

NEXT EDGE BIO-TECH PLUS FUND

Monthly Report as of November 30th, 2016

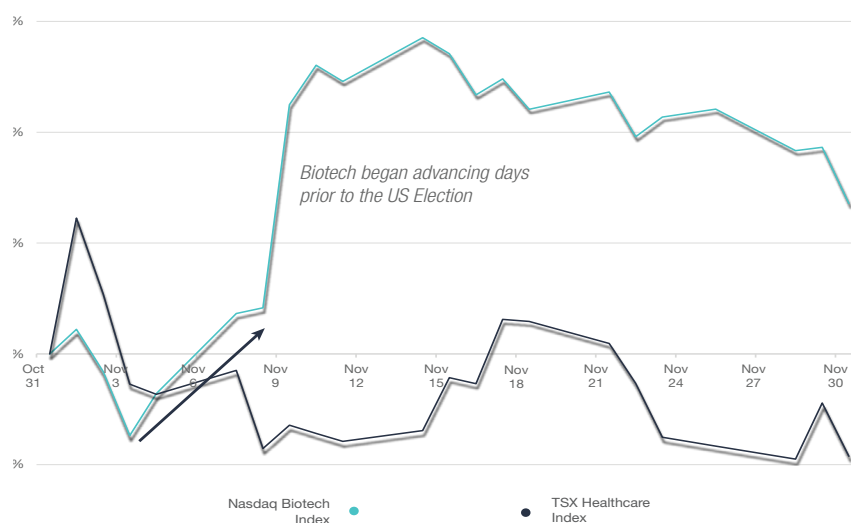
Investing in companies of the future.

A unique, well defined process of investing in North American small and mid-capitalization Biotechnology companies.

FUND COMMENTARY

November's US Election outcome may turn out to be a watershed event for Biotech. Faced with hostile political headwinds for the past 15 months, selling intensified in expectation of the Democrats gaining control of the House, stirring fears of legislative power to enforce price-controls. Curiously, two days prior to the election, the sector went bid, perhaps reflecting the discounted outcome. The sector surged 10% in the days following the US Election, before retracing most of that gain in the final two weeks of the month. For November, the Next Edge Bio-Tech Plus Fund (the 'Fund') Class A Units & Class F Units appreciated 2.73% and 2.92% respectively versus 2.81% for the Fund's benchmark. Year-to-date, the Fund's benchmark components Nasdaq Biotech Index (NBI) declined -19.09%² and the TSX Capped Healthcare index declined -43.66%² while the Class A Units & Class F Units declined -14.83% and -13.77% respectively.

Nasdaq Biotech Index vs. TSX Healthcare Index
November 2016



Source: Bloomberg Data, Nasdaq.com, Next Edge Capital

JOIN US AT THE INAUGURAL 'BIOTECH ALLY' AT THE CANTECH 2017 CONFERENCE

We have been enlisted to orchestrate a Biotech presence at the [Annual Cantech Technology Investment Conference](#) at the Metro Toronto Convention Center on January 18th, 2017. Free tickets, normally \$65, are available to our Investment Advisor acquaintances interested in attending the event. We have invited a handful of innovative Canadian Healthcare companies.

The conference provides a forum making company management accessible to investors. The Next Edge Bio-Tech Plus Fund will have a booth. Eden Rahim, portfolio manager of the Fund, will host a panel discussion and Q&A.



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The Prime Minister will send his greetings to the gathering of investors that risk their capital in pursuit of building better mousetraps or curing diseases. Additionally, a very special keynote speaker is in the works. The day concludes with a mix-and-mingle at Ripley's Aquarium.

THE GREAT ELECTION ROTATION

The US Election outcome seemingly caught the market by surprise, resulting in an impulsive reallocation from defensive sectors towards sectors benefiting either from policy change (Healthcare) or economic stimulus.



Source: stockcharts.com - October - November, 2016

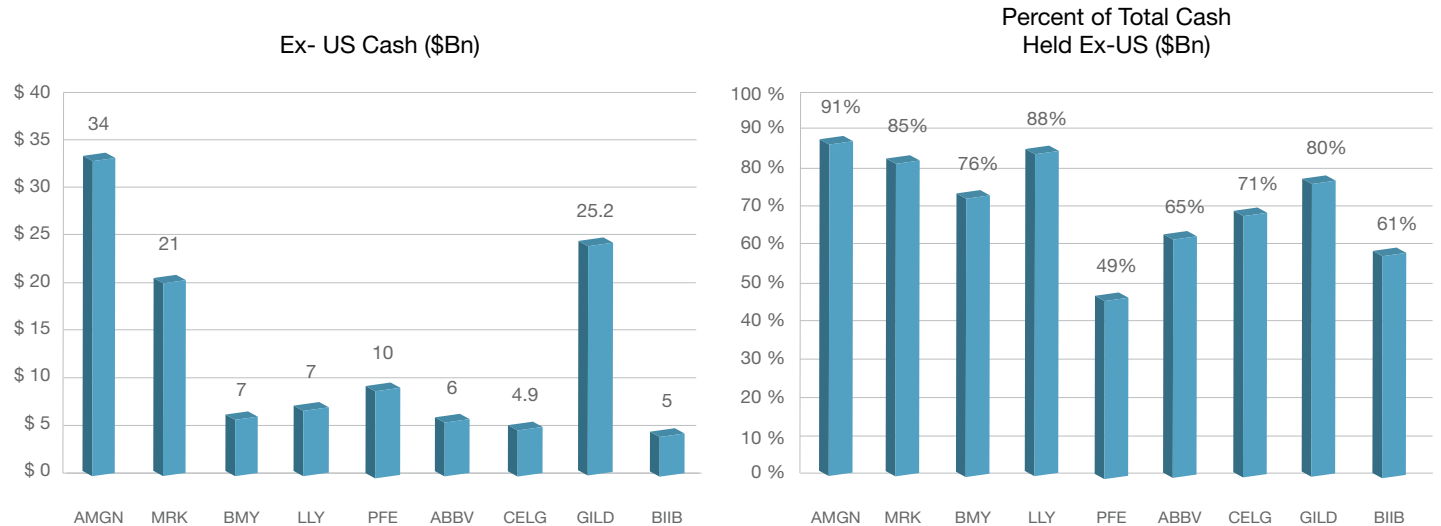
Given the lightning-rod issue Healthcare was going into the US Election, as a reprise, Eden Rahim was called upon to offer his views on the impact on the sector. On October 31st, he spoke with [BNN's Amber Kanwar from the Nasdaq Market Site](#) and provided his research on the pre and post-election impact historically. We presented charts of the past six US Elections indicating: a) Health care was typically weak going into each US Election, and b) in all cases except one, the sector was positive in the year following. Eden Rahim also spoke to [Mark Bunting on Bloomberg Canada TV](#) the day prior to the US Election suggesting the negative outcome has already being priced in and positive returns could be expected after the US Election.

The [Alzheimer's Laboratory on 60 Minutes](#) was a recent compelling segment that highlighted the genetic link that characterizes Alzheimer's disease (AD). In this case, they focused on the mutation to the Presenilin gene on Chromosome 14. Companies developing therapeutics addressing AD is a focus of the Fund because the crisis represents the largest unmet medical need.

The **FDA has not approved a new AD therapeutic in 13 years** and is highly motivated to advance any disease-modifying treatments in development. As such, we are also invested in companies targeting mutations on Chromosomes 21 and 19, and at different points of intervention in the Alzheimer's cascade. *The timing for investing in a diversified basket of companies focused on central nervous system ('CNS') indications such as Alzheimer's disease and Parkinson's disease may be the most opportune of our generation.*

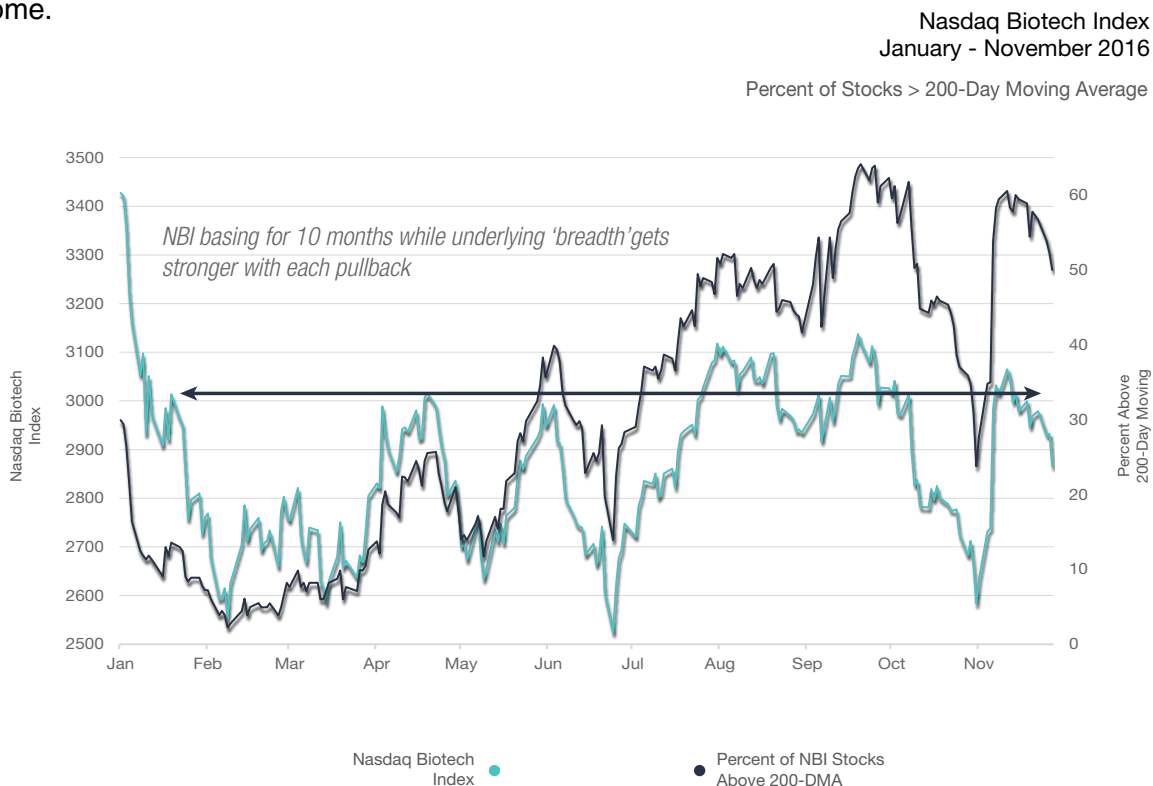
\$120 BILLION SIDELINE POWER

One of the most significant policy changes to emerge from the US Election outcome is the likelihood of only a 10% penalty to repatriate funds parked outside the US. This is especially beneficial to large cap BioPharma companies, with the top 9 collectively sheltering +\$120 billion. During the middle of this year, we experienced an M&A wave that saw five of our companies acquired at substantial premiums. With the slow growth large cap BioPharmas in desperate need of growth, the fuel for the next wave is in sight.



Source: Bloomberg Data, Next Edge Capital - November 2016

Despite the relentless oscillations of being locked in a year-long 20% range, the underlying 'breadth' of the sector continues to move in the right direction with each retracement. During the topping phase in first half of 2015 we saw the opposite progression unfold. This stealth strengthening is perhaps a harbinger of another acquisition wave to come.



Source: Bloomberg Data, Next Edge Capital

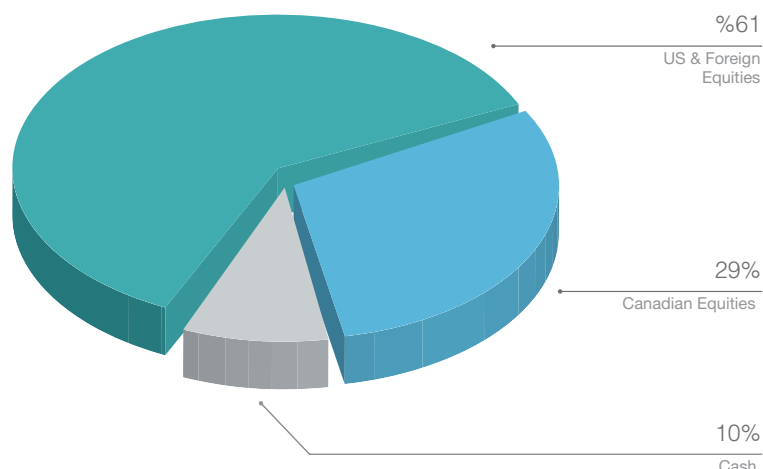


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COMPOSITE OF FUND HOLDINGS

November 30th, 2016

At the end of November, the Fund held US and Foreign investments amounting to 61% of the Fund's assets, up from 58% due mostly to appreciation of positions. Canadian holdings declined from 36% to 29% as it depreciated in value in tandem with US positions increasing in value. Cash increased from 6% to 10% as some positions were lightened on the sharp early month rally and to fund a company financing. Cash will be redeployed in December since prices have retraced at least half the early month rally.



Source: Next Edge Capital

OTHER CLASSES¹

Class	NAV	Monthly Performance	FundSERV Code
A	8.41	2.73%	NEC 213
A1	9.01	2.95%	NEC 223
F	8.96	2.92%	NEC 214
F1	9.18	3.01%	NEC 224

HISTORICAL PERFORMANCE¹ Class A

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	--	--	--	-6.01%*	4.76%	3.25%	0.81%	-2.52%	-6.94%	-1.44%	7.15%	0.57%	-1.25% ³
2016	-19.36%	-6.35%	2.23%	4.93%	0.73%	-8.01%	14.00%	1.96%	5.06%	-9.56%	2.73%		-14.83% ³

HISTORICAL PERFORMANCE¹ Class A1

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	--	1.93%**	0.24%	-4.26%	4.88%	3.58%	1.33%	-2.41%	-6.76%	-1.32%	7.27%	0.69%	4.44% ³
2016	-19.27%	-6.24%	2.34%	5.04%	0.78%	-7.92%	14.12%	2.09%	5.00%	-9.31%	2.95%		-13.77% ³



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1. Next Edge Bio-Tech Plus Fund returns are net of all fees and expenses associated with Class A Units charged from May 1st, 2015. Returns for 2016 are unaudited and subject to final confirmation. The historical annualized rates of return for Class A are 1 yr -14.35%, 3 yr - N/A, 5 yr - N/A, 10 yr - N/A; for Class A1 are 1 yr -13.18%, 3 yr - N/A, 5 yr - N/A, 10 yr - N/A; for Class F are 1 yr -13.44%, 3 yr - N/A, 5 yr - N/A, 10 yr - N/A; for Class F1 are 1 yr -12.28%, 3 yr - N/A, 5 yr - N/A, 10 yr - N/A.

2. The Benchmark for the Next Edge Bio-Tech Plus Fund is

- (i) 40% of the percentage gain or loss of the S&P/TSX Capped Health Care Index; plus
- (ii) 60% of the percentage gain or loss of the NASDAQ Biotechnology Index

The Benchmark returns are unaudited and subject to final confirmation. The historical annualized rates of return for the Benchmark are 1 yr -28.74%, 3 yr - N/A, 5 yr - N/A, 10 yr - N/A

3. Part Year

* Part Month start date April 13th, 2015 to April 30th, 2015

** Part Month start date: February 17th, 2015 to Feb 27th, 2015

There are inherent limitations in any comparison between a managed portfolio and a passive index. Each index is unmanaged and does not incur management fees, transaction costs or other expenses associated with a private fund. There are risks inherent in hedge fund investing programs.

Note to Investment Professionals: The information in the Monthly Report is being provided to current investors in the Fund and is being provided to their registered dealers for informational purposes only.

This is not a sales literature and cannot be used as such.

The Fund is not a trust company and does not carry on business as a trust company and, accordingly, the Fund is not registered under the trust company legislation of any jurisdiction. Units of the Fund are not 'deposits' within the meaning of the Canada Deposit Insurance Corporation Act (Canada) are not insured under provisions of that Act or any other legislation.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold in the United States or to U.S. persons except pursuant to an exemption from the registration requirements of those laws.

The information provided herein is for information purposes only and does not constitute a solicitation, public offering, advice or recommendations to buy or sell interests in the Fund, the Portfolio, Units or any other Next Edge Product. Please refer to the Fund's prospectus for more information on the Fund as any information in this Report is qualified in its entirety by the disclosure therein.

Opinions expressed are those of the author as of the date of their publication, are subject to change and may not reflect the opinion of all members of the Company. Some statements contained in this material concerning goals, strategies, outlook or other non-historical matters may be "forward-looking statements" and are based on current indicators and expectations at the date of their publication. We undertake no obligation to update or revise them. Forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those implied in the statements.
