Flow-Through Limited Partnership has completed a mutual fund rollover transaction ("the Mutual Fund Rollover") where the Marquest Mining Québec 2023-I Super Flow-Through Limited Partnership transferred all of its assets other than cash (all cash in excess of funds required to meet existing liabilities was distributed to limited partners on May 17, 2024) to Marquest Mutual Funds Inc. on May 17, 2024, in exchange for Marquest Mutual Funds Inc. - Explorer Series A/Rollover and Series F Mutual Fund (MAV2302/MAV2304) (the "Mutual Fund Shares"). As part of the wind-up and dissolution of Marquest Mining Québec 2023-I Super Flow-Through Limited Partnership, the Mutual Fund Shares were distributed to limited partners of record as of May 17, 2024 on a pro rata basis.

The information contained herein is strictly for information purposes only and should in no way be regarded as tax advice. You are advised to obtain professional tax advice about your individual circumstances.

#### **MUTUAL FUND ROLLOVER**

Limited partners of the Marquest Mining Québec 2023-I Super Flow-Through Limited Partnership, **A Class**, received **70.445170** Mutual Fund Shares (issued at the May 17, 2024, Net Asset Value per Mutual Fund Share of **\$0.536200 (MAV7001)**) for each limited partnership unit, based on a net asset value of **\$37.7727** per unit of the Marquest Mining Québec 2023-I Super Flow-Through Limited Partnership.

Limited partners of the Marquest Mining Québec 2023-I Super Flow-Through Limited Partnership, **F Class**, received **68.895420** Mutual Fund Shares (issued at the May 17, 2024, Net Asset Value per Mutual Fund Share of **\$0.566100 (MAV7011)**) for each limited partnership unit, based on a net asset value of **\$39.0071** per unit of the Marquest Mining Québec 2023-I Super Flow-Through Limited Partnership.

#### **AFTER TAX RETURNS and ACB OF PARTNERSHIP UNITS – AS AT May 17, 2024**

We can report that our investors in the Marquest Mining Québec 2023-I Super Flow-Through Limited Partnership have the following pre-tax and after-tax returns on their initial investment of \$100.00, factoring in capital gains tax\*:

<b>Pre-Tax (A Class)</b> <b>8.09%</b>	<b>After-Tax (A Class)</b> <b>2.88%</b>
<b>Pre-Tax (F Class)</b> <b>9.32%</b>	<b>After-Tax (F Class)</b> <b>3.94%</b>

The ACB per unit of the Marquest Mining Québec 2023-I Super Flow-Through Limited Partnership, based on the information available to us will be provided to you with your 2024 tax slips.

Investors who have not redeemed their holdings of the Mutual Fund Shares (or any shares of Marquest Mutual Funds Inc. that they hold as a result of a switch transaction in respect of the Mutual Fund Shares) resulting from the rollover transaction have deferred the potential tax liability of capital gains until they do so. Investors who have redeemed a portion or all of their holdings of the Mutual Fund Shares (including shares of Marquest Mutual Funds Inc. that they hold as a result of a switch transaction in respect of the Mutual Fund Shares) resulting from the rollover

transaction should use the ACB per share that will be provided with the 2024 tax slips when determining their capital gains tax liability. Investors are urged to consult with their Investment Advisor and tax professionals.

### **MARKET COMMENTS**

The year 2023 presented significant challenges for the Marquest Mining Québec 2023-I Super Flow-Through Limited Partnership. The S&P/TSX Venture Composite Index fell by 3.0%\*\*\* as the Metals & Mining sector faced broad market headwinds. Key factors included uncertainty surrounding interest rate policies in Canada and the U.S., concerns over central banks' ability to further cool inflation, and global geopolitical tensions, particularly in the Middle East and the ongoing conflict in Ukraine. These issues exerted considerable pressure on the sector. The junior mining companies selected for the Marquest Mining Québec 2023-I Super Flow-Through Limited Partnership, being of a higher risk profile than those in the S&P/TSX Venture Composite Index, were disproportionately affected.

Throughout most of 2023 and into 2024, capital outflows from the Metals & Mining sector led to substantial losses in the Canadian junior mining sector. However, as we progress further into 2024, the sector has shown signs of recovery and resilience, particularly as we approach the summer months. This rebound is supported by elevated commodity prices, lower interest rates, and general economic strength.

Despite the challenges faced by the junior mining sector in Canada during 2023, there are several reasons for optimism about its prospects for 2024 and beyond. The risk of recession in Canada and the U.S. appears to have lessened, commodity prices remain elevated with upward momentum, and both economies are showing signs of strength, supported by positive corporate earnings reports. As a result, the outlook for equities in the Metals & Mining sector for the remainder of this year and into 2025 is more favorable. This creates a compelling case for increasing allocations to the Canadian junior mining sector, which is well-positioned to benefit from the recent rise in commodity prices.

*\*\*\*The data was derived using the TRA function within the Bloomberg terminal.*

*Note: Limited partners will receive a T5013/RL15 for the 2023 taxation year early in 2024. Certain tax deductions will be available for the taxation years 2024 through to 2028.*

For further information, please contact Marquest Asset Management at 1-888-964-3533.

*\*Based on approximate amounts of Canadian Exploration Expenses and additional credits and deductions for a Québec resident; assuming Québec marginal tax rate of 53.31%; including the amortized offering costs deductions; no alternative minimum tax is triggered from other deductions; ACB at rollover is considered \$0; assumes disposition of the rollover value; exoneration on capital gains for Québec is taken into account. All numbers are approximate and for illustration purposes only. All investors will receive tax slips that reflect their exact amounts. Investors should discuss with their tax specialist in order to evaluate their respective performance.*