

This **AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT**, made as of the 27<sup>th</sup> day of February, 2008.

BETWEEN:

**FAIRCOURT CSCRF 2008 NO. 1 MANAGEMENT LTD.**, a corporation duly incorporated under the laws of British Columbia and having its principal place of business in Vancouver, in the Province of British Columbia,  
(the “**General Partner**”),

**OF THE FIRST PART**

- and -

**FAIRCOURT NOVADX HOLDINGS CORP.**, a corporation duly incorporated under the laws of British Columbia and having its principal place of business in Vancouver, in the Province of British Columbia,  
(the “**Initial Limited Partner**”),

**OF THE SECOND PART**

- and -

Each person who, from time to time, becomes a limited partner in accordance with the terms of this Agreement,

(hereinafter individually referred to as a “**Limited Partner**” and collectively referred to as the “**Limited Partners**”),

**OF THE THIRD PART**

**CONTEXT**

A. The General Partner and the Initial Limited Partner formed a limited partnership under the *Partnership Act* (British Columbia) effective December 19, 2007 by filing the Certificate of Limited Partnership and entering into an agreement dated as of December 19, 2007 that recorded their respective rights, duties and obligations with respect to each other and the Partnership (the “**Original Agreement**”);

B. The General Partner and the Initial Limited Partner wish to amend and restate the Original Agreement to reflect the fact that the Partnership is to carry on business as contemplated in this Agreement in accordance with the provisions of this Agreement; and

C. It is in the best interests of the Partners and of the Partnership for the Partners to amend and restate the Original Agreement in order to record their respective duties, rights and obligations with respect to each other and the Partnership, and the parties wish to amend the terms and conditions governing the operation of the business and affairs of the Partnership.

**NOW THEREFORE**, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

## ARTICLE 1 - INTERPRETATION

### 1.1 Definitions

Where used in this Agreement or any amendment hereto, the following terms shall, unless the context otherwise requires, have the following meanings, respectively:

- (a) **“Affiliate”** has the meaning ascribed to that term in subsection 1(2) of the Securities Act;
- (b) **“Agent” or “Agents”** means the agency syndicate named in the Prospectus;
- (c) **“Agreement”** means this agreement as supplemented and amended from time to time;
- (d) **“Applicable Securities Laws”** means the applicable securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland and Labrador, the published regulations, rules, rulings and orders made thereunder and the applicable policy statements and multilateral or national instruments issued or adopted by the Securities Commissions of such jurisdictions;
- (e) **“arms length”** has the meaning that it has for the purposes of *Income Tax Act* (Canada);
- (f) **“Associate”** has the meaning ascribed to that term in subsection 1(1) of the Securities Act;
- (g) **“Available Funds”** means the total proceeds of the issue of Units pursuant to the Offering less a reserve established by the General Partner for the purpose of funding the ongoing fees and expenses of the Partnership; provided that if the Partnership does not borrow an amount under the Loan Facility sufficient to pay the Offering Expenses in full, Available Funds will be reduced by such portion of the Offering Expenses that is not funded by the Loan Facility;
- (h) **“Canadian Development Expense” or “CDE”** means Canadian development expense as defined in subsection 66.2(5) of the Tax Act;
- (i) **“Canadian Exploration Expense” or “CEE”** means:
  - (a) “Canadian exploration expense” as defined in subsection 66.1(6) of the Tax Act;
  - (b) Qualifying CDE; and
  - (c) CRCE;
- (j) **“Canadian Renewable and Conservation Expense” or “CRCE”** means Canadian renewable and conservation expense, as defined in subsection 66.1(6) of the Tax Act;
- (k) **“CDS”** means CDS Clearing and Depository Services Inc., or its nominee, which as at the date hereof is “CDS & Co.”, or a successor thereto;
- (l) **“CDS Participants”** has the meaning set out in Section 10.4;
- (m) **“Certificate”** means a certificate of ownership of Units issued in accordance with Article 10;

- (n) **“Certificate of Limited Partnership”** means the certificate of limited partnership filed under the Partnership Act establishing the Partnership as a limited partnership, as amended from time to time;
- (o) **“Closing”** means each closing of the Offering of Units under the Prospectus;
- (p) **“Closing Date”** means the date on which a Closing occurs;
- (q) **“Dissolution Date”** means June 30, 2010 or such later date as may be determined by an Extraordinary Resolution;
- (r) **“Extraordinary Resolution”** means a resolution passed by not fewer than two-thirds of the votes cast at a duly constituted meeting, or an adjournment thereof, of the Limited Partners called for the purpose of considering such resolution, or, alternatively, a written resolution consented to in writing in one or more counterparts by Limited Partners holding not fewer than two-thirds of the Units outstanding and entitled to vote on such resolution at a meeting, which consent may be delivered by electronic facsimile;
- (s) **“Flow-Through Agreement”** means a flow-through share subscription agreement in writing entered into between the Partnership and a Resource Issuer pursuant to which the Partnership subscribes for Flow-Through Shares (and other securities, if applicable), and the Resource Issuer agrees to incur and renounce to the Partnership Qualified CEE in an amount equal to the subscription price for the Flow-Through Shares;
- (t) **“Flow-Through Share”** means a share or a right to acquire a share in the capital of a Resource Issuer which qualifies as a “flow-through share” as defined in subsection 66(15) of the Tax Act and is not a prescribed share or a prescribed right for the purposes of Section 6202.1 of the Regulations and which entitles the Partnership to a renunciation of Qualified CEE, and **“Flow-Through Shares”** means more than one Flow-Through Share;
- (u) **“General Partner”** means Faircourt CSCRF 2008 No. 1 Management Ltd. or any other party who may become the General Partner of the Partnership in place of or in substitution for Faircourt CSCRF 2008 No. 1 Management Ltd., from time to time, in each case until such General Partner ceases to be the General Partner of the Partnership under the terms of this Agreement;
- (v) **“High-Quality Liquid Investments”** means high-quality money market instruments which are accorded the rating category of A-1 by the Canadian Bond Rating Service or R-1 by Dominion Bond Rating Service, interest-bearing accounts of Canadian chartered banks or Canadian trust companies with assets in excess of \$15 billion or securities issued or guaranteed by the Government of Canada or by the government of any province of Canada or agency thereof or preferred shares with a remaining term of three years or less and having a rating of P-2 (Canadian Bond Rating Service) or Pfd-2 (Dominion Bond Rating Service) or better, or a Money Market Mutual Fund with similar quality constraints;
- (w) **“Incentive Bonus”** means an amount in respect of each Unit outstanding at the relevant time equal to 20% of the amount, if any, by which the Net Asset Value per Unit at the relevant time (plus the aggregate amount per Unit of all distributions paid prior to that time) exceeds \$11.20;
- (x) **“Initial Closing”** means the first Closing;
- (y) **“Initial Limited Partner”** means Faircourt NovaDX Holdings Corp.;
- (z) **“Insider”** has the meaning ascribed to that term in the Securities Act;

- (aa) **“Investment Guidelines”** mean the investment guidelines set forth in Schedule “A”;
- (bb) **“Investment Objectives”** mean the investment objectives set forth in Schedule “A”;
- (cc) **“Investment Strategies”** mean the investment strategies set forth in Schedule “A”;
- (dd) **“Lender”** means a bank, trust company or other lender that deals at arm’s length with the General Partner;
- (ee) **“Limited Partner”** means any registered owner of at least one Unit whose name appears on the current record of the Partnership’s limited partners as maintained by the General Partner pursuant to the Partnership Act and, where the context requires, includes the Initial Limited Partner;
- (ff) **“Liquidity Alternative”** means one or more alternatives to the dissolution of the Partnership and distribution of the net assets of the Partnership to the Partners on the Dissolution Date, including, without limitation, a proposal that the Partnership exchange its assets for securities of a mutual fund corporation or other appropriate investment vehicle and distribute such securities to the Limited Partners on a tax-deferred basis;
- (gg) **“Loan Facility”** means a loan facility that may be entered into between the Partnership and a Lender under which the Partnership may borrow up to an amount equal to 15% of the gross proceeds of the Offering for the sole purpose of paying the Offering Expenses;
- (hh) **“Minor”** means a person who, at the relevant time, has not attained the age of majority in the jurisdiction in which such person resides;
- (ii) **“Net Asset Value”** of the Partnership at any time will be calculated by the General Partner by subtracting the aggregate amount of the Partnership’s liabilities, determined in accordance with Canadian generally accepted accounting principles, at that time from the aggregate value of the Partnership’s assets at that time. The Partnership’s assets will be valued in accordance with the following valuation principles:
- (i) securities listed and traded on a stock exchange will be valued based on the most recently posted bid price;
  - (ii) securities traded over-the-counter will be valued based on the most recently posted bid price quoted by a major dealer in such securities, unless the General Partner determines that a different value would be more appropriate;
  - (iii) securities for which no published market exists will be valued at cost unless the General Partner determines that a different value would be more appropriate;
  - (iv) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash received (or declared to holders of record on a date before the date as of which the Net Asset Value is being determined and to be received) and interest accrued and not yet received, shall be deemed to be the full amount thereof, provided that: (i) the value of any security which is a debt obligation which, at the time of acquisition, had a remaining term to maturity of one year or less shall be the amount paid to acquire the obligation plus the amount of any interest accrued on such obligation since the time of acquisition; (ii) interest accrued will include amortization over the remaining term to maturity of any discount or premium from the face value of an obligation at the time of its acquisition, and (iii) if the General Partner determines that any such deposit,

bill, demand note or account receivable is worth less than the full amount thereof, the value thereof shall be such value as the General Partner determines to be appropriate;

- (v) trading prices and other information reported in a currency other than Canadian dollars will be translated into Canadian currency at the prevailing rate of exchange, as determined by the General Partner, at the Valuation Date; and
- (vi) if, for any reason, the General Partner determines that it would be inappropriate to value any portfolio securities or other Partnership assets based on the foregoing principles, the value thereof shall be determined on such basis as the General Partner determines to be appropriate.

(jj) **“Net Asset Value per Unit”** at any time is the amount obtained by dividing the Net Asset Value at that time by the total number of Units outstanding at that time. The Net Asset Value per Unit will be calculated in accordance with the rules and policies of the Canadian Securities Administrators or in accordance with any exemption therefrom that the Partnership may obtain. The Net Asset Value per Unit determined in accordance with the principles set out above may differ from Net Asset Value per Unit determined under Canadian generally accepted accounting principles;

(kk) **“Offering”** means the initial public offering of Units under the Prospectus;

(ll) **“Offering Expenses”** means the expenses of the Offering, including the Agents’ fees, and financing costs of the Offering;

(mm) **“Ordinary Resolution”** means a resolution passed by more than 50% of the votes cast at a duly constituted meeting of Limited Partners, or an adjournment thereof, or, alternatively, a written resolution consented to in writing in one or more counterparts by Limited Partners holding more than 50% of the Units outstanding and entitled to vote at a meeting, which consent may be delivered by electronic facsimile;

(nn) **“Partner”** means any Limited Partner or the General Partner and **“Partners”** means all of the Limited Partners and the General Partner;

(oo) **“Partnership”** means the limited partnership formed by the General Partner and the Initial Limited Partner upon the filing of the Certificate of Limited Partnership;

(pp) **“Partnership Act”** means the *Partnership Act* (British Columbia), as amended and in force from time to time;

(qq) **“Partnership Capital”** means the amount of capital of the Partnership raised pursuant to Subscriptions for Units;

(rr) **“Prescribed Relationship”** means the relationship between a Limited Partner and a Resource Issuer where the Limited Partner and the Resource Issuer are related or otherwise do not deal at arm’s length, for the purposes of the Tax Act;

(ss) **“Prospectus”** means the final prospectus of the Partnership relating to the Offering, including any amendments thereto;

(tt) **“Qualified CEE”** means CEE other than expenses which constitute Canadian exploration and development overhead expenses as prescribed by Section 1206 of the Regulations and expenses which are specified seismic data expenses as described in paragraph 66(12.6)(b.1) of the Tax Act;

(uu) **“Qualifying CDE”** means expenses described in paragraph (a) or (b) of the definition of “Canadian development expense” in the Tax Act that may be renounced by a Resource Issuer under the Tax Act as CEE, pursuant to subsection 66(12.601) of the Tax Act, but excluding any Canadian development expense which is deemed to qualify as Canadian exploration expense of a Resource Issuer under subsection 66.1(9) of the Tax Act;

(vv) **“Regulation” or “Regulations”** means one or more regulations to the Tax Act, as they are amended and in force from time to time;

(ww) **“Related Corporation”** means a company that is related to a Resource Issuer for purposes of subsection 251(2) or 251(3) of the Tax Act;

(xx) **“Resource Issuer”** means a company which represents to the Partnership in a Flow-Through Agreement that its principal business is mineral or oil and gas exploration and development, or that it is a company whose principal business is the generation of energy or the development of projects in respect of which it incurs or proposes to incur CRCE, and that it is a “principal business corporation” as defined in subsection 66(15) of the Tax Act that intends (either by itself or through a Related Corporation) to incur CEE on at least one property in Canada;

(yy) **“Securities Act”** means the *Securities Act* (British Columbia), as amended from time to time;

(zz) **“Subscription”** means a subscription for a minimum of 250 Units in accordance with the subscription procedures set forth in the Prospectus;

(aaa) **“Subscription Price”** means \$10 per Unit;

(bbb) **“Tax Act”** means the *Income Tax Act* (Canada), as amended and in force from time to time;

(ccc) **“Transfer Form”** means the transfer form referred to in paragraph 11.1(a);

(ddd) **“Unit”** means an equal and undivided interest in 99.99% of the net assets of the Partnership and having the other rights and attributes provided for in this Agreement; and

(eee) **“Valuation Date”** means the day of the first Closing and the last business day of each calendar quarter during the term of the Partnership.

## **1.2 Sections and Headings**

The division of this Agreement into Articles, Sections, paragraphs, subparagraphs and clauses and the insertion of headings and a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “this Agreement”, “hereto”, “herein”, “hereunder” and similar expressions refer to this Agreement (including the schedules annexed hereto) and not to any particular Article, Section, paragraph or other portion hereof and include any agreement or instrument supplementary or ancillary hereto. Unless otherwise indicated, references herein to Articles, Sections, paragraphs and schedules refer to the Articles, Sections and paragraphs of and the schedules to this Agreement.

### **1.3 Number and Gender**

Words importing the singular number only shall include the plural and vice versa. Words importing the use of any gender shall include all genders. Words importing persons shall include firms, trusts and corporations and vice versa.

### **1.4 Governing Law**

This Agreement and the Transfer Form shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

### **1.5 Accounting Principles**

Wherever in this Agreement reference is made to a calculation or determination to be made, it shall be made in accordance with generally accepted accounting principles consistently applied from time to time and approved by the Canadian Institute of Chartered Accountants, or any successor institute, applicable as at the date on which such calculation or determination is made or required to be made, all of which will be binding upon the Partners.

### **1.6 Schedules**

The following are the schedules to this Agreement and are incorporated by reference herein and deemed to be a part hereof:

Schedule "A" – Investment Objective, Investment Strategy and Investment Guidelines

Schedule "B" – Power of Attorney and Transfer Form

## **ARTICLE 2 - FORMATION OF PARTNERSHIP**

### **2.1 Formation of Partnership**

The General Partner and the Initial Limited Partner hereby acknowledge and confirm the formation of a limited partnership under the Partnership Act upon the filing of the Certificate of Limited Partnership.

### **2.2 Registration as a Limited Partnership**

The General Partner and the Initial Limited Partner shall execute all certificates and other documents as are required to duly register the Partnership as a Limited Partnership within the meaning of the Partnership Act. From time to time, upon request of the General Partner, each additional Limited Partner shall immediately execute all certificates and other documents consistent with the terms of this Agreement necessary for the General Partner to accomplish all filing, recording, publishing and other acts as may be appropriate to comply with all requirements for the operation of the Partnership as a limited partnership in British Columbia.

### **2.3 Name**

The name of the Partnership shall be “Faircourt CSCRF 2008 No. 1 Limited Partnership” or such other name or names as the General Partner may from time to time deem appropriate to comply with the laws of the jurisdictions in which the Partnership may carry on business. If the General Partner changes the name of the Partnership, it will give notice of the new name to the Limited Partners within 30 days of the name change becoming effective.

### **2.4 Principal Place of Business**

The business office of the Partnership shall be located at Suite 450-650 West Georgia Street, Vancouver, British Columbia, V6B 4N8. Notice of any change of the principal business address of the Partnership will be given to all Partners.

### **2.5 One General Partner**

The Partnership shall have only one General Partner at any time and one or more Limited Partners. Without dissolving or determining the Partnership, additional Limited Partners may be admitted to the Partnership on the terms and conditions contained in this Agreement.

### **2.6 Rights and Liabilities**

The rights and liabilities of the Partners are as provided in the Partnership Act except as otherwise expressly set out in this Agreement.

### **2.7 Term of the Partnership**

Subject to Article 9 and applicable law, the term of the Partnership will commence on the date of filing of the Certificate of Limited Partnership and the Partnership shall pursue its activities until the Dissolution Date.

### **2.8 Fiscal Year**

The Partnership shall use the calendar year as its fiscal year for tax and financial reporting purposes and will continue to use December 31 as its fiscal year end unless and until changed in accordance with this Agreement.

## **ARTICLE 3 - PARTNERSHIP CAPITAL AND UNITS**

### **3.1 Partnership Capital**

The General Partner may raise capital for the Partnership by selling Units and may determine the terms and conditions of any such sale and may do all things in that regard including preparing and filing a preliminary prospectus and the Prospectus, or an offering memorandum, and such other documents as it considers necessary or advisable, paying the expenses of issue and entering into agreements with any person providing for a commission or fee in respect of such sale, either to agents or purchasers, provided that the General Partner complies with Applicable Securities Laws and Section 12.4 of this Agreement.

### **3.2 Maximum Number of Units**

The interest in the Partnership of the Limited Partners will be divided into and represented by a total of not more than 2,500,000 Units.

### **3.3 Rights and Privileges of Limited Partners**

Except as otherwise provided in this Agreement, no Limited Partner will, in respect of any Units held by the Limited Partner, have any privilege, priority, preference or right in any circumstance over any other Limited Partner in respect of any Unit held by such other Limited Partner, except as a consequence of owning more Units than another Limited Partner.

### **3.4 No Fractional Units**

A Unit may not be divided or split into fractions and the Partnership will not accept any Subscription for, record any transfer of or otherwise recognize any interest in less than a whole Unit.

### **3.5 Offering and Subscription**

All Units will be issued at the Subscription Price.

### **3.6 Maximum and Minimum Units**

A Limited Partner, other than the Initial Limited Partner, shall Subscribe for no fewer than 250 Units and, subject to the maximum number of Units, which may be issued by the Partnership, there shall be no restriction on the maximum number of Units that a Limited Partner is entitled to hold in the Partnership.

### **3.7 No Obligation of General Partner to Subscribe**

The General Partner may, but is not obligated to, Subscribe for or otherwise acquire Units.

### **3.8 Subscription**

As provided in the Prospectus, the acceptance by the General Partner of a Subscriber's offer to purchase Units, whether in whole or in part, constitutes a subscription agreement between the Subscriber and the Partnership upon the terms and conditions set out in the Prospectus and this Agreement, including the following:

- (a) each Subscriber consents to the disclosure of certain information to, and the collection and use by, the General Partner and its service providers of all such information about such Subscriber that the General Partner or the service providers require in order to maintain the record of limited partners or for applicable tax purposes, including the name and address of such Subscriber or address for service and the social insurance number or corporation account number of such Subscriber, as the case may be, for the purpose of administering such Subscriber's subscription of Units, and agrees to confirm to the General Partner the accuracy of such information prior to the dissolution of the Partnership;

- (b) the acknowledgement by such Subscriber that the Subscriber is bound by the terms of this Agreement and is liable for all obligations of a Limited Partner, including the obligation to pay the amounts due when due on account of the Subscription Price;
- (c) such Subscriber represents, warrants and covenants that it is not a “non-resident” of Canada for purposes of the *Tax Act*, as described in Section 13.2 herein, and that it will maintain such status during such time as Units are held by the Subscriber and that payment of the Subscription Price for such Subscriber’s Units was not financed through indebtedness for which recourse is or is deemed to be limited within the meaning of the *Tax Act* as more fully described in herein;
- (d) unless such Subscriber has provided written notice to the contrary to the General Partner prior to the date of becoming a Limited Partner, such Subscriber is not a “financial Institution” within the meaning of the *Tax Act* and such Subscriber will continue not to be a financial institution during such time as Units are held by such Subscriber;
- (e) such Subscriber irrevocably nominates, constitutes and appoints the General Partner as its true and lawful attorney with the full power and authority as set out in this Agreement;
- (f) such Subscriber irrevocably authorizes the General Partner to transfer the assets of the Partnership pursuant to any Liquidity Alternative implemented in accordance with the terms of this Agreement;
- (g) such Subscriber irrevocably authorizes the General Partner to file on its behalf all elections under applicable income tax legislation in respect of any transfer of the assets of the Partnership or the dissolution of the Partnership in accordance with the terms of this Agreement; and
- (h) such Subscriber covenants and agrees that all documents executed and other actions taken on behalf of the Limited Partners pursuant to the power of attorney set out in this Agreement will be binding upon such Subscriber, and each Subscriber agrees to ratify any of such documents or actions upon request by the General Partner.

Such subscription agreement shall be evidenced by delivery of the Prospectus to such Subscriber, provided that the Subscription of such Subscriber has been accepted by the General Partner.

### **3.9 [Intentionally deleted]**

### **3.10 Rejection of Subscription for Units**

The General Partner shall have the right to accept or reject Subscriptions in whole or in part. Without limiting the generality of the foregoing, the General Partner will reject Subscriptions by “non-residents” within the meaning of the *Tax Act*, partnerships other than “Canadian partnerships” for the purposes of the *Tax Act* and may reject Subscriptions of Units to be issued in more than one name. If a Subscription is rejected in whole or in part, monies received and not applied towards the Subscription Price shall be returned to the Subscriber without interest or deduction within 15 days following such rejection. No Units shall be issued after December 31, 2008.

### **3.11 Payment of Subscription Price**

- (a) The Initial Limited Partner will subscribe for One Unit at a price of \$10.00, which Unit will be redeemed upon, or as soon as possible after, the Initial Closing.
- (b) Each Subscriber other than the Initial Limited Partner who subscribes for Units on Closing shall pay the Subscription Price to the Partnership at the time of Closing. Every person whose Subscription has been accepted in whole or in part by the General Partner shall become a Limited Partner upon being recorded as such in the current record maintained by the General Partner pursuant to Section 4 of the Partnership Act and shall be deemed to have been accepted as such by all other Limited Partners.

### **3.12 Remedies for Default**

If a Limited Partner is in default of any payment of either or both principal or interest due and owing to the Partnership, including any portion of the Subscription Price, or if a Limited Partner has not, upon request, provided the General Partner with a duly and properly executed power of attorney in accordance with Article 18, or if the General Partner has reason to believe that any representation, warranty or covenant made by any Limited Partner is untrue at or any time following any Closing, the General Partner may:

- (A) execute and deliver to the registrar and transfer agent for the Units a transfer of Units from such Limited Partner in favour of the Partnership or in favour of such other transferee as the Partnership may advise, which transfer of Units will be sufficient to vest the Units in the Partnership or the transferee as advised, as the case may be;
- (B) resell the Units without refunding any portion of the Subscription Price that may previously have been paid and without prejudice to any other recourse against such Limited Partner;
- (C) to the extent permitted by law, set off against any amount that would otherwise be distributed to the Limited Partner any amount due and unpaid in respect of the Subscription Price; and
- (D) reject a transfer of Units, as set out in Section 11.1.

### **3.13 Financial Institutions**

At no time may “financial institutions” (as that term is defined in subsection 142.2(1) of the Tax Act) (each a “financial institution”) be the beneficial owners of more than 45% of the Units. The General Partner may require any Limited Partner to provide a declaration as to its status as a financial institution. If the General Partner becomes aware that the beneficial owners of 45% or more of the Units then outstanding are, or may be, financial institutions or that such a situation is imminent, the General Partner shall not accept a Subscription for Units from or issue or register a transfer of Units to a person unless the person provides a declaration in form and content satisfactory to the General Partner that the person is not a financial institution. If, notwithstanding the foregoing, the General Partner determines that more than 45% of the Units are held by financial institutions, the General Partner may send a notice to Limited Partners that are financial institutions, chosen in inverse order to the order of acquisition or registration or in such other manner as the General Partner may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 15 days. If the Limited Partners receiving such notice have not sold the specified number of Units or provided the General Partner with

satisfactory evidence that they are not financial institutions within such period, the General Partner shall have the right to sell such Limited Partners' Units (and in the interim, shall suspend the voting and distribution rights attached to such Units) or to purchase the same on behalf of the Partnership at fair value determined by an independent third party selected by the General Partner, whose determination will be final and binding and not subject to review or appeal. Upon such sale, the affected Limited Partners shall cease to be Limited Partners and their rights shall be limited to receiving the net proceeds of sale of such Units.

### **3.14 Return of Capital Contribution**

The General Partner shall use its best efforts to commit all of the Available Funds in accordance with this Agreement on or before December 31, 2008 under Flow-Through Agreements pursuant to which Resource Issuers will renounce Qualified CEE equal to the amount committed with an effective date of not later than December 31, 2008. Up to 5% of the Available Funds may be invested in shares of Resource Issuers, which do not have the attributes of Flow-Through Shares if sufficient Flow-Through Share investment opportunities which meet the Partnership's investment criteria and Investment Guidelines are not available. Any Available Funds which have not been invested or committed by the Partnership to be invested by December 31, 2008 may be used to repay the Loan Facility, in full or in part, as applicable. If more than 5% of the Available Funds have not been invested or committed by the Partnership to be invested by December 31, 2008, the uncommitted funds in excess of the Loan Facility and 5% of the Available Funds shall be returned to the Limited Partners of record on December 31, 2008 by January 31, 2009 or the Dissolution Date, whichever is earlier, without interest or deduction. Interest earned by the Partnership from time to time after the Initial Closing on funds of the Partnership will accrue to the benefit of the Partnership. If accrued prior to December 31, 2008, such interest will form part of the Available Funds which will be invested with regard to the Investment Guidelines; if accrued after that time, such interest, at the General Partner's discretion, will be used to fund the Partnership's expenses or invested in additional Flow-Through Shares of other Resource Issuers or in common shares of Resource Issuers which do not constitute Flow-Through Shares or in High-Quality Liquid Investments.

## **ARTICLE 4 - BUSINESS OF THE PARTNERSHIP**

### **4.1 Investment of Available Funds**

The Partnership will invest its Available Funds in accordance with the Investment Guidelines (set forth in Schedule A) in Resource Issuers in accordance with Flow-Through Agreements pursuant to which the Resource Issuers will incur Qualified CEE to be renounced in favour of the Partnership and will issue Flow-Through Shares to the Partnership. Notwithstanding the foregoing, up to 5% of the Available Funds may be invested in shares of Resource Issuers, which do not have the attributes of Flow-Through Shares if sufficient Flow-Through Share investment opportunities which meet the Partnership's investment criteria and Investment Guidelines are not available. The General Partner will manage the resulting portfolio of Flow-Through Shares and common shares, if any. The Partnership shall not carry on any other business except as incidental to the foregoing, provided that the Partnership may invest and reinvest its funds, subject to the restrictions herein contained.

**ARTICLE 5 - EXPENSES, ALLOCATION OF PROFITS AND LOSSES  
OF THE PARTNERSHIP AND DISTRIBUTIONS**

**5.1 Expenses of Offering**

The Partnership shall pay all fees and expenses payable in connection with the issue and sale of Units, including the costs of organization of the Partnership and fees payable in connection with raising the funds required to finance the foregoing. However, to the extent that the Offering Expenses (excluding the Agents' Fees) exceed the lesser of 6% of the gross proceeds raised from the sale of the Units and \$500,000, the General Partner will be responsible for the excess. The Partnership may pay the Offering Expenses from drawdowns under the Loan Facility.

**5.2 Management Fee**

The General Partner will be entitled to receive a management fee in an amount equal to 2.00% of the Net Asset Value of the Partnership, calculated and payable quarterly in arrears on or before the 10th day after the end of each quarter, based on the Net Asset Value of the Partnership at the end of such quarter.

**5.3 Expenses of the Partnership**

The General Partner shall not be entitled to charge for its overhead or other administrative costs, other than reasonable costs incurred by the General Partner in connection with preparation, delivery and filing of financial statements, reports and other information referred to in Article 7 or required by law and/or acting as registrar and transfer agent of the Partnership; provided, however, that the General Partner shall be entitled to be reimbursed for all expenses, fees and costs of third parties incurred by the General Partner and incurred on behalf of the Partnership for services rendered to the Partnership.

**5.4 Use of Proceeds**

Subject to Section 8.6 hereof, the proceeds from the issue of Units by the Partnership will be applied only to pay those fees and expenses referred to in Sections 5.1 to 5.3 hereof, except to the extent that expenses are paid from drawdowns under the Loan Facility, and any applicable taxes and to make investments in accordance with the Investment Guidelines.

**5.5 Allocation of Income or Loss**

The net income and net loss of the Partnership for each fiscal year, after deducting the amounts referred to in Section 5.1 hereof, and the amounts payable to the General Partner referred to in Sections 5.2 to 5.3 hereof, shall be allocated among the Partners as follows:

- (a) the Limited Partners of record at the end of the fiscal year shall be entitled to 99.99% of the net income or net loss of the Partnership which shall be allocated among the Limited Partners in proportion to the number of Units held by each of them; and
- (b) the General Partner shall be entitled to 0.01% of the net income or net loss of the Partnership.

## **5.6 Allocation of Eligible Expenses**

The net income or net loss of the Partnership for each of its fiscal years shall be determined in accordance with Canadian generally accepted accounting principles and, for income tax purposes, shall be determined in accordance with the Tax Act and shall be allocated among the Partners on the basis set forth in Section 5.5. The Qualified CEE renounced to the Partnership with an effective date in a fiscal year shall be allocated among the Limited Partners of record at the end of the fiscal year in proportion to the number of Units held by each of them at that fiscal year end. In computing the net income or net loss of the Partnership for each fiscal year for income tax purposes, the Partnership will claim the maximum amounts allowable under the Tax Act in respect of Offering Expenses, operating expenses and discretionary deductions.

## **5.7 Limited Recourse Financing by Limited Partner**

Notwithstanding Section 5.6, in the event that the actions of a particular Limited Partner result in a reduction in the net loss of the Partnership or a reduction in the amount of any Qualified CEE renounced or that might otherwise be renounced to the Partnership, the amount of such reduction shall be applied firstly to reduce the share of the net loss or the Qualified CEE, as applicable, that would otherwise be allocated to the particular Limited Partner pursuant to Section 5.6. To the extent the amount of such reduction exceeds the net loss of the Partnership or the Qualified CEE that would otherwise be allocated to the particular Limited Partner, the net loss or the Qualified CEE after such reduction will be allocated among the Limited Partners other than the particular Limited Partner in proportion to the number of Units held by each of them. If, in a subsequent fiscal period, the particular Limited Partner takes steps which offset all or part of the reduction in the net loss of the Partnership or the reduction in the amount of such Qualified CEE, such amount of the net loss of the Partnership or Qualified CEE, as the case may be, as is restored at such time shall first be allocated *pro rata* among the other Limited Partners until their share of the net loss or Qualified CEE are restored to what they would have been but for the actions of the particular Limited Partner and then to the particular Limited Partner.

## **5.8 Cash Distributions**

The Partnership does not expect to make, but is not precluded from making, cash distributions to Partners prior to the Dissolution Date.

Cash distributions representing 50% of the net taxable capital gains, if any, realized by the Partnership during the 2009 calendar year in connection with the disposition of Flow-Through Shares, where the proceeds from such distributions were not reinvested in Flow-Through Shares, will be made on or before the Dissolution Date to the Limited Partners who are the registered holders of Units on December 31, 2009 and to the General Partner, subject to the terms of the Loan Facility.

## **5.9 Allocation of Assistance**

Any grants, payments, credits or other amounts in respect of any government program, received by the Partnership or to which the Limited Partners are entitled shall be allocated among the Limited Partners of record at the end of the relevant fiscal year in proportion to the number of Units then held by each of them unless otherwise required by law. Distribution of such grants, payments, credits or other amounts shall be made by the Partnership to Limited Partners so entitled on or before the Dissolution Date.

## **5.10 Incentive Bonus**

The Partnership shall pay the General Partner an Incentive Bonus payable on the earlier of:

- (a) the business day prior to implementation of a Liquidity Alternative; and
- (b) the Dissolution Date.

## **ARTICLE 6 - FUNCTIONS AND POWERS OF THE PARTNERS**

### **6.1 Authority of General Partner**

The General Partner shall have exclusive authority to manage the operations and affairs of the Partnership, to make all decisions regarding the business of the Partnership, to bind the Partnership and to admit Limited Partners. No person dealing with the Partnership shall be required to verify the power of the General Partner to take any measure or any decision in the name of the Partnership.

### **6.2 Rights, Powers and Obligations of the General Partner**

Without limiting the foregoing, but always in pursuance of the business of the Partnership and subject to the terms of this Agreement and to any applicable limitations set forth in the Partnership Act which have not been amended by this Agreement, the General Partner shall be vested with all of the rights, powers and obligations that may be possessed by a general partner pursuant to the Partnership Act, including without limitation the following powers:

- (a) to execute and carry out all agreements on behalf of the Partnership involving matters or transactions which are within the ordinary course of the Partnership's business, including without limitation, Flow-Through Agreements, subject to Sections 6.7 and 6.8 hereof;
- (b) to admit any person as a Limited Partner, subject to the provisions of Sections 3.8, 3.9 and 11.1 hereof;
- (c) to open and manage in the name of the Partnership bank accounts and to name signing officers for these accounts and to spend the Partnership Capital in the exercise of any right or power possessed by the General Partner;
- (d) to manage, control and develop all the activities of the Partnership and to take all measures necessary or appropriate for the business of the Partnership or ancillary thereto;
- (e) to conclude agreements with third parties so that services may be rendered to the Partnership and to delegate to any such person any power or authority of the General Partner hereunder where, in the discretion of the General Partner, it would be in the best interests of the Partnership to do so (provided that such agreement or delegation will not relieve the General Partner of any of its obligations hereunder);
- (f) to decide in its sole and entire discretion any additional time when property of the Partnership shall be distributed to the Partners and the amount of any such distribution;
- (g) to manage, administer, conserve, develop, operate and dispose of any and all properties or assets of the Partnership, including Flow-Through Shares and common shares, if any, and in general to engage in any and all phases of business of the Partnership;

(h) without altering or affecting the rights, titles and interests hereby, to hold the assets of the Partnership in the name of the General Partner, as nominee for the Partnership, and for the use and benefit of the Partners in accordance with the terms and provisions hereof, until such time as the General Partner determines that it is appropriate or advisable for the assets to be held or registered in the name of the Partnership, another nominee or otherwise (for greater certainty, such holding of the assets will not prevent the vesting of the legal and beneficial title thereto in the Partnership in the manner and at the time that may be otherwise herein provided); and

(i) to execute any and all other deeds, documents and instruments and do all acts as may be necessary or desirable to carry out the intent and purpose of this Agreement.

### **6.3 Delegation by the General Partner**

The General Partner may contract with any person to carry out any of the duties of the General Partner under this Agreement and may delegate to such person any power and authority of the General Partner, but no such contract or delegation to such person shall relieve the General Partner of any of its obligations under this Agreement, and for greater certainty, subject to Section 5.3 concerning administration expenses, the General Partner or an Affiliate or Associate thereof may render services to the Partnership, provided that the services rendered by the General Partner or by such Affiliate or Associate are performed pursuant to a written agreement and are charged to the Partnership at rates consistent with those of a third party dealing at arm's length with the Partnership and furnishing similar services.

### **6.4 Amendments to Certificate of Limited Partnership**

The General Partner shall file on behalf of the Partnership, on a timely basis whenever required, any amendment to the Certificate of Limited Partnership and any other declarations, certificates or amendments thereto that might be required by the laws of the Province of British Columbia or any other jurisdiction in which the Partnership may carry on business. The General Partner shall take every reasonable action necessary to preserve the limited liability of the Limited Partners and shall not take any action which or omit to take any action, the omission of which, could reasonably be expected to jeopardize the limited liability of the Limited Partners.

### **6.5 Elections**

The General Partner shall have the power to make on behalf of the Partnership and on behalf of each Limited Partner, in respect of any Partner's interest in the Partnership, any and all elections, determinations or designations under the Tax Act or any other taxation or other legislation or laws of like import of Canada or of any province or jurisdiction including, without limitation, elections under subsection 85(2) or 98(3) of the Tax Act and the corresponding provisions of applicable provincial legislation in respect of the dissolution of the Partnership. The General Partner shall file, on behalf of the General Partner and the Limited Partners, any information return required to be filed in respect of the activities of the Partnership under the Tax Act, or any other taxation or other legislation or laws of like import of Canada or of any province or jurisdiction including, without limiting the generality of the foregoing, any information returns required to be filed under section 237.1 of the Tax Act by a promoter of a tax shelter.

## **6.6 High-Quality Liquid Investments**

The General Partner will invest that portion of the funds of the Partnership, if any, not yet expended or distributed in accordance with this Agreement, in High-Quality Liquid Investments.

## **6.7 Limitation on Authority**

Notwithstanding any of the foregoing provisions, the General Partner shall not be entitled:

- (a) to dissolve the Partnership or wind-up its affairs except in accordance with the provisions of Article 9 hereof;
- (b) subject to Section 6.10, to enter into any Flow-Through Agreement unless by the terms of the Flow-Through Agreement, the Resource Issuer agrees to incur, in an amount at least equal to the aggregate subscription price thereunder for Flow-Through Shares, Qualified CEE that will be renounced by the Resource Issuer in favour of the Partnership with an effective date in 2008 and such Resource Issuer will be liable to the Partnership if it fails to do so;
- (c) in the name or on behalf of the Partnership, to borrow money or otherwise become indebted except pursuant to the Loan Facility;
- (d) unless authorized by an Extraordinary Resolution, to engage in any undertaking, other than the investment of the Partnership's assets with regard to the Partnership's Investment Objective, Investment Strategy and Investment Guidelines; or
- (e) unless authorized by an Extraordinary Resolution:
  - (i) to effect a bulk sale of the assets of the Partnership; or
  - (ii) to make a loan to itself, or to any party with which it does not deal at arm's length within the meaning of the Tax Act out of the assets of the Partnership.

## **6.8 Bound by Investment Guidelines**

In addition to the restrictions in Section 6.7 hereof, and notwithstanding any of the foregoing provisions, the General Partner, in entering into Flow-Through Agreements and investing Available Funds, shall be bound by the Investment Guidelines. In investing Available Funds, the General Partner shall have regard to the Investment Objectives and Investment Strategy. The General Partner may, notwithstanding the foregoing, depart from such Investment Objectives and Investment Strategy in circumstances in which the General Partner considers, in its sole discretion, it is in the best interests of the Partnership to do so.

## **6.9 No Management or Control by Limited Partners**

No Limited Partner, as such, shall take part in the management or control of the business of the Partnership, transact any business for the Partnership, have the power to sign for or bind the Partnership, or hold itself out as having the power or authority to bind any other Partner or the Partnership.

## **6.10 Investment in Additional Flow-Through Shares**

If the Partnership sells Flow-Through Shares acquired pursuant to Flow-Through Agreements under which the subscription price was funded with Available Funds, the General Partner, if it considers it in the best interests of the Partnership to do so, may invest all or part of the sale proceeds in additional Flow-Through Shares to be acquired pursuant to Flow-Through Agreements. In such event, the Partnership may enter into Flow-Through Agreements after 2008 and which contemplate that Qualified CEE may be renounced with an effective date not later than December 31, 2009 and Section 6.7(b) shall apply mutatis mutandis.

## **ARTICLE 7 - ACCOUNTING AND REPORTING**

### **7.1 Records and Books of the Partnership**

The General Partner shall keep, during the term of the Partnership and for a period of six years thereafter, at its principal place of business in British Columbia, proper and complete records and books of account reflecting the assets, liabilities, income and expenditures of the Partnership and, either directly or by the intermediary of a trust company appointed from time to time as registrar pursuant to Article 10, a duplicate of the register listing the names and addresses of all the Limited Partners and the number of Units held by each of them (the original being maintained at the registered office of the Partnership). Such books, records and registers will be kept available for inspection and audit by any Limited Partner or his duly authorized representatives during business hours at the office of the General Partner or in the case of the register, at the office of any registrar that may be duly appointed for such purpose. A Limited Partner, however, will not have access to any information of the Partnership contained in its books and records (other than the register) which, in the opinion of the General Partner, should be kept confidential in the interests of the Partnership, and each Limited Partner hereby waives any right, statutory or otherwise, to greater access to the books and records of the Partnership than is permitted herein, to the greatest extent permitted by law.

### **7.2 Access to Information**

Limited Partners may obtain a copy of the information contained in the register referred to in Section 7.1 hereof by mail on written request, within a reasonable period of time from the date of receipt of such request, subject to the Limited Partner:

- (a) agreeing, in writing, that the information contained in the register will not be used by him except in connection with:
  - (i) an effort to influence the voting of Limited Partners;
  - (ii) an offer to acquire Units; or
  - (iii) any other matter relating to the affairs of the Partnership; and
- (b) paying, if requested, a fee in an amount not exceeding the reasonable costs to the Partnership of providing the information.

### **7.3 Financial Statements**

The General Partner, at the expense of the Partnership, shall:

- (a) prepare or have prepared, for each fiscal year, statements of net assets, operations, deficit and changes in net assets of the Partnership in accordance with Canadian generally accepted accounting principles, standards and practices and retain a qualified independent auditor to report thereon in accordance with Canadian generally accepted auditing standards. All revenues and expenses of the Partnership shall be calculated and allocated among the Partners in accordance with the provisions of this Agreement. A copy of the financial statements, together with the auditors' report thereon, will be mailed by the General Partner to each Limited Partner within 90 days after the end of each fiscal year or such lesser period as may be required by law;
- (b) prepare or have prepared unaudited statements of net assets, operations, deficit and changes in net assets for the three month periods ended March 31, June 30 and September 30 of each fiscal year and the corresponding period of the preceding year. A copy of such unaudited financial statements will be mailed by the General Partner to each Limited Partner within 60 days of the end of each such period in each year or such lesser period as may be required by law;
- (c) on or before March 31 of each year commencing in 2009 or earlier for a Limited Partner if reasonably requested by such Limited Partner, furnish to each Limited Partner of record of the Partnership as at December 31 of the preceding year or on the date of dissolution of the Partnership if dissolution occurred in the preceding year, as the case may be, all necessary income tax reporting information related to his interest in the Partnership as at such date;
- (d) furnish to each Limited Partner such other reports as the Partnership may be required by law to deliver to Limited Partners; and
- (e) prepare or have prepared and file within the prescribed time all forms and information returns and other documents required by law to be filed by the Partnership with any governmental authority.

### **7.4 Narrative Report**

The financial statements referred to above will be accompanied by a narrative report describing the affairs and operations of the Partnership.

### **7.5 Accounting Policies**

The General Partner is authorized to establish from time to time accounting policies with respect to the financial statements of the Partnership and to change from time to time any policy that has been so established so long as such policies are consistent with generally accepted accounting principles in Canada.

### **7.6 Auditors**

The appointment of auditors for the Partnership will be made by the General Partner in its sole and unfettered discretion provided only that such auditors be chartered accountants licensed to practice accounting in Canada. Until otherwise determined by the General Partner, PricewaterhouseCoopers LLP shall be the Partnership's auditors.

## **7.7 Value and Net Asset Value**

The General Partner will, on each Valuation Date, calculate the value of the Partnership's assets and the Net Asset Value of the Partnership.

## **ARTICLE 8 - LIABILITIES OF THE PARTNERS**

### **8.1 Liability of General Partner**

The General Partner has unlimited liability for the undertakings, liabilities and obligations of the Partnership. The liability of each Limited Partner for the liabilities, undertakings and obligations of the Partnership shall be limited to the amount of such Limited Partner's capital contribution plus his *pro rata* share of the undistributed income of the Partnership. Subject to all applicable laws, a Limited Partner will have no further personal liability or liabilities and obligations and, following the payment of the Subscription Price, a Limited Partner will not be liable for any further calls or assessments or further contributions to the Partnership. If, however, as a result of a distribution to the Partners, the Partnership Capital is returned to the Partners and the Partnership becomes unable to discharge its debts in the normal course, the Partners having received any such distribution are liable to the Partnership, or where the Partnership is dissolved, to its creditors for any amount, not in excess of the amount returned with interest, necessary to discharge the liabilities of the Partnership to all creditors who extended credit or whose claims otherwise arose before the return of the Partnership Capital. In addition, the Limited Partners acknowledge that there is also a possibility that Limited Partners may lose their limited liability: (a) to the extent the principles of Canadian law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one province but operating, owning property or incurring obligations in another province; (b) by taking part in the control of the business; or (c) as a result of false statements in the public filings made pursuant to the Partnership Act, in which case they may be liable as third parties.

### **8.2 No Liability for Mistake or Error in Judgment**

The General Partner is not liable to the Limited Partners for any mistakes or errors in judgment, or for any act or omission believed by it in good faith to be within the scope of authority conferred by this Agreement other than an act, omission or error in judgment which is in contravention of Section 12.4 hereof or which is a result of gross negligence or willful misconduct, or for any loss or damage to any of the property of the Partnership attributable to an event beyond the control of the General Partner.

### **8.3 Indemnity**

Notwithstanding Section 8.2 hereof, the General Partner shall indemnify and hold harmless each Limited Partner (including former Limited Partners) from and against all costs, damages, liabilities or losses incurred by such Limited Partner that result from such Limited Partner not having limited liability, other than a loss of limited liability caused by any act or omission of such Limited Partner or a change in any applicable legislation and only in respect of amounts which, in the aggregate, exceed the capital contribution of such Limited Partner. The amount of any such indemnity will be limited to the extent of the assets of the General Partner and will under no circumstance include the assets of any Affiliate or Associate of the General Partner. Except as specifically provided for in this Section 8.3, the General Partner will not otherwise be called upon or be liable to indemnify the Partnership or any Limited Partner. The General Partner will indemnify the Partnership for any costs, damages, liabilities or losses incurred by the Partnership as a result of an act of gross negligence or willful misconduct by the General Partner, its agents or employees or of any act or omission not believed by it in good faith to be within the scope of

authority conferred by this Agreement. The obligations under this Section 8.3 shall survive any termination of this Agreement or the Partnership.

#### **8.4 No Obligation for Tax Returns**

Neither the General Partner nor the Partnership shall have any responsibility to prepare or file income tax returns for any Limited Partner.

#### **8.5 Costs of Litigation**

In any action, suit or other proceeding commenced by a Limited Partner against the General Partner, the Partnership shall bear the reasonable expenses of the General Partner (including fees and expenses of any legal counsel retained on its behalf, on a solicitor and his own client basis) in any such action, suit or other proceedings in which or in relation to which the General Partner is adjudged not to be in breach of any duty or responsibility imposed upon it hereunder; otherwise, such costs will be borne by the General Partner.

#### **8.6 Liabilities or Obligation of General Partner**

If any provision of this Agreement has the effect of imposing upon any Limited Partner any of the liabilities or obligations of a general partner under the Partnership Act, such provision shall be deemed to be of no force and effect and severed from the remainder of this Agreement.

### **ARTICLE 9 - DISSOLUTION**

#### **9.1 Dissolution Date**

Subject to Section 9.3, the Partnership shall be dissolved on the Dissolution Date, provided that:

- (a) if the General Partner, or Limited Partners holding at least one-third of the outstanding Units, make a demand in writing for dissolution and the Limited Partners consent thereto by means of an Extraordinary Resolution, the Partnership shall be dissolved on the date specified in such Extraordinary Resolution;
- (b) the Partnership shall be dissolved on the date which is 180 days following the date of the dissolution, liquidation, bankruptcy, insolvency or winding-up of the General Partner or the nomination of a trustee, sequestrator or liquidator, or the date of any event permitting a trustee or a sequestrator to administer the affairs of the General Partner, unless a new General Partner is appointed by Ordinary Resolution prior to the expiration of such 180 day period; or
- (c) the Partnership shall be dissolved on December 31 of the year during which all of the property of the Partnership is sold or otherwise realized and has been settled and distributed in accordance with this Article 9,

whichever shall first occur.

## **9.2 No Dissolution or Termination**

The Partnership will not be dissolved or terminated by the resignation, removal, death, incompetence, bankruptcy, insolvency, dissolution, liquidation, winding-up or receivership of, or the admission or withdrawal of, the General Partner or any Limited Partner or upon the transfer of any Units, except as otherwise provided in this Agreement.

## **9.3 Liquidity Alternative**

If, on or before March 31, 2010 (or such later date as may be determined by an Extraordinary Resolution):

- (a) the Limited Partners have approved a Liquidity Alternative in accordance with the terms hereof, the General Partner shall take such steps as may be required to implement such Liquidity Alternative; or
- (b) the Limited Partners have not approved a Liquidity Alternative, then not later than 15 days prior to the Dissolution Date, the General Partner shall:
  - (i) sell or otherwise convert to cash such of the Partnership's assets as may be required to pay or provide for the payment of the debts and liabilities of the Partnership and liquidation expenses and as may be required to distribute the remaining assets of the Partnership to the Limited Partners as provided herein;
  - (ii) pay or provide for the payment of the debts and liabilities of the Partnership and liquidation expenses;  
  
and thereafter,
  - (iii) distribute the remaining assets as to 99.99% to the Limited Partners, proportionate to the number of Units held on such date, and as to 0.01% to the General Partner; and
  - (iv) satisfy all applicable formalities in such circumstances as may be prescribed by applicable law.

The General Partner shall determine in its sole discretion which and to what extent the assets of the Partnership available for distribution to the Limited Partners may be sold and converted to cash prior to distribution. The General Partner shall give notice of the proposed date of dissolution of the Partnership to the Limited Partners not later than 15 days prior to such date, or as soon as practicable thereafter.

## **9.4 No Reimbursement of Contribution to Partnership Capital**

Except upon a dissolution of the Partnership or the return of capital to the Initial Limited Partner pursuant to Section 3.11 hereof or to the Limited Partners pursuant to Section 3.14 hereof, no Limited Partner is entitled to any reimbursement of its contribution to the Partnership Capital.

## **9.5 No Right to Dissolve Partnership**

Except as provided in this Agreement, no Limited Partner shall have the right to ask for the dissolution of the Partnership, for the winding-up of its affairs or for the distribution of its assets.

## **9.6 Agreement Continues**

Notwithstanding the dissolution of the Partnership, this Agreement will not terminate until the General Partner has complied with the provisions of Section 9.7 hereof.

## **9.7 Notice of Dissolution, Liquidation or Proposal**

Notwithstanding anything else herein contained, the General Partner shall not take, or agree to take, any action (corporate or otherwise) to dissolve, liquidate, file a proposal for bankruptcy under the *Bankruptcy and Insolvency Act* (Canada), wind up or make any arrangement or assignment for the benefit of creditors or appoint any trustee, receiver, receiver-manager or sequestrator to administer its affairs, unless it has first given 60 days' notice in writing to the Limited Partners and in such notice called a meeting of Limited Partners to be held for the purpose of appointing a new General Partner by Ordinary Resolution within such 60 day period. Upon the appointment of such new General Partner, the former General Partner shall be deemed to have resigned as the general partner of the Partnership.

# **ARTICLE 10 - UNIT CERTIFICATES**

## **10.1 Trust Company**

The General Partner may appoint a trust company or other qualified corporation to be the registrar and transfer agent for the Units upon such terms and conditions and at such remuneration as the General Partner considers appropriate. The General Partner may from time to time terminate the engagement of a particular registrar and transfer agent and engage another and will provide notice to the Limited Partners of such appointment within 30 days thereafter. If no such registrar and transfer agent is appointed, the General Partner shall act as registrar and transfer agent of the Units.

## **10.2 Register of Limited Partners**

The registrar and transfer agent shall maintain the register of Limited Partners, record issues and transfers of Units, and carry out such other formalities related to the registration and records of the Partnership as is agreed between the registrar and transfer agent and the General Partner.

## **10.3 Office of Registrar and Transfer Agent**

The registrar and transfer agent will be considered in its capacity as registrar as having an office only at such location as is, and as transfer agent as having offices only at that location and such other locations as are, approved by the General Partner from time to time and will not be required to transact any business concerning the registration or transfer of Units at any other office.

## **10.4 Certificate to CDS or Nominee**

A Certificate evidencing the Units will be issued to CDS or its nominee on the Closing Date. Subscribers will receive only a customer confirmation from the registered dealer who is a CDS Participant (as defined below) and from or through whom the Units are purchased. CDS requires that any Units registered in the book-based system be represented in the form of a fully registered global Certificate held by, or on behalf of, CDS as custodian of such Certificate for CDS participants (the “**CDS Participants**”) and registered in the name of CDS. The Partners each acknowledge and agree that CDS is acting as their nominee for this purpose and acknowledge and consent to these arrangements. If CDS notifies the Partnership that it is unwilling or unable to continue as depository in connection with such global Certificate, or if at any time CDS ceases to be a clearing agency or otherwise ceases to be eligible

to be a depository and the Partnership is unable to locate a qualified successor, or if the General Partner elects to terminate the book-based system, the General Partner shall make appropriate arrangements to replace either CDS or to replace the book-based system in an orderly fashion. No holder of a Unit will be entitled to a certificate or other instrument from the General Partner, CDS or the Partnership's transfer agent evidencing that person's interest in or ownership of Units, nor, to the extent applicable, will such holder be shown on the records maintained by CDS, except through an agent who is a CDS Participant. The name in which a global Certificate is issued is for the convenience of the book-based system only and shall have no bearing on the identity of the Limited Partners. All distributions will be made to the registered holders of any Certificates issued by the Partnership as contemplated above. Accordingly, distributions will be made by the Partnership to CDS in respect of Units represented by the global Certificate held by CDS. Any such distributions will be forwarded by CDS to the applicable CDS Participants and, thereafter, to the Limited Partners whose Units are represented by that global Certificate.

### **10.5 Certificate Signed**

Every Certificate must be signed by at least one officer or director of the General Partner and by the registrar and transfer agent, if any, of the Units and the validity of a Certificate will not be affected by the circumstance that a person whose signature is so reproduced is deceased or no longer holds the office which he held when the reproduction of his signature in that office was authorized. The signature of any officer or director of the General Partner may be mechanically reproduced in facsimile and Certificates bearing such facsimile signature shall be binding upon the Partnership as if the Certificate had been manually signed by such director or officer; provided, however, that all Certificates shall bear at least one manual signature of one authorized signing officer of the registrar and the transfer agent.

### **10.6 No Liability for Loss**

A Certificate may be sent through the mail by registered or first class prepaid mail or delivered to the order of the Limited Partner and neither the General Partner, the Partnership nor the registrar and transfer agent will be liable for any loss by a Limited Partner that results from the loss of a Certificate by reason that it is so sent.

### **10.7 Lost, Mutilated, Destroyed Certificate**

If any Certificate is lost, mutilated, stolen or destroyed, the General Partner shall issue, or cause the registrar and transfer agent to issue, a replacement Certificate to the Limited Partner upon receipt of evidence satisfactory to the General Partner of such loss, mutilation, theft or destruction, and upon receiving such indemnification as it deems appropriate in the circumstances.

### **10.8 Subscriptions**

No Unit may be Subscribed for by, beneficially owned by or registered in the name of, any person who is a "non-resident" or any person who is not an individual, corporation, body corporate, trustee, executor, administrator or other legal representative and no Unit may be subscribed for, beneficially owned by or registered in the name of, a partnership other than a "Canadian partnership" within the meaning of the Tax Act.

## **10.9 Reimbursement**

The General Partner shall be entitled to be reimbursed by the Partnership for all reasonable costs and expenses incurred by it in performing its obligations pursuant to this Article 10; provided, however, that it shall not be entitled to reimbursement for amounts which are in excess of amounts which would be charged by a trust company or other qualified corporation to act as registrar and transfer agent in accordance with the provisions of this Article 10.

## **10.10 Certificates Null and Void on Dissolution**

Upon the dissolution of the Partnership and distribution to a Limited Partner of the assets to which such Limited Partner is entitled hereunder, any Certificate for Units issued to such Limited Partner shall become null and void.

# **ARTICLE 11 - TRANSFER OF UNITS**

## **11.1 Restrictions on Transfer**

No Unit may be transferred except in conformity with the following provisions:

- (a) a Unit is not transferable in part, and a Limited Partner may transfer only all or some of such Limited Partner's Units by delivering to the General Partner the transfer form in the form set out at Schedule "B" to this Agreement or such other form acceptable to the General Partner duly completed and executed by both parties to such transfer with the signature of the transferor guaranteed by a Canadian chartered bank, a trust company qualified to carry on business in any province of Canada, a member of the Investment Dealers Association of Canada or a member of any recognized stock exchange;
- (b) the transfer shall be effective and the transferee shall become a Limited Partner on the later of (i) the day on which the transfer form, or such other form duly completed and executed by the transferor and transferee, is accepted by the General Partner, and (ii) the day that the current record of Limited Partners of the Partnership maintained by the General Partner pursuant to the Partnership Act is updated to show the transferee as a Limited Partner;
- (c) the General Partner will deny the transfer of Units to a "non-resident" as defined in the Tax Act or to a partnership other than a "Canadian partnership" within the meaning of the Tax Act and may deny the transfer of Units to a "financial institution" as defined in subsection 142.2(1) of the Tax Act;
- (d) no transfer of Units will be accepted by the General Partner after the sending of the notice of dissolution provided for in Section 9.7 hereof; and
- (e) the General Partner shall have the right, in its sole and absolute discretion, to refuse any transfer in whole or in part, and without limiting the foregoing, the General Partner may deny any transfer of Units if the General Partner has reason to believe that the transfer is not being made in compliance with applicable securities laws.

## **11.2 Transferee Bound**

A transferee of Units will automatically become bound and subject to this Agreement without execution of further instrument from and after the time set forth in Section 11.1(b) above, and, without limiting the generality of the foregoing, such transferee shall be deemed to make all of the representations and warranties, covenants and acknowledgements of a Limited Partner pursuant to this Agreement and to grant the power of attorney provided for in Section 18.1 hereof.

## **11.3 Transfer of Less than All Units**

In the case of a transfer of less than all of the Units represented by a Certificate (if a Certificate has been issued), a new Certificate for the balance of the Units retained by the transferor also shall be issued.

## **11.4 No Duty to Execute Trusts**

Neither the General Partner nor the registrar and transfer agent, if any, shall be bound to see to the execution of any trust, express, implied or constructive, or of any charge, pledge or equity to which any of the Units or any interests therein are subject, to ascertain or inquire whether any sale or transfer of any such Units or interest therein by a Limited Partner or his personal representatives is authorized by such trust, charge, pledge or equity or to recognize any person having any interest therein except for the person recorded as such Limited Partner. No transfer shall relieve the transferor from any obligations to the Partnership incurred prior to the transfer becoming effective. Any transfer of Units made in accordance with the provisions hereof shall be made without charge.

## **11.5 Incapacity, Death or Bankruptcy**

Where a person becomes entitled to a Unit on the incapacity, death or bankruptcy of a Limited Partner, or otherwise by operation of law, in addition to the requirements of Section 11.1 hereof, such entitlement will not be recognized or entered in the register evidencing ownership of the Units until that person:

- (a) has produced evidence satisfactory to the General Partner of such entitlement; and
- (b) has acknowledged in writing that he is bound by the terms of this Agreement.

## **11.6 Mortgage, Pledge of Unit**

A Limited Partner may mortgage, pledge or hypothecate a Unit which has been fully paid for as security for a loan to or an obligation of such Limited Partner; however, the General Partner is not obliged to recognize or acknowledge any such mortgage, pledge or hypothecation, and until and unless a Unit is transferred in accordance with this Article 11, only the registered holder of the Unit shall be recognized by the General Partner and all distributions shall be made to such registered holder.

## **11.7 Notification to CDS**

Promptly following the registration by the General Partner of any transfer implemented in accordance with this Article 11, the General Partner shall notify CDS of the particulars thereof.

## **ARTICLE 12 - CONFLICTS OF INTEREST**

### **12.1 No Conflict for General Partner**

The General Partner may not act as the general partner of any other limited partnerships or engage in any business other than the management of the business of the Partnership as provided in this Agreement.

### **12.2 Non Exclusive**

The services of the directors and officers of the General Partner are not exclusive to the Partnership. The Limited Partners acknowledge and agree that the directors and officers of the General Partner and their Affiliates, are not in any way limited or affected in their ability to carry on other business ventures for their own account or for the account of others, and may be engaged in transactions or in the ownership, acquisition and operation of businesses which compete with the Partnership. The Limited Partners acknowledge and waive any rights to which they might otherwise be entitled as Partners in the Partnership to invest in any other property or venture of the directors and officers of the General Partner or their Affiliates, or to any profit therefrom or to any interest therein. The Limited Partners acknowledge and agree that:

- (a) if an investment opportunity does not arise solely from a director's or officer's activities on behalf of the General Partner, the directors and officers of the General Partner have no obligation to offer the investment opportunity to the Partnership; and
- (b) to the extent that an opportunity arises to enter into a Flow-Through Agreement, the directors of the General Partner have the discretion to determine whether the Partnership will avail itself of the investment opportunity and, if it does not, any of the directors and officers of the General Partner and any of their Affiliates shall be able to decide amongst themselves whether to pursue the opportunity for their respective accounts.

### **12.3 General Partner's Conduct of Partnership Business**

Funds of the Partnership will not be commingled with the funds of the General Partner or of any other entity.

### **12.4 Duty of Care**

The General Partner will exercise its powers and discharge its duties honestly, in good faith and in the best interest of the Partnership and will exercise the care, diligence and skill of a reasonably prudent and qualified manager would apply in comparable circumstances.

## **ARTICLE 13 - REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PARTNERS**

### **13.1 Representations, Warranties and Covenants of General Partner**

The General Partner hereby represents and warrants to the Limited Partners that:

- (a) it is a body corporate, duly incorporated under the laws of British Columbia and it is and shall continue to be existing and in good standing under the said laws and under the laws of any jurisdiction where it carries on business and it is not a "non-resident" as defined in the Tax Act;

- (b) it has and shall continue to have the capacity to act as the General Partner and its obligations herein do not conflict with nor constitute a default under its articles of incorporation, its by-laws or any agreement by which it is bound;
- (c) it shall exercise the powers conferred on it hereunder in pursuance of the business of the Partnership;
- (d) it shall carry out such investigations and obtain such assurances as a prudent investor would deem necessary or appropriate prior to entering into a Flow-Through Agreement with a Resource Issuer; and
- (e) it will devote to the conduct of the affairs of the Partnership such time as may be reasonably required for the proper management of the affairs of the Partnership.

### **13.2 Representations, Warranties and Covenants of Limited Partner**

Each Limited Partner represents, warrants and covenants to the General Partner and all the other Limited Partners that such Limited Partner:

- (a) if an individual, is not a Minor and has the legal capacity and competence to enter into this Agreement and to take all actions required pursuant to this Agreement;
- (b) if a corporation or body corporate, has the legal capacity and competence to enter into this Agreement and to take all actions required pursuant hereto and all necessary approvals by its directors, shareholders and members, or otherwise, have been given to authorize the entering into of this Agreement and to take all actions required pursuant to this Agreement;
- (c) is not, and will not be, a “non-resident” as defined in the Tax Act;
- (d) is not, and will not be, a “non-Canadian” as defined in the *Investment Canada Act* (Canada);
- (e) has not financed, and will not finance, the acquisition of Units with a borrowing or other indebtedness for which recourse is or is deemed to be limited within the meaning of the Tax Act and, for the purpose of this representation, warranty and covenant, limited recourse indebtedness includes:
  - (i) indebtedness in respect of which bona fide written arrangements were not made at the time the indebtedness was incurred for repayment of all principal and interest within a reasonable period not exceeding 10 years;
  - (ii) indebtedness on which interest is not payable, at least annually, at a rate equal to or greater than the lesser of the rate prescribed under the Tax Act at the time the indebtedness arose and the prescribed rate that is applicable from time to time during the term of the indebtedness; and
  - (iii) indebtedness in respect of which such interest is not paid by the debtor within 60 days of the end of the debtor’s tax year;
- (f) shall not transfer his or its Units in whole or in part in a manner that would not conform with Article 11;

- (g) is not a Resource Issuer which has entered into, or to the best of the Limited Partner's knowledge proposes to enter into, a Flow-Through Agreement with the Partnership nor does the Limited Partner not deal at arm's length with any such Resource Issuer;
- (h) acknowledges and confirms that he or it has conveyed to his or its broker in respect of the Offering described in the Prospectus his or its compliance with the representations and warranties set forth in paragraphs 13.2(c), (d) and (d) above;
- (i) is not a partnership other than a "Canadian partnership" within the meaning of the Tax Act; and
- (j) acknowledges that it may be obliged to provide the General Partner with a declaration that it is not a "financial institution" as that term is defined in subsection 142.2(1) of the Tax Act.

### **13.3 Non-resident of Canada**

The Limited Partners covenant and agree that they will not cease to be a resident of Canada for the purposes of the Tax Act or otherwise change their status as represented herein or transfer or purport to transfer their Units to any person that is not a resident of Canada for the purposes of the Tax Act or to a partnership that is not a "Canadian partnership" within the meaning of the Tax Act or in any other case if such change, transfer or purported transfer would have the effect of altering the status of the Partnership in relation to the Tax Act or any similar statute affecting such status. The Limited Partners covenant and agree that they will promptly provide evidence to the General Partner upon request of their status under such statute or any similar statute affecting the status of the Partnership or of any other matter which affects or may from time to time affect such status.

### **13.4 Automatic Repurchase**

The General Partner shall require those Limited Partners who are or who become non-residents of Canada for the purposes of the Tax Act or partnerships to sell their Units to residents of Canada. In the event that a Limited Partner fails to comply with such a request, the General Partner shall have the right to sell such Limited Partner's Units or to purchase the same on behalf of the Partnership at the lesser of one dollar (\$1) per Unit or the Net Asset Value per unit on the immediately preceding Valuation Date.

### **13.5 Execution of Documents**

Each Limited Partner will, on the request of the General Partner, immediately execute such documents considered by the General Partner to be necessary to comply with any applicable law or regulation of any jurisdiction in Canada, for the continuation, operation or good standing of the Partnership.

### **13.6 Survival of Representations and Warranties**

The representations and warranties contained in this Article 13 shall remain valid after the execution of this Agreement and dissolution of the Partnership and each party shall be required to ensure that each representation and warranty made by such party pursuant to the above provisions remains true so long as such party remains a Partner.

## **ARTICLE 14 - PARTNERSHIP MEETINGS**

### **14.1 No Annual General Meetings**

The Partnership shall not be required to hold annual general meetings; however, the General Partner may at any time and shall, upon the written request of Limited Partners representing 25% or more of the Units outstanding requesting a meeting and stating the purpose for which the meeting is to be held, call a meeting. If the General Partner fails or neglects to call such a meeting within 30 days after receipt of the written request, any Limited Partner who was a party to the request may call the meeting.

### **14.2 Meetings in Vancouver**

Meetings of Limited Partners are to be held at such place in the City of Vancouver or other city as the General Partner may designate or, in the event of a meeting called by a Limited Partner in the aforesaid circumstances, at such place in the City of Vancouver as the said Limited Partner may designate.

### **14.3 Notice of Meetings**

Notice of any Partners' meeting shall be given to each Limited Partner and to the General Partner. The notice shall be mailed by prepaid post at least 21 and not more than 60 days prior to the meeting and shall specify the time and place of the meeting and in reasonable detail, the nature of all business to be transacted. Notice for adjourned meetings shall be mailed not less than 10 days in advance and otherwise in accordance with the provisions of notice contained in this Article 14, except that it need not specify the nature of the business to be transacted. Accidental failure to give notice to any Partner shall not invalidate a meeting or proceeding thereat.

### **14.4 Chairman**

The Chairman of all meetings will be chosen by the General Partner unless those Limited Partners present in person or represented by proxy at the meeting choose, by Ordinary Resolution, some other person present to be Chairman. To the extent that the rules and procedures for the conduct of a meeting of the Partners are not prescribed in this Agreement, such rules and procedures may be determined by the Chair of the meeting.

### **14.5 Quorum**

One or more Limited Partners present in person or by proxy and holding or representing by proxy at least 10% of the Units outstanding shall constitute a quorum at any meeting of the Partners, except for purposes of passing an Extraordinary Resolution to remove the General Partner pursuant to Article 19, in which case one or more Limited Partners present in person and holding or representing by proxy at least 50% of the Units outstanding and entitled to vote thereon shall constitute a quorum.

### **14.6 No Quorum**

If a quorum is not present for a meeting of Partners within 30 minutes after the time fixed for holding the meeting, the meeting, if convened pursuant to a written request of Limited Partners, will be cancelled, but otherwise will be adjourned to such date not less than 10 or more than 21 days after the original date for the meeting as is determined by the General Partner at a time and location determined by the General Partner. The Limited Partners present at any such adjourned meeting shall constitute a quorum.

#### **14.7 Notice of Adjourned Meeting**

The General Partner will give at least seven days notice of the date, time and place of the adjourned meeting to the Partners, to each director of the General Partner, and to the auditors, but it will not be necessary in such notice to repeat the description of the purpose of the meeting.

#### **14.8 Voting Rights**

At a meeting of Partners, each Limited Partner shall be entitled to one vote for each Unit held and the General Partner shall be entitled to one vote in its capacity as General Partner. The Chairman shall not have a casting vote. Every question submitted to a meeting shall be decided by a show of hands unless a poll is demanded by a Partner or the Chairman before the question is put or after the results of the show of hands has been announced and before the meeting proceeds to the next item of business, in which case a poll shall be taken; provided that a poll shall be taken with respect to an Extraordinary Resolution. At any meeting of the Partners, upon any matter:

- (a) for which no poll is requested or required, a declaration made by the Chairman of the meeting as to the voting on any particular resolution shall be conclusive evidence thereof; or
- (b) for which a poll is requested or required, the result of the poll shall be deemed to be the decision of the meeting on the question or resolution in respect of which the poll was taken.

#### **14.9 Vote by Proxy**

(a) At any meeting of Partners, any Limited Partner entitled to vote may vote by proxy in a form acceptable to the General Partner, provided the proxy shall have been received by the General Partner for verification prior to the meeting. Any individual who is not a minor may be appointed as proxy and every instrument of proxy shall be considered valid unless it is dated more than one year before the date of the meeting or is challenged by a Partner or holder of another proxy prior to or at the time of its exercise. A proxy must be signed by the appointor or its agent duly authorized in writing or, if the appointor is a corporation, by an officer or agent thereof duly authorized. The Chairman shall determine the validity of any challenged instrument of proxy.

(b) A vote cast in accordance with the terms of an instrument of proxy shall be valid notwithstanding the subsequent death, incapacity, insolvency, bankruptcy or insanity of the Limited Partner giving the proxy or the revocation of the proxy, provided that no written notice of such death, incapacity, insolvency, bankruptcy, insanity or revocation shall have been received by the General Partner prior to the time fixed for the holding of the meeting. A Partner which is a corporation may appoint under seal an officer, director or other authorized individual who is not a minor as its representative to attend, vote and act on its behalf at meetings of Partners, and may by a like instrument revoke any such appointment, and for all purposes of meetings of Partners, other than the giving of notice, an individual so appointed will be deemed to be the holder of every Unit held by the corporation such individual represents.

#### **14.10 Power of Limited Partners**

In addition to all other powers conferred on them by this Agreement, but subject to Article 15 hereof, the Limited Partners may by Extraordinary Resolution:

- (a) waive any default on the part of the General Partner on such terms as they may determine and release the General Partner from any claims in respect thereof;

- (b) approve any amendment to this Agreement, including without limitation, to change the nature of the business permitted to be carried on by the Partnership pursuant to Article 6 and to amend the Investment Guidelines;
- (c) approve the sale of all or substantially all of the assets of the Partnership;
- (d) make a loan to itself or to any party with which it does not deal at arm's length within the meaning of the Tax Act out of the assets of the Partnership;
- (e) require the General Partner on behalf of the Partnership to enforce any obligation or covenant on the part of any Limited Partner;
- (f) extend the term of the Partnership;
- (g) subdivide or consolidate the Units; and
- (h) amend, modify, alter or repeal any Extraordinary Resolution.

In addition, the Limited Partners may from time to time, by Extraordinary Resolution or Ordinary Resolution, advise as to the management of the Partnership's business, including as to any transaction proposed to be made outside the normal course of business of the Partnership, provided that, notwithstanding Section 16.3 hereof, any such Extraordinary Resolution or Ordinary Resolution shall not be binding on the Partners or the Partnership and shall be advisory only.

#### **14.11 General Partner, Insiders and Affiliates**

The General Partner, its Insiders, and Affiliates who are holders of one or more Units shall not be entitled to vote on any Extraordinary Resolution in respect of such Unit or Units.

#### **14.12 Minutes**

Minutes and proceedings of every meeting of the Partners shall be made and recorded by the General Partner. Minutes, when signed by the Chairman of the meeting, shall be *prima facie* evidence of the matters therein stated. Until the contrary is proved, every meeting in respect of which minutes have been made shall be taken to have been duly held and convened and all proceedings referred to in the minutes shall be deemed to have been duly passed or not to have been passed, as the case may be.

#### **14.13 Resolutions Binding**

Any Extraordinary Resolution or Ordinary Resolution shall be binding on all Partners and their respective heirs, executors, administrators or other legal representatives, successors and assigns, whether or not such Partner was present or represented by proxy at the meeting at which such resolution was passed and whether or not such Partner abstained or voted against such resolution.

#### **14.14 Meetings by Telephonic, Electronic or Other Communication Facility**

Any meeting of Partners may be held entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other. Any person entitled to attend a meeting of the Partnership may participate in such meeting by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other if the Partnership makes available such a communication facility and any person participating in a meeting by such means is deemed to be present at the meeting. Any vote at such a meeting may be held entirely by means of a telephonic, electronic or other communication facility.

### **ARTICLE 15 - AMENDMENT**

#### **15.1 Amendment**

Subject to Section 15.2 hereof, this Agreement may be amended only in writing and with the consent of the Limited Partners given by Extraordinary Resolution provided that:

- (a) this Article 15 may not be amended without the unanimous consent of the Limited Partners present in person or represented by proxy at a meeting held for such purpose;
- (b) no amendment shall be made to this Agreement, which would have the effect of reducing the General Partner's share of the net income or loss of the Partnership or the fees payable hereunder to the General Partner (unless the General Partner, in its sole discretion consents thereto) except upon a change of the General Partner pursuant to Article 17;
- (c) no amendment shall be made to this Agreement without the unanimous consent of the Limited Partners which would have the effect of reducing the interest in the Partnership of any Limited Partner, changing the liability of any Limited Partner, allowing any Limited Partner to exercise control over the business of the Partnership, changing the right of the General Partner or of a Limited Partner to vote at any meeting or changing the Partnership from a limited partnership to a general partnership;
- (d) no amendment shall be made to this Agreement which would have the effect of changing in any manner the allocation of income or loss of the Partnership for tax purposes; and
- (e) no amendment which would have the effect of adversely affecting the rights and obligations of the General Partner will become effective before 60 days after the date of the meeting at which such amendment was adopted (unless the General partner consents to an earlier date), except for the removal and replacement of the General Partner pursuant to Section 17.1 hereof.

#### **15.2 Amendment by General Partner**

The General Partner may, without prior notice to or consent from any Limited Partner, amend from time to time any provision of this Agreement or add any provision, if such amendment or addition is, in the opinion of counsel to the Partnership, for the protection or benefit of Limited Partners or of the Partnership or to cure an ambiguity or to correct or supplement any provisions contained herein which may be defective or inconsistent with any other provision contained herein and if the cure, correction or supplemental provision does not and will not, in the opinion of the General Partner, materially adversely affect the pecuniary interest of any Limited Partner.

### **15.3 Notice to Limited Partners**

Limited Partners will be notified of the full details of any amendment to this Agreement under Section 15.1 within 15 days of the effective date of the Extraordinary Resolution.

## **ARTICLE 16 - NOTICES**

### **16.1 Notice**

Any notice or other written communications which must be given or sent under this Agreement shall be deemed to have been validly given or received the fifth day following its sending by first class mail to the address of the General Partner and the Limited Partners as follows: in the case of the General Partner, to Suite 450-650 West Georgia Street, Vancouver, British Columbia, V6B 4N8, Attention: President or any other new address following a change of address in conformity with Section 16.2 below, and in the case of the Limited Partners to the postal address inscribed in the register of the Limited Partners.

### **16.2 Change of Address**

A Limited Partner may, at any time, change his address for the purposes of service by written notice to the General Partner or to such other person as is then the registrar and transfer agent for the Partnership. The General Partner may change its address for the purposes of service by written notice to all the Limited Partners and to the registrar and transfer agent, if any.

### **16.3 Postal Disruption**

In the event of any disruption, strike or interruption in the Canadian postal service after mailing and before receipt or deemed receipt of a document, it will be deemed to have been received on the sixth business day following full resumption of the Canadian postal service. If the party giving any notice or other written communication knows or ought reasonably to know of any difficulties with the postal system that might affect the delivery of mail, any such demand, notice or other communication may not be mailed but must be given by personal delivery or by facsimile or other electronic means of communication or, in the case of communication to the Limited Partners, by publication once in the national edition of The Globe and Mail or, if such publication is impracticable, by publication once in any newspaper(s) published in the English language having general circulation in each of Vancouver, Calgary, Regina, Winnipeg, Halifax and Toronto.

### **16.4 Notice by Facsimile or Electronic Means**

Notices may also be validly given by way of facsimile or other electronic means of communication or hand deliveries and if sent on a business day during normal business hours of the recipient they shall be deemed to have been received on the date of their transmittal and, if not, on the next business day or on the date of delivery as the case may be.

### **16.5 Accidental Failure to Give Notice**

An accidental omission in the giving of, or failure to give, a notice required by this Agreement will not invalidate or affect in any way the legality of any meeting or other proceedings in respect of which such notice was or was intended to be given.

## **ARTICLE 17 - CHANGE OF GENERAL PARTNER**

### **17.1 Removal or Resignation of General Partner**

Subject to Section 9.1(b), the General Partner may be removed as General Partner only by an Extraordinary Resolution to that effect and then only if: (i) the General Partner has breached its obligations under this Agreement and, if capable of being cured, such breach continues unremedied for a period of 20 business days after the General Partner has received written notice thereof from any Limited Partner or, if the General Partner becomes bankrupt or insolvent; and (ii) the Limited Partners shall appoint by Ordinary Resolution, concurrently with the removal of the General Partner, a replacement General Partner which shall assume all the responsibilities and obligations of the General Partner under this Agreement. Upon removal of the General Partner, a new General Partner may be appointed by Ordinary Resolution. The General Partner shall not be, or become while this Agreement is in force, a “non-resident” as defined in the Tax Act. Except as provided in this Section 17.1 and in Section 9.5 hereof, the General Partner may not resign unless it has given at least 180 days’ written notice to the Limited Partners of such intention and nominates a qualified successor whose appointment is approved by Ordinary Resolution and who accepts such position within such period and the General Partner may not sell, assign, transfer or otherwise dispose of its interest in the Partnership unless such sale, assignment, transfer or disposition is to the continuing corporation resulting from the amalgamation, merger or reorganization of the General Partner with another company, which continuing corporation will become the General Partner upon such amalgamation, merger or reorganization. Notwithstanding anything else set forth in this Agreement, the General Partner may not resign if the effect of its resignation would be to dissolve the Partnership. A new General Partner may be appointed by Ordinary Resolution upon the occurrence of an event described in paragraph 9.3(b). In the event of appointment of a new General Partner, the General Partner which has withdrawn or has been removed from the Partnership shall no longer be entitled to its share of the net income or net loss of the Partnership or to the amounts referred to in Sections 5.2 or 5.10 except in respect of those amounts to which such General Partner has become entitled prior to or at the fiscal quarter end of the Partnership immediately preceding the withdrawal or removal of the General Partner, which shall be paid to the General Partner, without set-off or counterclaim, prior to the effective date of its removal or resignation.

### **17.2 New General Partner**

The new General Partner will execute a counterpart of this Agreement and will forthwith assume the obligations of the General Partner as of and from the date of its appointment and shall thereafter have the sole right to exercise all rights of the General Partner as manager of the Partnership and to receive the General Partner’s share of net income or net loss of the Partnership and the amounts required by Sections 5.2 and 5.10 to be distributed to the General Partner and the resigning or retiring General Partner shall do all things and take all steps necessary to effectively transfer the management of the Partnership and all rights to which such new General Partner is entitled hereunder to the new General Partner and shall execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfer.

### **17.3 Release of Former General Partner**

In the event of a change of the General Partner, the Partnership and the Limited Partners shall release and hold harmless the former General Partner from all actions, claims, costs, demands, losses, damages and expenses with respect to events which occur in relation to the Partnership after the effective date of removal or resignation of the former General Partner, unless such events arise from the gross negligence or willful misconduct of the General Partner, its agents or employees or from any act or omission not believed by it in good faith to be within the scope of this Agreement occurring before such change of General Partner.

## **ARTICLE 18 - POWER OF ATTORNEY**

### **18.1 Appointment of General Partner**

Each Limited Partner hereby irrevocably makes, constitutes and appoints the General Partner, and any successor to the General Partner under the terms of this Agreement, as its true and lawful attorney and agent, with full power of substitution and authority in his name, place and stead to:

- (a) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices in any jurisdiction where the General Partner considers it appropriate any and all of:
  - (i) this Agreement and any amendment hereto made in accordance with the terms hereof;
  - (ii) any amendment to the Certificate of Limited Partnership and all certificates and other instruments necessary or appropriate to qualify or to continue the qualification of the Partnership as a limited partnership in the Province of British Columbia and in each other jurisdiction where the Partnership may conduct business or where such qualification is necessary or desirable to maintain limited liability of Limited Partners in that jurisdiction;
  - (iii) all instruments and certificates and any amendment to the Certificate of Limited Partnership necessary or appropriate to reflect any amendment, change or modification of this Agreement subject to the terms and restrictions of this Agreement;
  - (iv) all instruments and other documents necessary to effect the dissolution and liquidation of the Partnership or such other Liquidity Alternative as may be approved by the Limited Partners for the purposes of winding-up the affairs of the Partnership, subject to the terms and restrictions of this Agreement, including cancellation of any certificate;
  - (v) all instruments relating to the admission of additional or substituted Limited Partners subject to the terms and restrictions of this Agreement;
  - (vi) any instrument in connection with the sale, transfer or forfeiture of a Unit for which the Subscription Price is not paid when due; and
  - (vii) all elections, determinations or designations under the Tax Act or any other taxation or other legislation or laws of like import of Canada or of any provinces or jurisdictions in respect of the affairs of the Partnership or of a Partner's interest in the Partnership including, without limitation, elections under subsection 85(2) of the Tax Act and the corresponding provisions of applicable provincial legislation, if relevant;

- (b) execute and file with any government body any documents necessary and appropriate to be filed in connection with the business of the Partnership or in connection with this Agreement;
- (c) accept service for process for and on behalf of the Partnership at the principal office of the General Partner in Vancouver, British Columbia; and
- (d) make any application for and receive any amount or credit under a federal or provincial incentive program.

## **18.2 Binding Effect of General Partner Representations**

Each Limited Partner will be bound by any representation or action made or taken by the General Partner pursuant to the power of attorney in Section 18.1 hereof and waives any and all defenses which may be available to contest, negate or disaffirm any action of the General Partner taken in good faith under such power of attorney.

## **18.3 Power of Attorney Irrevocable**

This power of attorney shall be irrevocable and shall bind the Limited Partner, his heirs, executors, administrators and other legal representatives and the successors and assigns of the Limited Partner, notwithstanding the death or bankruptcy of the Limited Partner. If, for any reason, this power of attorney shall not bind a Limited Partner, his heirs, executors, administrators and other legal representatives and successors and assigns of the Limited Partner, the General Partner shall have the right to sell such Limited Partner's Units or to purchase the same on behalf of the Partnership at fair value as determined by an independent party selected by the General Partner, whose determination will be final and binding and not subject to review or appeal.

## **18.4 Power to Execute Documents**

The General Partner shall have the power to execute documents in the name of all the Limited Partners pursuant to this power of attorney by affixing its signature thereto with the indication that it is acting on behalf of all the Limited Partners.

## **18.5 Execute Documents on Request**

Each Limited Partner will, on request by the General Partner, immediately execute every certificate or other instrument necessary to comply with any law or regulation of any jurisdiction in Canada for the continuation and good standing of the Partnership.

# **ARTICLE 19 - MISCELLANEOUS**

## **19.1 No Limited Partner Consent to Admit**

No action or consent of the Limited Partners shall be required for the admission at any time or from time to time of additional Limited Partners.

## **19.2 Counterparts and Fax**

This Agreement may be executed by multiple counterparts, each of which shall be deemed to be an original and all of which shall be construed together as one agreement. This Agreement may also be delivered by way of facsimile or other electronic means of communication.

## **19.3 Severable**

Each provision of this Agreement is intended to be severable and, if any provision is illegal or invalid in any jurisdiction, this shall not affect the validity of such provisions in any other jurisdiction or the validity of the remainder of this Agreement.

## **19.4 Entire Agreement**

This Agreement constitutes the entire agreement between the parties and there are no other written or verbal agreements or representations.

## **19.5 Further Assurances**

The parties will from time to time execute and deliver all such further documents and do all acts and things as the other parties may reasonably require to effectively carry out or better evidence in perfect the full intent and meaning of this Agreement.

## **19.6 Correction of Default by General Partner**

With the exception of the requirements of Section 13.1, any curable default of the General Partner resulting from an omission to take any measure within a prescribed time period and having no material adverse effect on the Limited Partners or the Partnership will be deemed to have been corrected if the measure is taken within 45 days following a notice by a Limited Partner requesting the General Partner to remedy the default.

## **19.7 Enurement**

This Agreement will be binding upon and enure to the benefit of the respective heirs, executors, administrators and other legal representatives and, to the extent permitted hereunder, the respective successors and assigns of the parties.

**19.8 Time**

Time shall be of the essence in the performance of every obligation under this Agreement and no failure or lack of diligence by any party in proclaiming or seeking remedies for any violation of, or insisting on, the strict performance of any provision of this Agreement shall prevent a subsequent violation of that provision, or of any other provision, from giving rise to any remedy that would be available if it were an original violation of that provision or other provision.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above.

**FAIRCOURT NOVADX HOLDINGS  
CORP.**

**FAIRCOURT CSCRF 2008 NO. 1  
MANAGEMENT LTD.**

By: *(signed) Rick Peterson*  
Rick Peterson, President

By: *(signed) Rick Peterson*  
Rick Peterson, President

## SCHEDULE "A"

### **Investment Objective, Investment Strategy and Investment Guidelines**

#### **Investment Objective**

The Partnership will use the Available Funds to subscribe for Flow-Through Shares pursuant to Flow-Through Agreements entered into with Resource Issuers. The investment objective of the Partnership is to provide Limited Partners with a tax assisted investment in a diversified portfolio of Flow-Through Shares of Resource Issuers with a view towards (i) maximizing the tax benefit of an investment in Units; and (ii) achieving capital appreciation for its Limited Partners. The principal business of the Resource Issuers will be: (i) primarily mineral exploration, development and production; and (ii) to a lesser extent, oil and gas exploration, development and production and certain energy production that may incur certain start-up phase costs of renewable energy projects.

The Partnership intends to invest the Available Funds so as to allow Limited Partners to claim certain deductions from income and non-refundable investment tax credits for income tax purposes for the 2008 taxation year.

Up to 30% of the Available Funds will be invested in Flow-Through Shares of Resource Issuers engaged in oil and gas exploration or in "green energy" that incur CRCE, and the balance of Available Funds will be invested in Flow-Through Shares of Resource Issuers engaged in mineral exploration.

#### **Investment Strategy**

The General Partner, with the advice and assistance of the Portfolio Advisor, will invest the Available Funds with the objective of acquiring a diversified portfolio of Flow-Through Shares issued by Resource Issuers that will incur, and renounce to the Partnership, Qualified CEE that the Partnership intends to flow through to Limited Partners.

The Partnership's principal strategy is to invest in Flow-Through Shares of junior and intermediate junior Resource Issuers that, in the opinion of the General Partner with advice from the Portfolio Advisor, have experienced and capable senior management, well-planned exploration programs, and superior potential for future growth, where such Flow-Through Shares can be acquired at attractive prices.

The General Partner may sell Flow-Through Shares and other investments acquired by the Partnership. Any net cash proceeds from such sales (net of a reserve for fees and expenses) will be reinvested in Flow-Through Shares and other shares of Resource Issuers or in High Quality Liquid Investments.

#### **Investment Guidelines**

In investing the Available Funds and in managing the Partnership's investment portfolio, the General Partner and the Portfolio Advisor will adhere to the guidelines set out below. For purposes of the guidelines, all percentage limitations will be determined at the time a transaction is executed, and any subsequent change in any applicable percentage resulting from changing values or changing market capitalization will not require the Partnership to reduce or eliminate any portfolio investment.

*Exchange Listing:* At least 90% of the Available Funds will be invested in Flow-Through Shares of Resource Issuers that are reporting issuers, the shares of which are listed on the TSX, TSX Venture or another North American stock exchange.

*Private or Unlisted Companies:* Up to 10% of Available Funds may be invested in Flow-Through Shares of Resource Issuers that are not reporting issuers or the shares of which are not listed on any North American stock exchange and which therefore may be subject to continuing resale restrictions.

*Diversification:* The Partnership will not invest more than 15% of Available Funds in the shares of any one Resource Issuer.

*Mining Issuers:* At least 70% of the Available Funds will be invested in Flow-Through Shares of issuers engaged in mineral exploration.

*Oil and Gas Issuers:* No more than 30% of Available Funds will be invested in Flow-Through Shares of issuers engaged in oil and gas exploration.

*“Green” Energy Issuers:* No more than 10% of Available Funds will be invested in Flow-Through Shares of issuers engaged in certain “green” energy production that incur expenses which qualify as CRCE.

*Non-Flow-Through Investments:* Up to 5% of Available Funds may be invested in shares of Resource Issuers that do not have the attributes of Flow-Through Shares.

*Reinvestment:* Once all Available Funds have been invested, and to the extent that the Partnership disposes of Flow-Through Shares or other investments, the Partnership may reinvest the net proceeds from any such dispositions in additional Flow-Through Shares and non-flow-through securities of Resource Issuers or in High Quality Liquid Investments.

*Non-Control:* The Partnership will not purchase securities of a Resource Issuer for the purpose of exercising control or management over such issuer and will not purchase more than 9.99% of the issued and outstanding voting securities of any Resource Issuer.

*No Other Undertaking:* The Partnership will not engage in any undertaking other than the investment of the Partnership’s assets having regard to the Partnership’s investment objective, investment strategy and investment guidelines.

*Purchasing Securities:* The Partnership will not purchase securities other than Flow-Through Shares unless the purchase price therefore does not exceed the prevailing market price or is negotiated or established on an arm’s length basis by parties other than the Partnership and the General Partner.

*Fixed Price:* The Partnership will not purchase any security on terms that would require the Partnership to make a contribution or payment in addition to the purchase price, provided that this restriction will not apply to securities purchased on an installment basis where the total purchase price and the amount of all such installments is fixed at the time the initial installment is paid.

*No Material Interest:* The Partnership will not purchase securities from or sell securities to the General Partner or any of the General Partner’s respective Affiliates or Associates, any officer, director or shareholder of any of them, any person, trust, firm or corporation managed by the General Partner or any of their respective Affiliates or Associates, or any firm or corporation in which any officer, director or shareholder of the General Partner may have a material interest (which, for these purposes, means beneficial ownership of more than 10% of the voting securities of such entity) unless, with respect to any purchase or sale of securities, the purchase price does not exceed the prevailing market price. Subject to any such sale complying with all applicable securities laws, the foregoing restriction will not apply to any Liquidity Alternative involving a sale of Partnership assets to a mutual fund corporation or entity.

*No Commodities:* The Partnership will not purchase or sell commodities.

*No Guarantee:* The Partnership will not guarantee the securities or obligations of any person.

*No Real Estate:* The Partnership will not purchase or sell real estate or interests therein, including mortgages.

*No Lending:* The Partnership will not lend money other than through the purchase of High Quality Liquid Investments.

*No Underwriting:* The Partnership will not act as an underwriter except to the extent that the Partnership may be deemed to be an underwriter in connection with the sale of securities in its investment portfolio.

*No Short Sales:* The Partnership will not make short sales of securities other than for hedging purposes against existing positions held by the Partnership.

*Borrowing:* Other than borrowings under the Loan Facility (to pay the Agents' fee, issue expenses, and certain administrative costs) and short-term credits necessary for settlement of securities transactions, which are not considered borrowing, the Partnership will not engage in borrowing.

**SCHEDULE "B"**

**FAIRCOURT CSCRF 2008 NO. 1 LIMITED PARTNERSHIP  
POWER OF ATTORNEY AND TRANSFER FORM**

All capitalized terms used herein without definition have the meanings ascribed thereto in the Partnership Agreement, as hereinafter defined.

The undersigned, a Limited Partner of **FAIRCOURT CSCRF 2008 NO. 1 LIMITED PARTNERSHIP** (the "Partnership"), hereby assigns to \_\_\_\_\_ all of the undersigned's right, title and interest to \_\_\_\_\_ Units in the Partnership. The undersigned agrees to furnish to the General Partner of the Partnership (the "General Partner") such documents, certificates, assurances and other instruments as the General Partner may require to effect this assignment and to continue and keep the Partnership in good standing as a limited partnership.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_

Guarantor

\_\_\_\_\_

(Residence Address)

\_\_\_\_\_

\_\_\_\_\_

The assignee acknowledges that, by executing this transfer, he: (i) has reviewed and agrees to be bound by the terms of the amended and restated Limited Partnership Agreement dated as of February 27, 2008, as from time to time amended, governing the business and affairs of the Partnership (the "Partnership Agreement") and will be liable for all obligations of a Limited Partner; (ii) is making certain representations and warranties as to residency and limited recourse financing as set out in the Partnership Agreement; and (iii) irrevocably ratifies and confirms the power of attorney given to the General Partner pursuant to the Partnership Agreement. The Partnership Agreement includes representations, warranties and covenants on the part of the assignee that he is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada), that he will maintain such status during such time as Units are held by him, that the assignee is not a partnership other than a "Canadian partnership" for the purposes of the Tax Act, and that his acquisition of the Units was not, and will not be, financed through a borrowing or other indebtedness for which recourse is or is deemed to be limited within the meaning of the *Income Tax Act* (Canada). Unless the assignee has concurrently with the delivery of this transfer, delivered written notice to the General Partner that it is a "financial institution" as that term is defined in subsection 142.2(1) of the *Income Tax Act* (Canada), by executing this transfer, it is deemed to represent and warrant that it is not a "financial institution" and to covenant that it will not become a "financial institution" during such time as Units are held by it. The assignee further acknowledges that it may be obliged to provide the General Partner with a declaration that it is not a "financial institution".

The assignee acknowledges that in addition to certain other requirements there is also a possibility that Limited Partners may lose their limited liability to the extent the principles of Canadian law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one province but operating, owning property, or incurring obligations in another province. The assignee also acknowledges that the transfer of Units to a “non-resident” within the meaning of the *Income Tax Act* (Canada) or to a partnership that is not a “Canadian partnership” for the purposes of the Tax Act shall be denied and that the transfer of Units to a “financial institution”, as defined in subsection 142.2(1) of the *Income Tax Act* (Canada), may be denied.

Dated at \_\_\_\_\_ in the Province of \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Signature of Assignee) (Seal)

\_\_\_\_\_  
(Name of Registered Dealer or Broker and No.)

\_\_\_\_\_  
(Name of Assignee - Please Print)

\_\_\_\_\_  
(Name of Registered Representative and No.)

\_\_\_\_\_  
(Social Insurance Number or Corporation Acct. No.)

\_\_\_\_\_  
(Incorporation Number, if any)

\_\_\_\_\_  
(Federal District Taxation Office)

\_\_\_\_\_  
(Taxation Year End if Not An Individual)

\_\_\_\_\_  
(Residential Address)

\_\_\_\_\_  
(City, Province, Postal Code)

(O) \_\_\_\_\_ (H) \_\_\_\_\_  
(Telephone Numbers: Office, Home)

\_\_\_\_\_  
Mailing address (if different from residence address)

\_\_\_\_\_  
(Mailing address)

\_\_\_\_\_  
(City, Province, Postal Code)

**PLEASE INDICATE IF YOU WISH TO HAVE YOUR UNITS DEPOSITED INTO YOUR BROKER ACCOUNT (YES/NO \_\_\_\_\_). IF YES, PLEASE INDICATE THE APPROPRIATE BROKER ACCOUNT NUMBER \_\_\_\_\_.**

**NOTES:**

1. The signature of the Limited Partner assigning the within Unit(s) must be guaranteed by a Canadian chartered bank, a trust company qualified to carry on business in any province of Canada, a member of the Investment Dealers Association of Canada or a member of any recognized stock exchange.
2. No assignment of a Unit may be made without delivering the documents and instruments required under the Partnership Agreement.
3. No assignment of a fraction of a Unit may be made.
4. An assignment of a Unit may have income tax implications to the assignor and the assignee.

**TRANSFER ACKNOWLEDGED**

This transfer is hereby acknowledged

**FAIRCOURT CSCRF 2008 NO. 1 LIMITED PARTNERSHIP,  
by its General Partner,  
FAIRCOURT CSCRF 2008 NO. 1 MANAGEMENT LTD.**

Per: \_\_\_\_\_  
Authorized Signatory