



MARQUEST MUTUAL FUNDS INC.
Explorer Series Fund

ANNUAL REPORT

Year ended December 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Marquest Mutual Funds Inc. - Explorer Series Fund

Opinion

We have audited the financial statements of Marquest Mutual Funds Inc. - Explorer Series Fund (the "Fund"), which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to holders of redeemable shares, and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Annual Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Annual Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
March 30, 2025
Toronto, Ontario

MARQUEST MUTUAL FUNDS INC. - EXPLORER SERIES FUND

ANNUAL FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL POSITION (CDN \$)

As at December 31,

	2024 (\$)	2023 (\$)
Assets		
Current Assets		
Cash	478,008	833,076
Investments at fair value through profit and loss	5,553,217	4,571,385
Accrued dividend receivable	660	-
Refundable taxes receivable (Note 5)	22,753	834,152
Total Assets	6,054,638	6,238,613
Liabilities		
Management fees payable	2,516	932
Other payables and accrued expenses	108,078	101,306
Total Liabilities	110,594	102,238
Net Assets Attributable to Holders of Redeemable Shares (Note 3)	5,944,044	6,136,375
Net Assets Attributable to Holders of Redeemable Shares per Series		
Series A-Rollover	4,813,832	4,714,308
Series A-Regular	742	604
Series F	1,129,470	1,421,463
Net Assets Attributable to Holders of Redeemable Shares per Share (Note 3)		
Series A-Rollover	0.52	0.41
Series A-Regular	0.55	0.45
Series F	0.55	0.44

Approved on behalf of the Board of Directors of Marquest Mutual Funds Inc.

"Ellen Sun"
Ellen Sun
Director

"Andrew A. McKay"
Andrew A. McKay
Director

The accompanying notes form an integral part of the financial statements

MARQUEST MUTUAL FUNDS INC. - EXPLORER SERIES FUND

ANNUAL FINANCIAL STATEMENTS

STATEMENTS OF COMPREHENSIVE INCOME (CDN \$)

For the years ended December 31,

	2024 (\$)	2023 (\$)
Income		
Dividends	37,077	7,161
Interest for distribution purposes	20,547	42,914
Net securities lending income (Note 7)	876	499
Other income	889	172
Net foreign exchange (loss) on cash	(144)	(7)
Net realized gain (loss) on sale of investments	2,071,543	(5,304,168)
Net change in unrealized (depreciation) appreciation on investments	(416,632)	2,744,122
Total Income (Loss)	1,714,156	(2,509,307)
Expenses (Note 4)		
Management fees	130,023	154,607
Operating fees	170,025	174,164
Transaction costs (Note 6)	67,998	83,890
Legal fees	97,993	33,708
Audit fees	48,634	46,364
Independent Review Committee fees	33,256	31,207
Custodian fees	36,060	30,943
Unitholder reporting costs	15,113	14,772
Interest charges	1,042	76
Foreign taxes withheld (Note 5)	889	-
Total Expenses	601,033	569,731
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares from Operations	1,113,123	(3,079,038)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares from Operations per Series		
Series A-Rollover	846,692	(2,492,500)
Series A-Regular	138	(346)
Series F	266,293	(586,192)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares from Operations per Share (Note 3)		
Series A-Rollover	0.08	(0.21)
Series A-Regular	0.10	(0.26)
Series F	0.11	(0.20)

The accompanying notes form an integral part of the financial statements

MARQUEST MUTUAL FUNDS INC. - EXPLORER SERIES FUND

ANNUAL FINANCIAL STATEMENTS

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES (CDN \$)

For the years ended December 31,

	<u>2024 (\$)</u>	<u>2023 (\$)</u>	<u>2024 (\$)</u>	<u>2023 (\$)</u>
	Series A-Rollover		Series A-Regular	
Net Assets Attributable to Holders of Redeemable Shares, Beginning of Year	4,714,308	7,173,548	604	950
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares from Operations	846,692	(2,492,500)	138	(346)
Distributions to holders of redeemable shares				
From net investment income	(47,237)	(1,636,376)	(7)	(203)
Total distributions to holders of redeemable shares	(47,237)	(1,636,376)	(7)	(203)
Redeemable Share Transactions (Note 3)				
Issuance of shares	16,537,297	18,701,161	-	-
Capitalized distributions	46,769	1,636,376	7	203
Redemption of shares	(17,283,997)	(18,667,901)	-	-
Net (decrease) increase from redeemable share transactions	(699,931)	1,669,636	7	203
Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares	99,524	(2,459,240)	138	(346)
Net Assets Attributable to Holders of Redeemable Shares, End of Year	4,813,832	4,714,308	742	604
	<u>2024 (\$)</u>	<u>2023 (\$)</u>	<u>2024 (\$)</u>	<u>2023 (\$)</u>
	Series F		Total	
Net Assets Attributable to Holders of Redeemable Shares, Beginning of Year	1,421,463	1,866,985	6,136,375	9,041,483
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares from Operations	266,293	(586,192)	1,113,123	(3,079,038)
Distributions to holders of redeemable shares				
From net investment income	(11,133)	(480,113)	(58,377)	(2,116,692)
Total distributions to holders of redeemable shares	(11,133)	(480,113)	(58,377)	(2,116,692)
Redeemable Share Transactions (Note 3)				
Issuance of shares	3,192,332	4,816,073	19,729,629	23,517,234
Capitalized distributions	10,884	480,113	57,660	2,116,692
Redemption of shares	(3,750,369)	(4,675,403)	(21,034,366)	(23,343,304)
Net (decrease) increase from redeemable share transactions	(547,153)	620,783	(1,247,077)	2,290,622
Net (Decrease) in Net Assets Attributable to Holders of Redeemable Shares	(291,993)	(445,522)	(192,331)	(2,905,108)
Net Assets Attributable to Holders of Redeemable Shares, End of Year	1,129,470	1,421,463	5,944,044	6,136,375

The accompanying notes form an integral part of the financial statements

MARQUEST MUTUAL FUNDS INC. - EXPLORER SERIES FUND

ANNUAL FINANCIAL STATEMENTS

STATEMENTS OF CASH FLOW (CDN \$)

For the years ended December 31,

	2024 (\$)	2023 (\$)
Cash Flows from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	1,113,123	(3,079,038)
Adjustments for:		
Net foreign exchange loss on cash	144	7
Net realized (gain) loss on sale of investments	(2,071,543)	5,304,168
Net change in unrealized depreciation (appreciation) on investments	416,632	(2,744,122)
Purchases of investments*	(5,132,636)	(3,734,096)
Proceeds from sale and maturity of investments	20,714,008	11,478,437
Accrued dividend receivable	(660)	-
Refundable taxes receivable	811,399	(26,848)
Management fees payable	1,584	(486)
Other payables and accrued expenses	6,772	(24,420)
Net Cash from Operating Activities	15,858,823	7,173,602
Cash Flows Used in Financing Activities		
Distributions paid to holders of redeemable shares, net of reinvested distributions	(717)	-
Issuance of shares*	4,821,336	16,462,789
Redemption of shares	(21,034,366)	(23,343,304)
Net Cash (Used in) Financing Activities	(16,213,747)	(6,880,515)
(Decrease) Increase in Cash during the Year	(354,924)	293,087
Net foreign exchange (loss) on cash	(144)	(7)
Cash at Beginning of year	833,076	539,996
Cash at End of year	478,008	833,076
Supplementary disclosures on cash flow from operating activities:		
Dividends received	36,417	7,161
Foreign taxes paid	(889)	-
Interest received	20,547	42,914
Interest paid	(1,042)	(76)

*Excludes in-kind transactions of \$14,908,293 and \$7,054,445 for the periods ended December 31, 2024 and 2023, respectively.

The accompanying notes form an integral part of the financial statements

MARQUEST MUTUAL FUNDS INC. - EXPLORER SERIES FUND
ANNUAL FINANCIAL STATEMENTS
SCHEDULE OF INVESTMENT PORTFOLIO (CDN \$)

As at December 31, 2024

	Number of Shares, Units or Warrants	Expiry Date	Exercise Price \$	Average Cost \$	Fair Value \$
CANADIAN EQUITIES (88.94%)					
Precious Metals (69.87%)					
Abcourt Mines Inc., Warrants	5,000,000	20-07-2025	0.15	5	5
Agnico Eagle Mines Ltd.	2,600			290,751	292,396
American Eagle Gold Corp.	320,000			80,000	220,800
Arbor Metals Corp.	340,000			102,000	89,046
Arbor Metals Corp., Warrants	170,000	11-12-2025	0.55	-	2,331
Arbour Metals Corp.	200,000			70,000	52,380
Arbour Metals Corp., Warrants	200,000	08-11-2025	0.60	-	377
Atha Energy Corp., Warrants	276,900	28-11-2025	1.08	-	3,888
Atha Energy Corp., Warrants	99,684	05-04-2026	1.81	-	428
Azincourt Energy Corp.	3,416,000			51,240	34,160
Azincourt Energy Corp., Warrants	12,000,000	21-12-2026	0.05	-	2,340
Barrick Gold Corp.	12,000			325,173	267,480
Baselode Energy Corp., Warrants	435,000	09-06-2025	0.70	-	-
Bedford Metals Corp.	260,000			187,200	153,400
Blue Star Gold Corp., Warrants	350,000	20-07-2025	0.50	-	-
Cantex Mine Development Corp., Warrants	1,500,000	15-12-2025	0.39	-	195
Carlyle Commodities Corp., Warrants	1,650,000	08-12-2025	0.30	-	-
Cartier Resources Inc.	1,000,000			103,783	80,000
Coniagas Battery Metals Inc., Warrants	116,330	26-02-2026	0.40	-	-
Cullinan Metals Corp., Warrants	312,500	12-06-2025	0.60	-	-
Cullinan Metals Corp., Warrants	1,150,000	19-12-2025	0.12	-	-
Decade Resources Ltd., Warrants	1,800,000	13-07-2025	0.14	-	-
E2Gold Inc., Warrants	8,000,000	20-12-2025	0.05	-	-
E2Gold Inc., Warrants	4,200,000	30-03-2026	0.07	-	-
Eldorado Gold Corp.	13,076			324,572	279,564
Equity Metals Corp., Warrants	310,000	16-08-2026	0.20	13,950	9,188
EV Nickel Inc.	370,000			77,700	140,600
Gelum Resources Ltd.	500,000			26,250	18,750
Gelum Resources Ltd., Warrants	300,000	26-01-2025	0.30	-	-
Golden Goliath Resources Ltd., Warrants	1,700,000	31-07-2025	0.30	-	-
Granada Gold Mine Inc., Warrants	2,500,000	27-09-2025	0.20	2	3
Hudbay Minerals Inc.	20,000			147,580	233,200
IAMGOLD Corp.	43,953			339,747	326,572
Infinity Stone Ventures Corp., Warrants	500,000	12-08-2025	0.60	1	-
Ivanhoe Mines Ltd.	10,000			184,829	170,600
Jinhua Capital Corp.	3,000,000			30,000	15,000
Kinross Gold Corp.	20,000			264,046	267,000
Kuya Silver Corp., Warrants	175,000	20-01-2025	0.60	-	-
Kuya Silver Corp., Warrants	500,000	21-12-2025	0.70	-	1,008
Latamark Resources Corp.	51,724			-	-
Lomiko Metals Inc., Warrants	1,670,000	24-07-2025	0.60	-	-
Lomiko Metals Inc., Warrants	187,500	19-1-2027	1.10	-	24
Lundin Mining Corp.	11,000			184,620	136,070
Mines D'Or Orbec Inc.	279,000			15,345	13,950
MTB Metals Corp., Warrants	2,300,000	12-06-2025	0.18	-	-
Nelson Lake Copper Corp.	50,000			-	-
NexGen Energy Ltd.	20,000			222,646	189,600
Nord Precious Metals Mining Inc., Warrants	555,500	14-04-2025	3.20	1	1
Nord Precious Metals Mining Inc., Warrants	600,000	27-11-2025	0.80	1	-
Opus One Gold Corp.	2,000,000			100,000	77,600
Opus One Gold Corp., Warrants	2,000,000	20-12-2027	0.10	-	4,420
Osisko Gold Royalties Ltd.	10,000			201,797	260,300
Pan American Silver Corp.	7,000			213,815	203,560
Patterson Metals Corp.	14,025			12,623	8,415
PJX Resources Inc., Warrants	2,100,000	07-12-2025	0.20	-	3,822
Puma Exploration Inc., Warrants	500,000	30-05-2025	0.22	-	-
Q Precious & Battery Metals., Warrants	33,333	16-06-2025	6.00	3	-
Rockridge Resources Ltd., Warrants	750,000	10-03-2025	0.15	1	1
Rockridge Resources Ltd., Warrants	4,300,000	12-04-2026	0.15	4	280
Rokmaster Resources Corp., Warrants	2,700,000	05-04-2025	0.13	3	3
Sage Gold Inc.	2,272,727			-	-
Scandium Canada Ltd.	1,304,278			26,086	26,086
Silver Spruce Resources Inc., Warrants	6,000,000	26-06-2025	0.05	-	-

MARQUEST MUTUAL FUNDS INC. - EXPLORER SERIES FUND
ANNUAL FINANCIAL STATEMENTS
SCHEDULE OF INVESTMENT PORTFOLIO (CDN \$)

As at December 31, 2024

	Number of Shares, Units or Warrants	Expiry Date	Exercise Price \$	Average Cost \$	Fair Value \$
Sitka Gold Corp.	319,926			133,320	115,173
Sitka Gold Corp., Warrants	1,400,000	22-11-2025	0.36	189,000	98,560
Sparton Resources Inc., Warrants	5,000,000	15-12-2025	0.08	-	650
Sphinx Resources Ltd.	2,252,769			76,485	22,528
St James Gold Corp., Warrants	800,000	22-07-2025	0.71	1	1
Stelmine Canada Ltd., Warrants	2,250,000	12-12-2026	0.14	-	-
Targa Exploration Corp., Warrants	285,000	15-08-2025	0.70	-	-
Targa Exploration Corp., Warrants	1,700,000	22-12-2025	0.30	-	-
Tarku Resources Ltd.	3,074,000			46,110	46,110
TRU Precious Metals Corp., Warrants	1,600,000	02-05-2026	0.08	-	104
Tudor Gold Corp., Warrants	41,650	06-04-2025	2.80	-	-
Tudor Gold Corp., Warrants	297,650	13-12-2025	1.35	-	2,670
Volt Carbon Technologies Inc., Warrants	5,500,000	21-12-2025	0.14	-	-
Vortex Energy Corp., Warrants	460,000	19-06-2025	0.75	-	-
Wheaton Precious Metals Corp.	3,500			307,361	283,185
Xmet Inc.	2,000,000			10,000	2
				<u>4,358,051</u>	<u>4,153,826</u>
CANADIAN EQUITIES (CONT'D) (88.94%)					
Uranium (9.43%)					
Cameco Corp.	4,000			297,293	295,640
CanAlaska Uranium Ltd.	300,000			180,000	204,000
Forum Energy Metals Corp.	1,000,000			120,000	60,000
Purepoint Uranium Group Inc., Warrants	1,200,000	13-12-2025	0.70	-	780
Standard Uranium Ltd., Warrants	1,100,000	13-12-2025	0.45	1	1
				<u>597,294</u>	<u>560,421</u>
Base Metals (9.02%)					
Argex Titanium Inc.	10,000,000			-	-
Canada Carbon Inc.	174,000			3,480	3,480
Canada Carbon Inc., Warrants	5,000,000	11-12-2025	0.05	-	325
Canada Carbon Inc., Warrants	3,333,000	28-04-2028	0.10	3	1,733
Capstone Copper Corp.	27,104			276,128	240,955
CAT Strategic Metals Corp., Warrants	3,055,556	26-02-2026	0.16	3	3
Copper Lake Resources Ltd., Warrants	2,000,000	02-12-2025	0.15	-	-
EV Minerals Corp., Warrants	1,820,000	25-10-2025	0.15	-	-
First Quantum Minerals Ltd.	12,000			234,335	222,360
Garibaldi Resources Corp., Warrants	1,250,000	02-12-2025	0.45	-	-
Garibaldi Resources Corp., Warrants	400,000	02-12-2025	0.40	-	-
Heritage Mining Ltd., Warrants	1,000,000	12-04-2026	0.15	-	455
Heritage Mining Ltd., Warrants	2,000,000	19-06-2026	0.15	-	1,300
Marvel Discovery Corp., Warrants	2,150,000	17-07-2025	0.15	-	-
Marvel Discovery Corp., Warrants	4,000,000	23-12-2025	0.10	-	-
Medaro Mining Corp., Warrants	500,000	23-11-2025	1.20	1	-
Melkior Resources Inc., Warrants	1,000,000	21-12-2025	0.25	-	65
Metal Energy Corp., Warrants	3,500,000	18-12-2026	0.10	-	5,233
Metallis Resources Inc., Warrants	650,000	10-06-2025	0.33	1	6,253
Mosaic Minerals Corp., Warrants	1,500,000	23-05-2025	0.12	-	97
Nickel Creek Platinum Corp., Warrants	11,842	10-05-2025	12.50	-	-
Nine Mile Metals Ltd., Warrants	1,500,000	19-12-2025	0.23	-	-
Power Metals Corp., Warrants	1,000,000	20-01-2025	0.40	-	47,600
St-Georges Eco-Mining Corp., Warrants	500,000	01-11-2025	0.29	-	-
St-Georges Eco-Mining Corp., Warrants	1,600,000	18-11-2025	0.29	-	-
St-Georges Eco-Mining Corp., Warrants	5,000,000	23-11-2025	0.18	-	325
St-Georges Eco-Mining Corp., Warrants	4,000,000	20-12-2025	0.18	-	520
St-Georges Eco-Mining Corp., Warrants	2,200,000	26-06-2026	0.30	-	143
Temas Resources Corp., Warrants	250,000	31-08-2025	0.90	2	-
Temas Resources Corp., Warrants	104,166	19-12-2025	0.90	46,875	-
The Magpie Mines Inc.	3,771,428			850,000	-
Zonte Metals Inc., Warrants	4,000,000	20-12-2025	0.18	-	5,200
				<u>1,410,828</u>	<u>536,047</u>

MARQUEST MUTUAL FUNDS INC. - EXPLORER SERIES FUND
ANNUAL FINANCIAL STATEMENTS
SCHEDULE OF INVESTMENT PORTFOLIO (CDN \$)

As at December 31, 2024

	Number of Shares, Units or Warrants	Expiry Date	Exercise Price \$	Average Cost \$	Fair Value \$
Oil and Gas (4.48%)					
Tourmaline Oil Corp.	4,000			269,720	266,080
				269,720	266,080
Lithium (0.62%)					
ALX Resources Corp., Warrants	4,000,000	03-11-2025	0.08	-	780
ALX Resources Corp., Warrants	1,100,000	21-11-2025	0.08	-	214
ALX Resources Corp., Warrants	5,800,000	30-11-2025	0.05	-	6,409
Arctic Fox Lithium Corp., Warrants	1,250,000	21-07-2025	0.25	-	-
Discovery Lithium Inc., Warrants	350,000	14-08-2025	0.70	-	-
Discovery Lithium Inc., Warrants	700,000	27-11-2025	0.75	-	-
Eureka Lithium Corp., Warrants	35,000	23-06-2025	8.50	-	-
Eureka Lithium Corp., Warrants	35,500	29-11-2025	7.50	-	-
Fathom Nickel Inc., Warrants	3,600,000	21-12-2025	0.20	-	-
Fortune Minerals Ltd., Warrants	11,000,000	14-12-2025	0.07	-	29,315
Green Battery Minerals Inc., Warrants	250,000	25-07-2026	1.00	-	-
Jinhua Capital Corp., Warrants	1,500,000	29-05-2026	0.10	-	-
Lodestar Metals Corp., Warrants	2,000,000	23-12-2025	0.15	-	2
				-	36,720
Rare Earths (0.00%)					
Commerce Resources Corp., Warrants	625,000	19-12-2025	0.25	-	122
				-	122
Graphite (0.00%)					
E-Power Resources Inc., Warrants	500,000	31-03-2025	0.60	1	1
E-Power Resources Inc., Warrants	1,000,000	13-06-2025	0.48	-	-
				1	1
TOTAL CANADIAN EQUITIES				6,635,894	5,553,217
Total cost and fair value of investments (93.42%)				6,635,894	5,553,217
Less: Transaction costs included in average cost (Note 6)				(1,651)	-
Total investments				6,634,243	5,553,217
Other Assets Less Liabilities (6.58%)				390,827	390,827
Net assets attributable to holders of redeemable units				7,025,070	5,944,044

PORTFOLIO CONCENTRATION (CDN \$)

Portfolio by Category	% of Net Assets Attributable to Holders of Redeemable Shares	
	December 31, 2024	December 31, 2023
Precious Metals	69.87%	39.87%
Uranium	9.43%	20.45%
Base Metals	9.02%	9.84%
Oil and Gas	4.48%	-
Lithium	0.62%	1.13%
Rare Earths	-	3.21%
Other Assets Less Liabilities	6.58%	25.50%
Total	100.00%	100.00%

1. THE FUNDS

Marquest Mutual Funds Inc. (the “Corporation”) is an open-ended mutual fund corporation incorporated by articles of incorporation under the laws of Ontario on September 24, 2004. In addition to ten common shares issued upon incorporation, the Corporation has one Class of mutual fund shares – Explorer Series Fund (“the Fund”). The Fund’s registered office is located at 161 Bay Street, Suite 2460, Toronto, Ontario, M5J 2S1. The Fund invests in Canadian securities, Canadian fixed income securities, Canadian short-term debt securities and derivatives. All the Fund’s equity investments are listed and traded on stock exchange markets in Canada.

The investment objective of the Explorer Series Fund is to provide long-term growth by investing primarily in equity securities of Canadian mineral exploration and mining companies.

Marquest Asset Management Inc. is the manager (the “Manager”) of the Fund. The Fund’s investment activities and administration are managed by the Manager. The Fund’s custodian is RBC Investor Services Trust.

The Fund’s commencement dates of operations are as follows:

Name of Fund	Series A-Rollover	Series A-Regular	Series F
Explorer Series Fund	15-Jan-05	27-Nov-07	27-Nov-07

2. MATERIAL ACCOUNTING POLICY INFORMATION

a) Basis of Presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (IASB).

The Fund qualifies as an investment entity as it meets the following definition of an investment entity outlined in IFRS 10, Consolidated Financial Statements (IFRS 10):

- Obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services.
- Commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both.
- Measures and evaluates the performance of substantially all of its investments on a fair value through profit or loss.

No significant judgments or assumptions were made in determining that the Fund meets the definition of an investment entity as defined in IFRS 10.

These financial statements were authorized for issue by the Board of Directors of Marquest Mutual Funds Inc. on March 30, 2025.

These financial statements present the financial information of the Class as a separate reporting entity. The Manager believes that the risk of such cross class liability is remote.

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise indicated.

(b) Significant Accounting Judgments, Estimates and Assumptions

The preparation of these financial statements requires the Manager to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting periods. Actual outcomes could differ from these estimates. Significant estimates include the valuation of investments and derivatives, and significant judgments include the determination of functional currency, classification and measurement of investments and classification of the Fund as an investment entity. The impacts of such estimates may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates

The Fund holds financial instruments that are not quoted in active markets, including derivatives. Fair values may be determined using reputable pricing vendors (for derivatives) or indicated prices from market makers/brokers. Broker quotes obtained from pricing sources may be indicative and not executable or binding. Securities not listed upon a recognized public stock exchange, or securities for which a last sale or closing price is unavailable or securities for which market quotations are, in the Manager’s opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their estimated fair value, determined by using appropriate and accepted industry valuation techniques including valuation models. The estimated fair value of a security determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty) and volatility. Changes in assumption about these factors could affect the reported fair value of financial instruments and the level where the instruments are disclosed in the fair value hierarchy. To assess the significance, the Fund performs sensitivity analysis of these estimates to the fair value of the Fund’s holdings (see Note 10).

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(b) Significant Accounting Judgments, Estimates and Assumptions (continued)

Classification and measurement of investments

The Manager has assessed the business models of the Fund and has determined that the Fund's portfolio of financial assets and financial liabilities is managed, and performance is evaluated on a fair value basis in accordance with the Fund's risk management and investment strategies; therefore, classification and measurement of investments is fair value through profit and loss (FVTPL).

(c) Functional and Presentation Currency

These financial statements are presented in Canadian dollars (CAD), which is the Fund's functional currency. The Fund's subscriptions and redemptions are denominated in Canadian dollars (CAD).

Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the prevailing rate of exchange on each valuation date. Purchases and sales of investments, income and expenses are translated at the rate of exchange prevailing on the respective dates of such transactions. The effects of exchange rate fluctuations on investments and foreign currency transactions are included in the "Net foreign exchange gain (loss)" in the Statements of Comprehensive Income.

(d) Basis of Measurement

These financial statements have been prepared on a historical cost basis, except for investments, which are measured at fair value in the Statements of Financial Position.

(e) Financial Instruments

Recognition and derecognition

All financial instruments are recognized at fair value upon initial recognition when the Fund becomes a party to the contractual requirements of the financial instruments. A financial asset is derecognized when the right to receive cash flows from the asset has expired or if the Fund has substantially transferred all risk and rewards of ownership. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired.

Classification and measurement

In classifying and measuring financial instruments held by the Fund, the Manager is required to assess the Fund's business model, the manner in which all financial assets and financial liabilities are managed and performance evaluated as a group on a fair value basis and the contractual cash flow characteristics of these financial instruments. The Fund's portfolio of financial assets is managed and evaluated on a fair value basis. Consequently, the Fund classifies and measure all investments and derivatives at FVTPL.

All other assets and liabilities are subsequently measured at amortized cost in accordance with IFRS 9, Financial Instruments (IFRS 9).

The Fund classifies each financial instrument into one of the three fair value hierarchy. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

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

Level 2 - for inputs, other than quoted prices included in Level 1, that are observable for the assets or liabilities, either directly (i.e. derived from prices); or indirectly (i.e. derived from prices); and

Level 3 – for inputs that are based on unobservable market data.

If inputs of different levels are used to measure an asset or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or changes in circumstances giving rise to the transfer.

All fair value measurements are recurring. For financial instruments whose fair values approximate their carrying values, given their short term nature, the carrying values of financial instruments measured at amortized costs approximate their fair values. Financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The models used to determine fair value measurements included in the financial statements of the Fund's including Level 3 measurements, if any, are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The Manager considers and reviews the appropriateness of the valuation models, the valuation results, as well as any adjustments to the prices or estimates used by these models. At each financial reporting date, the Manager reviews and approves all Level 3 fair value measurements.

The breakdown into the three-level hierarchy is provided in Note 10.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(e) Financial Instruments (continued)

Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Fixed income securities are valued at the bid price on the reporting date. Investments in underlying funds are valued at the net asset value per share of each underlying fund reported by the underlying funds manager as of the close of regular trading on the Toronto Stock Exchange. Unlisted warrants are valued using the Black-Scholes option valuation model. The model factors in the time value of money and the volatility inputs significant to such valuation. For purposes of determining Transactional Net Asset Value, as defined in Note 11, unlisted warrants are valued at their intrinsic value.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other models commonly used by market participants, which make the maximum use of observable inputs. Refer to Note 10 for further information about the Fund's fair value measurements.

(f) Redeemable Participating Shares

Redeemable participating shares are redeemable at the shareholder's option and are classified as financial liabilities. They are measured at the redeemable amount.

The value at which shares are issued or redeemed is the net asset value per share. Net asset value per share for each series is calculated at the end of each day on which the Fund is open for business ("valuation day") by dividing the net asset value ("Transactional NAV" as defined in Note 11) of each series by its outstanding shares. The net asset value of each series is computed by calculating the value of the series' proportionate share of the Fund's assets less the series' proportionate share of the Fund's common liabilities and less series-specific liabilities. Expenses directly attributable to a series are charged to that series, while common Fund expenses are allocated to each series in a reasonable manner as determined by the Manager. Other income and realized and unrealized gains and losses are allocated to each series of the Fund based on that series' pro rata share of total net asset value of that Fund. Amounts received on the issuance of shares and amounts paid on the redemption of shares are included on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Shares. Distributions on redeemable shares are presented as an expense within the Statements of Changes in Net Assets Attributable to Holders of Redeemable Shares.

(g) Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares from Operations per Share

Increase (decrease) in net assets attributable to holders of redeemable shares from operations per share is based on the increase (decrease) in net assets attributable to holders of redeemable shares from operations attributable to each series of the Fund divided by the weighted average number of shares of that series outstanding during the year.

(h) Income Recognition

Dividend Income

Dividend income is recognized in the Statements of Comprehensive Income on the date on which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date on which the shareholders approve the payment of a dividend gross of withholding tax.

Interest for distribution purposes

Interest for distribution purposes as disclosed in the Statements of Comprehensive Income on debt securities at FVTPL is recognized on an accrual basis and represents the coupon interest received by the Fund accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities, except for zero coupon bonds, which are amortized on a straight-line basis.

Realized and unrealized gains and losses

Realized gains and losses on sale of investments, and unrealized appreciation and depreciation on investments, are calculated on an average cost basis.

(i) Distributions to Shareholders

Distributions are recorded by the Fund on the business day immediately following the record date.

(j) Transaction Costs

Transaction costs are expensed and are included in "Transaction costs" in the Statements of Comprehensive Income. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers, and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(k) New standards, amendments and interpretations effective after January 1, 2024 and that have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2024, and have not been early adopted in preparing these financial statements.

The Fund's assessment of the impact of these new standards and amendments is set out below:

i) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after January 1, 2026)

The IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also or corporate entities. Among other amendments, the IASB clarified the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.

ii) IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after January 1, 2027)

The IASB issued the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals;
- the requirement to determine the most useful structured summary for presenting expenses in the statement of profit or loss;
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Fund is currently still assessing the effect of the forthcoming standard and amendments.

No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Fund.

3. REDEEMABLE PARTICIPATING SHARES

The Fund is authorized to issue an unlimited number of shares as follows:

Name of Fund	Series available
Explorer Series Fund	A-Rollover, A-Regular, F

Series A-Rollover is used by the Fund when there is a rollover of Limited Partnership units. Dealers cannot directly purchase this series. There is no initial sales charge.

Series A-Regular have an initial sales charge of up to 5% which may be charged by the broker or dealer, no fees or commission is charged by the Fund.

Series F is used by the Fund when there is a rollover of Limited Partnership units. There is an initial sales charge of up to 2%, which may be charged by the broker or dealer, no fees, or commission is charged by the Fund.

During the years ended December 31, 2024 and 2023, the following shares were issued (including transfers from other series) and redeemed (including transfers to other series):

	Outstanding beginning of year	Shares issued*	Shares redeemed*	Dividends reinvested	Outstanding end of year
December 31, 2024					
Explorer Series Fund					
Series A-Rollover	11,385,564	27,235,718	(29,494,422)	84,519	9,211,379
Series A-Regular	1,332	-	-	13	1,345
Series F	3,266,001	4,905,284	(6,145,012)	18,638	2,044,911
December 31, 2023					
Explorer Series Fund					
Series A-Rollover	11,205,134	41,608,733	(41,428,303)	-	11,385,564
Series A-Regular	1,332	-	-	-	1,332
Series F	2,801,279	10,621,286	(10,156,564)	-	3,266,001

* In the Explorer Series Fund 0 Series A-Rollover shares were transferred to Series F for the year ended December 31, 2024 (2023: 107,745)

3. REDEEMABLE PARTICIPATING SHARES (Continued)

The weighted average number of units outstanding during the year used to calculate the increase (decrease) in NAV from operations per Unit is as follows:

For the year ended	December 31, 2024	December 31, 2023
Weighted average number of units Series A-Regular	1,333	1,332
Weighted average number of units Series A-Rollover	10,176,283	11,614,919
Weighted average number of units Series F	2,422,716	2,872,266

4. EXPENSES AND RELATED PARTY TRANSACTIONS

The following summarizes the annual management fee for the Fund. Management fees for each applicable series are calculated daily and are based on the Fund's ending total NAV per series; cumulative daily totals are then paid on a weekly basis.

	Series A/Rollover and Regular	Series F
Explorer Series Fund	2.0%	1.0%

The Fund is dependent on the Manager for administration and management of all matters relating to their operations.

The Fund bears all of its own expenses relating to its operation and the carrying on of its business. These items include legal and audit fees, interest, and administrative costs relating to the issue and redemption of shares as well as the cost of financial and other reports and compliance with all applicable laws, regulations and policies. Commissions paid on security transactions are shown as "Transaction costs" in the Statements of Comprehensive income.

The Manager has at its discretion, the ability to absorb certain expenses associated with the Fund. No fees were absorbed during the years ended December 31, 2024 and 2023.

Included in each of the Fund's expenses in the Statements of Comprehensive Income is the corresponding component of sales tax. The Harmonized Sales Tax (HST) combines the GST rate of 5% with the Provincial Sales Tax of certain provinces. Each Fund's HST rate is calculated using the proportionate investment holding by the unitholder's provincial residency as at September 30 of the prior year. HST rates are determined for expenses attributable to a Fund's individual class/series, where applicable.

From time to time, the Manager may earn fees and commissions on securities transactions in which the Fund participates. The fees and commissions are based on standard agreements at market prices. For the year ended December 31, 2024, \$13,776 (2023 – \$3,200) was received by the Manager in related fees and commissions under the standing instructions given by the Independent Review Committee ("IRC").

In accordance with National Instrument 81-107, *Independent Review Committee for Investment Funds*, the Fund Manager has established an IRC for the Fund. The mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest, which the Manager is subject to when managing the Fund. The IRC reports annually to shareholders of the Fund on its activities, and the annual report is available on or after December 31 in each year. The Manager charges compensation paid to the IRC members and the costs of the ongoing administration of the IRC to the Fund. These amounts are recorded in the Statements of Comprehensive Income.

5. TAXATION AND DISTRIBUTIONS

(a) Taxation of Open-End Mutual Fund Corporations

Under the *Income Tax Act* (Canada), the Corporation qualifies as a mutual fund corporation and computes its net income (loss) and net capital gains (losses) for income tax purposes as a single entity. A mutual fund corporation is subject to a special 38 1/3% tax on taxable dividends received from corporations resident in Canada and to tax at normal corporate rates on other income and net taxable realized capital gains for the year. The special 38 1/3% tax is refundable on payments of taxable dividends to shareholders at the rate of \$1 for each \$2.61 of such dividend paid. The refundable dividend taxes asset on hand recognized by the Fund reflects the anticipation of the Manager to declare a taxable dividend to the Fund's shareholders in due course. All the tax on net taxable realized capital gains is refundable when the gains are distributed to shareholders as capital gains dividends or through redemption of shares at the request of shareholders.

While the Corporation is taxed as a single legal entity, the individual mutual fund share series recognizes, for accounting purposes, the impact of current and future taxes based on the net income (loss) and increase (decrease) in net assets from realized and unrealized gains (losses), respectively, of each series. The mutual fund share series offsets the future tax liability for refundable taxes payable with the refund expected upon payment of capital gains or ordinary dividends or upon redemption of shares. As a result, the future tax liability for refundable taxes payable is eliminated. The mutual fund share series with negative taxable income does not recognize a tax asset for unused tax losses as future utilization is not probable. Further, unused tax losses of one mutual fund share series may be used to offset taxable income of another series. Therefore, where a mutual fund share series has positive net taxable income, the current tax liability has been offset with the utilization of unused tax losses from other series to the extent possible. Any residual taxable income would be refundable upon payment of capital gains or ordinary dividends by the Corporation.

(b) Distributions

The Corporation declared dividends on December 2, 2024, payable on December 10, 2024, in the following amounts to shareholders of record on December 9, 2024: Explorer Series Fund Series A Rollover - \$0.00514 per share, Series A Regular - \$0.00543 per share, and Series F - \$0.00543 per share.

6. BROKERAGE COMMISSIONS ON SECURITIES TRANSACTIONS

The Fund has incurred brokerage commissions, a portion of which may have been received by the Fund's investment advisers in the form of investment or research services. For the year ended December 31, 2024, the total soft dollar benefits received for the Explorer Series Fund was \$67,998 (2023 – \$83,890).

No soft dollar services were included in the transaction costs on the Statements of Comprehensive Income.

7. SECURITIES LENDING TRANSACTIONS

The Fund has entered into a securities lending program with their custodian, RBC Investor Services Trust. The aggregate fair value of all securities loaned by the Fund cannot exceed 50% of the assets of the Fund. The Fund receives collateral of at least 102% of the value of the securities on loan. Collateral may comprise cash and/or securities.

The aggregate fair value of securities loaned and collateral held under securities lending transactions at December 31, 2024 and 2023 is as follows:

December 31, 2024	Securities on loan \$	Collateral amount \$	Collateral as percentage of securities loaned %
Explorer Series Fund	-	-	-

December 31, 2023	Securities on loan \$	Collateral amount \$	Collateral as percentage of securities loaned %
Explorer Series Fund	522,028	548,131	105%

Securities lending income reported in the Statements of Comprehensive Income is net of a securities lending charge that the Fund's custodian, RBC Investor Services Trust, is entitled to receive.

December 31, 2024	Gross securities lending income \$	Securities lending charge \$	%	Net securities lending income \$	Withholding taxes \$	Net income received \$
Explorer Series Fund	1,361	476	35	885	9	876

December 31, 2023	Gross securities lending income \$	Securities lending charge \$	%	Net securities lending income \$	Withholding taxes \$	Net income received \$
Explorer Series Fund	768	269	35	499	-	499

8. FUND MERGERS

The acquisition method of accounting was adopted for the merger of mutual funds whereby the continuing fund is the acquiring fund and the terminated fund is the acquired fund. This identification was based on aspects of the continuing fund such as investment objectives and portfolio composition.

Effective as of the close of business, as set out below, the continuing funds acquired the portfolio assets of the corresponding terminated funds in exchange for shares in the continuing fund. The value of the shares of the continuing fund issued in connection with these mergers was equal to the fair value of the investments transferred from the respective terminated fund.

Terminating Fund	Merger Date	Continuing Fund	Series	Net Assets Acquired \$	Shares Issued	Exchange Ratio %
Marquest Mining Québec 2022-I Super Flow-Through LP - Class A	19-May-2023	Explorer Series Fund	A-Rollover	7,023,809	12,264,377	91.72
Marquest Mining Québec 2022-I Super Flow-Through LP - Class F	19-May-2023	Explorer Series Fund	F	1,206,526	2,015,243	85.83
Marquest Mining Québec 2022-II Super Flow-Through LP - Class A	20-Oct-2023	Explorer Series Fund	A-Rollover	9,555,738	23,829,770	99.45
Marquest Mining Québec 2022-II Super Flow-Through LP - Class F	20-Oct-2023	Explorer Series Fund	F	2,467,310	5,860,593	99.62
Marquest Critical Minerals 2022 Super Flow-Through LP - Class A	27-Oct-2023	Explorer Series Fund	A-Rollover	1,446,764	3,712,508	112.95
Marquest Critical Minerals 2022 Super Flow-Through LP - Class F	27-Oct-2023	Explorer Series Fund	F	950,638	2,323,162	115.01
Marquest Advantaged Mining 2023 Super Flow-Through LP - Class A	10-Nov-2023	Explorer Series Fund	A-Rollover	674,520	1,802,084	105.20
Marquest Advantaged Mining 2023 Super Flow-Through LP - Class F	10-Nov-2023	Explorer Series Fund	F	120,122	305,110	105.94
Marquest Mining Québec 2023-I Super Flow-Through LP - Class A	17-May-2024	Explorer Series Fund	A-Rollover	3,988,422	7,438,311	70.45
Marquest Mining Québec 2023-I Super Flow-Through LP - Class F	17-May-2024	Explorer Series Fund	F	483,622	854,304	68.90
Marquest Mining Québec 2023-II Super Flow-Through LP - Class A	18-Oct-2024	Explorer Series Fund	A-Rollover	11,533,278	18,162,642	81.09
Marquest Mining Québec 2023-II Super Flow-Through LP - Class F	18-Oct-2024	Explorer Series Fund	F	2,431,535	3,626,451	82.12
Marquest Critical Minerals 2023 Super Flow-Through LP - Class A	25-Oct-2024	Explorer Series Fund	A-Rollover	1,011,912	1,634,753	69.89
Marquest Critical Minerals 2023 Super Flow-Through LP - Class F	25-Oct-2024	Explorer Series Fund	F	277,177	424,533	70.17

As a result of the mergers, in accordance with the *Income Tax Act* (Canada), all unrealized losses and certain elected unrealized gains of the terminating funds' portfolios were realized on the merger date. The financial statements of the continuing funds do not include the operating results of the terminated funds prior to the merger date.

9. CAPITAL MANAGEMENT DISCLOSURES

Shares issued and outstanding represent the capital of the Fund. The Fund has no restrictions or specific capital requirements and is authorized to issue an unlimited number of redeemable, transferable shares of each Series available. Restrictions and specific requirements on capital for each fund Series are only applicable for minimum subscriptions. The Statements of Changes in Net Assets Attributable to Holders of Redeemable Shares and note 3 outline the relevant changes in each of the Fund's shares for the year. In accordance with the Fund's investment objectives, portfolio management of the Fund's capital will encompass appropriate investing of subscriptions and the maintenance of sufficient liquidity levels for capital redemptions.

10. FINANCIAL INSTRUMENTS

(a) Fair Value

Financial instruments of the Fund include investments at fair value. There are no significant differences between the carrying values of these financial instruments and their fair values due to their short term nature. Investments are carried at their fair values as described below.

- I. Securities listed upon a recognized public stock exchange are valued at their close price on the valuation date. In circumstances where the close price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.
- II. Securities not listed upon a recognized public stock exchange, or securities for which a close price, last sale or bid price are unavailable or securities for which market quotations are, in the Manager's opinion, inaccurate, unreliable or not reflective of all available material information, are valued at their estimated fair value, determined by using appropriate and accepted industry valuation techniques including valuation models. The estimated fair value of a security determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the estimated fair value of a security may be determined using valuation techniques that are not supported by observable market data.
- III. Securities that are restricted or limited by law (including by investment letter, escrow provisions or other representation, undertaking or agreement) will be subject to temporary trading restrictions and cannot be sold until the applicable holding period expires. The fair value of those securities for the duration of the holding period shall be the reported market value of the same class of shares of that security which is not subject to a restriction based on reported quotations in common use less an appropriate discount.

The following tables present the Fund's financial instruments measured at fair value classified by the fair value hierarchy set out in IFRS 13, *Fair Value Measurements* as of December 31, 2024 and December 31, 2023:

	Level 1	Level 2	Level 3	Total
December 31, 2024	\$	\$	\$	\$
Canadian equities	4,883,037	376,726	56,279	5,316,042
Canadian warrants	-	-	237,175	237,175
	4,883,037	376,726	293,454	5,553,217

	Level 1	Level 2	Level 3	Total
December 31, 2023	\$	\$	\$	\$
Canadian equities	3,447,325	563,226	22,530	4,033,081
Canadian warrants	-	-	538,191	538,191
Foreign warrants	-	-	113	113
Total	3,447,325	563,226	560,834	4,571,385

During the year ended December 31, 2024, \$109,590 (December 31, 2023 – \$311,028) was transferred between Level 1 and Level 2 for the Explorer Series Fund and \$0 (December 31, 2023 -\$70,005) was transferred between Level 1 and Level 3 for the Explorer Series Fund.

10. FINANCIAL INSTRUMENTS (continued)

(a) Fair Value (continued)

Realized and unrealized gains and losses related to Level 3 securities are included in the Statements of Comprehensive Income under “Net realized gain (loss) on the sale of investments” and “Net change in unrealized appreciation (depreciation) on investments” respectively. Transfers in and out of Level 3 are due to the changes in the observability of market data, such as a recent new transaction or due to the passage of time, respectively. The following table summarizes the changes in Level 3 securities for the years ended December 31, 2024 and 2023:

	December 31, 2024	December 31, 2023
	\$	\$
Beginning of year	560,834	946,278
Purchases	-	-
Sales	(30)	(57,457)
Transfers into Level 3	-	70,005
Transfers out of Level 3	(10,384)	-
Net realized (loss) on sale of investments	-	(279,810)
Net change in unrealized appreciation on investments	(256,966)	(118,182)
End of year	293,454	560,834

The Fund holds Level 3 securities in which there is uncertainty in estimating the fair value stemming from current financial issues and lack of market quotations. Level 3 requires significant unobservable data such as volatility and discount rates in its determination of fair value. The Explorer Series Fund holds halted equity investments classified as Level 3.

The fair value of the level 3 securities during the year are calculated using a key number of valuation techniques and unobservable inputs, which may include financial analysis of the company’s financial statements, financial disclosures, non-listed transaction prices, analysis of underlying commodity or sector prices and overall prevailing market and economic conditions.

Below is a summary of the valuation techniques and significant unobservable inputs used in the fair value measurement of level 3 financial instruments. The significant unobservable inputs used in the valuation of Level 3 Financial instruments can vary considerably over time depending on company specific factors and economic or market conditions. Below illustrates the potential impact on the Fund if the significant unobservable inputs used in the valuation techniques had increased or decreased by 10%. Securities where the reasonable possible shift in the significant unobservable inputs did not result in a material impact on the Fund are indicated below as n/a.

Security	Valuation technique	Significant unobservable input	Carrying Value as at December 31, 2024	Change in Valuation
			\$	\$
Equities	Market Information		56,279	n/a
Warrants	Black-Scholes Model	Liquidity Discount and Volatility	237,175	14,031
			293,454	
Security	Valuation technique	Significant unobservable input	Carrying Value as at December 31, 2023	Change in Valuation
			\$	\$
Equities	Market Information		22,530	n/a
Warrants	Black-Scholes Model	Liquidity Discount and Volatility	538,304	44,541
			560,834	

10. FINANCIAL INSTRUMENTS (continued)

(b) Risk Management and Disclosures

Significant market disruptions, such as those caused by pandemics (e.g., COVID-19 pandemic), natural or environmental disasters, war (e.g., Russia's invasion of Ukraine), acts of terrorism, or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the Fund's investments and Fund's performance.

The Fund's investment activities expose them to a variety of financial risks. The Schedule of Investment Portfolios presents the securities held by the Fund as at December 31, 2024, and groups the securities by asset type, geographic region and/or market segment. Significant risks that are relevant to the Fund are discussed below. The sensitivity analyses shown in the notes below may differ from actual trading, and the differences could be material.

The Manager seeks to minimize potential adverse effects of these risks on the Fund's performance by employing professional, experienced portfolio advisers, by daily monitoring of the Fund's positions and market events, by diversifying the investment portfolios within the constraints of the investment objectives. To assist in managing risks, the Manager also uses internal guidelines that identify the target exposure for each type of risk, maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategies and securities regulations.

(c) Market Risk

Foreign exchange risk

Foreign exchange risk is the risk that the value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The fund is not exposed to foreign exchange risk.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Fund is not exposed to interest rate risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign exchange risk). The investments of the Fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the Fund is equivalent to the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits, and the Fund's market price risk is managed through diversification of the investment portfolio.

The Fund is indirectly exposed to price risk of the underlying funds/securities.

The most significant exposure to other price risk arises from the Fund's investments in equity securities. As of December 31, 2024 and 2023, the prices of the securities raised or lowered by 10%, with all other variables held constant, net assets attributable to holders of redeemable shares would have increased or decreased respectively as follows:

December 31, 2024	Fair value of Investments in equity securities \$	% of net assets attributable to holders of redeemable shares %	Potential impact on net assets attributable to holders of redeemable shares \$
Explorer Series Fund	5,553,217	93.4	555,322

December 31, 2023	Fair value of Investments in equity securities \$	% of net assets attributable to holders of redeemable shares %	Potential impact on net assets attributable to holders of redeemable shares \$
Explorer Series Fund	4,571,385	74.5	457,139

10. FINANCIAL INSTRUMENTS (continued)

(d) Liquidity Risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Fund may invest in securities, which are not actively traded on a stock exchange. The fair values of these securities may not be indicative of what the Fund could realize on the immediate sale as it may take a significant amount of time to liquidate positions without causing a significant negative impact on the fair value. There can be no assurance that an active trading market for these securities will exist at all times, or that the prices at which these securities trade accurately reflect their values. Additionally for net asset value purposes, in accordance with securities regulation, the Fund must maintain at least 85% of their assets in liquid investments (i.e. investments that are traded in an active market including management fees payable, other payable and accrued expenses and payable on redemption of redeemable shares. These financial liabilities are all current and are due within 30 days. Redeemable shares are redeemable on demand at the shareholder's option.

Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and can be readily disposed of. On a weekly basis, quantitative monitoring measures are used to screen the Fund's portfolio for securities that may be considered for potential reclassification as illiquid. In addition, the Fund aims to retain sufficient cash to maintain liquidity. Accordingly, the Fund's liquidity risk is considered minimal.

(e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund's exposure to credit risk includes cash, investments, accrued dividends receivable. The Fund reduces its credit risk associated with cash by maintaining its primary bank accounts at large international financial institutions. All transactions in listed securities are settled for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold 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 trade will fail if either party fails to meet its obligation. The Fund does not have a significant exposure to credit risk.

(f) Concentration Risk

Portfolio concentration risk is the risk of loss in the total value of the portfolio investments of the Fund due to an over-concentration of investments in a particular instrument, sector or country. A summary of the portfolio's concentration risk by industry sector as at December 31, 2024 and 2023 is shown in Fund's Schedule of Investment Portfolio.

11. IFRS NET ASSETS VERSUS TRANSACTIONAL NET ASSET VALUE

The Fund's accounting policies for measuring the fair value of their investments and derivatives are identical to those used in measuring their net asset value for transactions with unitholder in accordance with Part 14 of National Instrument 81-106 Investment Funds for Continuous Disclosure ("NI 81-106"), except when the Fund holds unlisted warrants, as described above. A comparison of the net assets per unit in accordance with IFRS ("IFRS Net Assets") and the net asset value calculated in accordance with NI 81-106 ("Transactional Net Asset Value") is presented in the tables below.

	December 31, 2024		
	Series A/Rollover	Series A/Regular	Series F
Transactional Net Asset Value	4,666,319	719	1,094,860
IFRS Net Assets	4,813,832	742	1,129,470
Transactional Net Asset Value per Share	0.51	0.53	0.54
IFRS Net Assets per Share	0.52	0.55	0.55

	December 31, 2023		
	Series A/Rollover	Series A/Regular	Series F
Transactional Net Asset Value	\$ 4,509,326	\$ 578	\$ 1,359,658
IFRS Net Assets	\$ 4,714,308	\$ 604	\$ 1,421,463
Transactional Net Asset Value per Share	\$ 0.40	\$ 0.43	\$ 0.42
IFRS Net Assets per Share	\$ 0.41	\$ 0.45	\$ 0.44

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