

NEXT EDGE BIO-TECH PLUS FUND

Monthly Report as of March 31st, 2017

Investing in companies of the future.

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

FUND COMMENTARY

The Next Edge Bio-Tech Plus Fund (the 'Fund') closed the first quarter by advancing for the 8th month of the past 9 months, despite the biotech sector remaining mired in a 13-month range. For March, the Fund Class A Units & Class F Units appreciated +2.23% and +2.24% respectively, versus a decline of -2.63% for the Benchmark.

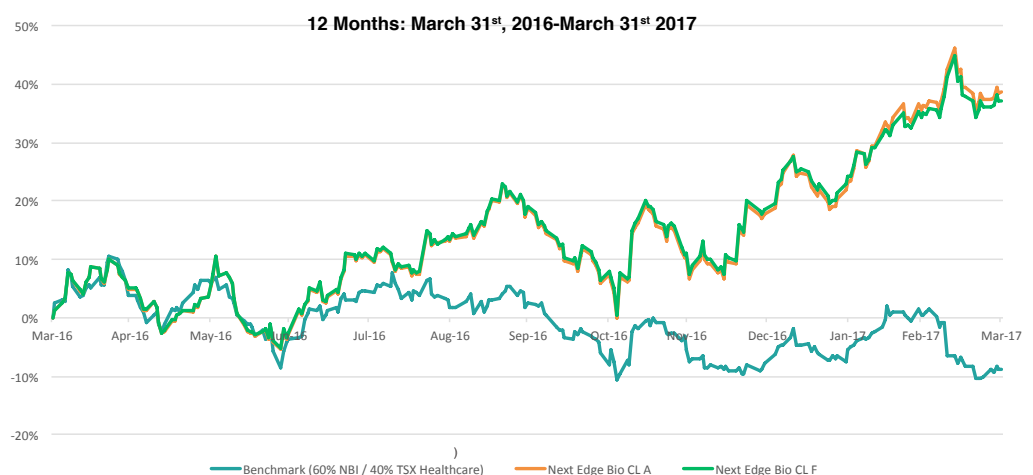
Period Ended March 31 st , 2017	A ¹	A1 ¹	F ¹	F1 ¹	Benchmark Return ²	Class A Performance relative to Benchmark
1 month	2.23%	2.47%	2.24%	2.50%	-2.63%	4.86%
YTD	17.67%	15.97%	15.79%	15.56%	6.15%	11.52%
6 months	16.67%	15.51%	15.23%	15.31%	-4.74%	21.41%
1 year	38.53%	37.73%	37.21%	38.22%	-2.22%	40.75%

Source: Next Edge Capital Corp., RBC Investor and Treasury Services

For the past 12 months, the Fund appreciated +38.53% and +37.21% respectively, versus a decline of -2.22% for the Benchmark, resulting in an outperformance over +40%. Essentially, the sector has provided little help in contributing to performance, which can be attributed to selection-discipline & risk management.

During March, the Fund achieved a New High from inception, eclipsing the high 2 years ago, prior to the sector descending into a bear market, during which the Nasdaq Biotech Index (NBI) declined -40% and the TSX Healthcare Index -50%.

NEXT EDGE BIO-TECH PLUS FUND CLASS A UNITS & CLASS F UNITS VS. FUND'S BENCHMARK



Source: Next Edge Capital Corp., RBC Investor and Treasury Services

In March, our holding in Immunotec received a takeover bid, representing our 6th holding over the past 9 months to be acquired. Subsequently, on the first trading day of April, Syneron Medical Ltd. (ELOS) became our 7th holding that is the subject of a takeover. This is recurring validation that what the market currently values the sector at is at odds with the strategic value our companies are worth to larger companies.



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BIOTECH: ONE OF THE LAST BASTIONS OF ALPHA

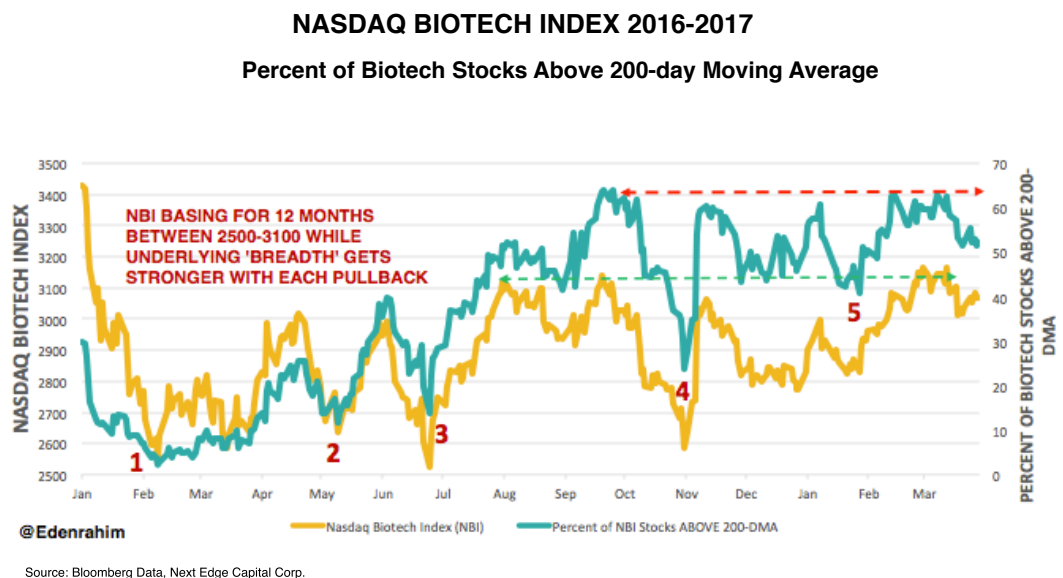
Many uninformed investors look at biotech as simply a volatile niche sector. In reality, due to the hurdle of significant skill and risk-management required to appraise investment possibilities, the barriers-to-entry are high compared to most other sectors. That creates mispricing of risks and opportunities – hence for excess returns. Furthermore, companies are heterogeneous, so they cannot simply be lumped together. Each company's drug has a unique mechanism of action that must be understood in order to handicap prospects.

In contrast, it doesn't take a rocket scientist to distinguish between one bank from another or one resource company from another. Everyone can have a well thought out, informed opinion of such companies. No edge there. The problem is you must also make a bet on whether interest rates will rise or fall, or whether the economy will rise or fall, or whether crude will rise or fall. There are a million talking heads with views to choose from.

Biotech enables investors to focus on different phases, each with unique risk/reward profiles. We have focused on late-stage companies. Most importantly, the Fund is predominantly positioned in companies that are at the cusp of commercialization of up to 22 new therapeutics over the next couple of years. It will matter less to these companies what the market or economy does. They will deliver growth in a slow-growth world, and will be of increasing value to potential acquirers, regardless of whether individual or institutional investors choose to position in the sector. They have built better mousetraps.

LOOKING AHEAD TO APRIL

We can expect elevated volatility in April as an Alzheimer's Phase 2 readout is expected in what has appreciated to become our largest holding. We first began accumulating this company 16 months ago, and after a +200% increase in value, it was scaled back in March, and will be reduced further, ahead of the readout. As with such binary readouts, the risk is for the position to decline by more than half in a negative outcome. Our returns include such outcomes. However, in this case, the potential appreciation could be substantially greater than normal. Holding out for such possibilities is one reason why we invest in biotech through a diversified fund.



Separately, a favourite indicator of ours is measuring the percent of the 190 companies in the NBI that are trading above their 200-day Moving Average. Over the past year, it continues to track the pattern of new bull markets by making higher lows. The next phase will see this reading rise above 60% up to 80% before a pause.

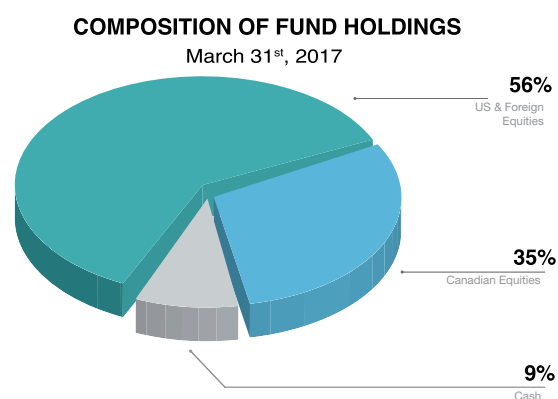


IN THE MEDIA

Eden Rahim, Portfolio Manager, was the subject of an interview with the Sonoma, CA based [Four Biotech Mid-Caps Fund Manager Eden Rahim Believes Have Favorable Catalysts](#) with a reach of 40,000 US readers. He discussed the opportunity and timeliness of investing in biotech and offers four investment ideas owned in the Fund.

COMPOSITION OF HOLDINGS FOR MARCH 31ST, 2017

At the end of March, the Fund held US and Foreign investments amounting to 56% of assets, down from 59% due to banking gains on a core position that had appreciated substantially, but faces a binary Alzheimer's Disease readout in April. Accordingly, Cash increased from 6% to 9%. However, that will decline shortly in order to fund a clinical trial of a Canadian holding. The Canadian sector weight was steady, increasing 1% to 35%.



Source: Next Edge Capital Corp., RBC Investor and Treasury Services

HISTORICAL PERFORMANCE¹ Class A

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2017	4.70%	9.94%	2.23%	--	--	--	--	--	--	--	--	--	17.67% ³
2016	-19.36%	-6.35%	2.23%	4.93%	0.73%	-8.01%	14.00%	1.96%	5.06%	-9.56%	2.73%	6.71%	-9.11%
2015	--	--	--	-6.01%	4.76%	3.25%	0.81%	-2.52%	-6.94%	-1.44%	7.15%	0.57%	-1.25% ³

HISTORICAL PERFORMANCE¹ Class A1

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2017	4.74%	8.05%	2.47%	--	--	--	--	--	--	--	--	--	15.97% ³
2016	-19.27%	-6.24%	2.34%	5.04%	0.78%	-7.92%	14.12%	2.09%	5.00%	-9.31%	2.95%	6.69%	-8.01%
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



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HISTORICAL PERFORMANCE¹ Class F

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2017	4.85%	8.01%	2.24%	--	--	--	--	--	--	--	--	--	15.79% ³
2016	-19.29%	-6.36%	2.40%	5.01%	0.76%	-7.94%	14.09%	2.06%	4.97%	-9.33%	2.92%	6.65%	-8.30%
2015	--	1.93%**	0.22%	-4.29%	4.86%	3.56%	1.31%	-2.43%	-6.79%	-1.35%	7.21%	0.67%	4.15% ³

HISTORICAL PERFORMANCE¹ Class F1

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2017	4.32%	8.08%	2.50%	--	--	--	--	--	--	--	--	--	15.56% ³
2016	-19.21%	-6.16%	2.43%	5.12%	0.88%	-7.85%	14.21%	2.19%	5.09%	-9.23%	3.01%	6.72%	-7.12%
2015	--	1.97%**	0.34%	-4.18%	4.98%	3.69%	1.43%	-2.31%	-6.66%	-1.22%	7.38%	0.80%	5.52% ³

HISTORICAL PERFORMANCE² Benchmark

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2017	2.68%	6.17%	-2.63%	--	--	--	--	--	--	--	--	--	6.15% ³
2016	-18.33%	-5.30%	-3.07%	3.79%	2.03%	-9.03%	8.51%	-2.57%	0.78%	-10.37%	2.81%	-2.62%	-30.94%
2015	--	4.53%**	4.05%	-1.68%	6.76%	0.87%	6.40%	-8.95%	-14.52%	0.70%	9.67%	0.48%	5.84% ³

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 2017 are unaudited and subject to final confirmation. The historical annualized rates of return for March 31st, 2017 for Class A are 1 yr 38.35%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A; for Class A1 are 1 yr 37.73%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A; for Class F are 1 yr 37.21%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A; for Class F1 are 1 yr 38.22%, 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 for March 31st, 2017 are 1 yr -2.22%, 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.

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