



# CMP Next Edge 2025 Critical and Precious Metals Short Duration Flow-Through Limited Partnership

Initial Public Offering – \$25 per Series A Unit, Series F Unit

## WHAT IS CMP NEXT EDGE 2025 CRITICAL AND PRECIOUS METALS SHORT DURATION FLOW-THROUGH LIMITED PARTNERSHIP?

The CMP Next Edge 2025 Critical and Precious Metals Short Duration Flow-Through Limited Partnership's (the "Partnership") investment objective is to provide investors with capital appreciation and a tax-assisted investment in a diversified portfolio of Flow-Through Shares of Resource Companies, and other securities, that offer attractive risk-reward characteristics and which primarily derive revenue from activities incurring Eligible Expenditures in the mining and energy sector.

### INVESTMENT HIGHLIGHTS:

#### Exposure to Critical Minerals

- ✓ The Manager believes rising commodity prices and increasing demand for critical minerals from the clean energy and technology sectors provide a strong pipeline of investment opportunities.

#### Significant Tax Benefits

- ✓ Holders of Units of the Partnership ("Limited Partners") may deduct an amount equal to 100% of Canadian Exploration Expenses (CEE) renounced to the Partnership  
In addition, Limited Partners are expected to qualify for:
- ✓ The Federal 30% Critical Mineral Exploration Tax Credit (CMETC), is expected to apply to **75% of the Portfolio**
- ✓ The Federal 15% Mineral Exploration Tax Credit (METC), is expected to apply to **25% of the Portfolio**

#### Estimated Liquidity

- ✓ The Partnership intends to provide liquidity to Limited Partners prior to September 1, 2026 .

#### Proven Manager and Portfolio Manager

- ✓ Next Edge Capital Corp. ("Next Edge" or the "Manager") manages over \$800M of alternative, private credit and value-added fund products in Canada
- ✓ Palos Wealth Management Inc. ("Palos" or the "Portfolio Manager") has an extensive network of sources, having participated in over 200 private junior mining deals since 2016
- ✓ CMP® has been a pioneer in Canada's Flow-Through investment space
- ✓ Established in the 1980s, CMP® has raised over \$3.1B since inception

### TAX SAVINGS PER \$100 INVESTED:

At Risk  
Capital

\$31.2

Downside  
Protection

57%

Breakeven  
Proceeds

\$42.6

### TAX EXAMPLE:

**\$100,000 in CMP Next Edge 2025 Critical and Precious Metals Short Duration Flow-Through Limited Partnership**

Estimated Cash Flows	Investment Year	Disposition Year	Net Cash Flow
Flow Through LP Investment	-\$100,000		-\$100,000
Tax Savings	\$65,728		\$65,728
Investment Redemption		\$100,000	\$100,000
Capital Gains Tax Payable		-\$26,765	-\$26,765
Total	-\$34,272	\$73,235	\$38,963

Rate of Return

113.69%

## WHY INVEST?

### Tax Efficiency:

The primary benefit of Flow-Through Shares is the ability to deduct the full amount of the investment against income. Limited Partners may enjoy even greater deductions or tax credits in provinces with additional incentives, such as British Columbia, Quebec, or Ontario.

### Portfolio Diversification:

Flow-Through Shares offer exposure to the resource sector, which is typically underrepresented in traditional portfolios. This has the potential to enhance diversification and hedge against market volatility in other industries.

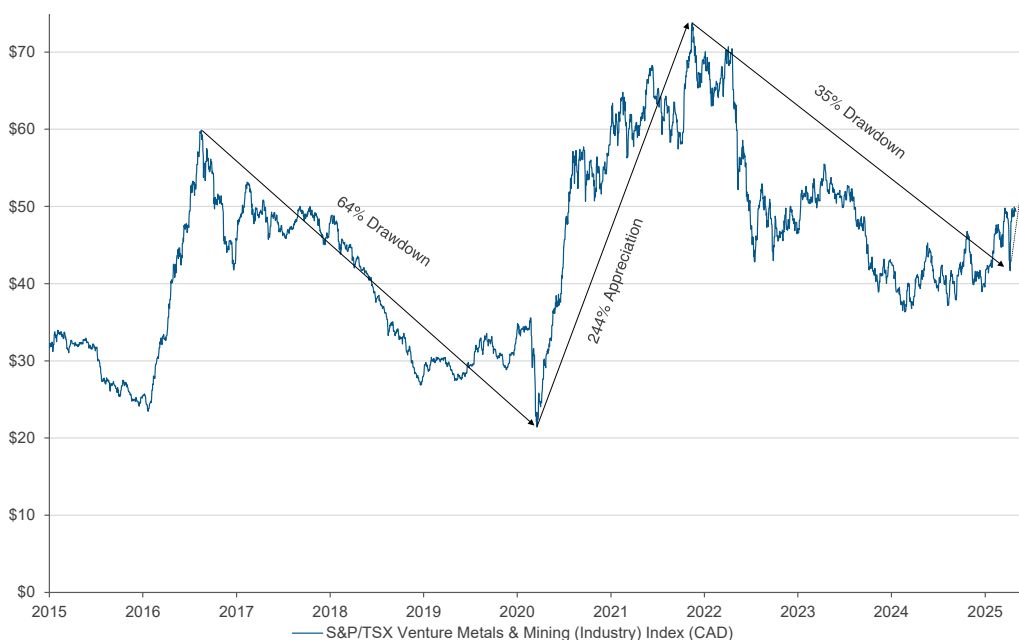
### Flow-Through Investing via a Limited Partnership (LP):

These pooled offerings provide for professional management, portfolio diversification, and administrative simplicity, making it an attractive option for investors seeking tax-efficient exposure to resource exploration.

## THE CASE FOR RESOURCES – COMPELLING VALUATION OPPORTUNITY

### S&P/TSX VENTURE METALS AND MINING (INDUSTRY) INDEX PERFORMANCE

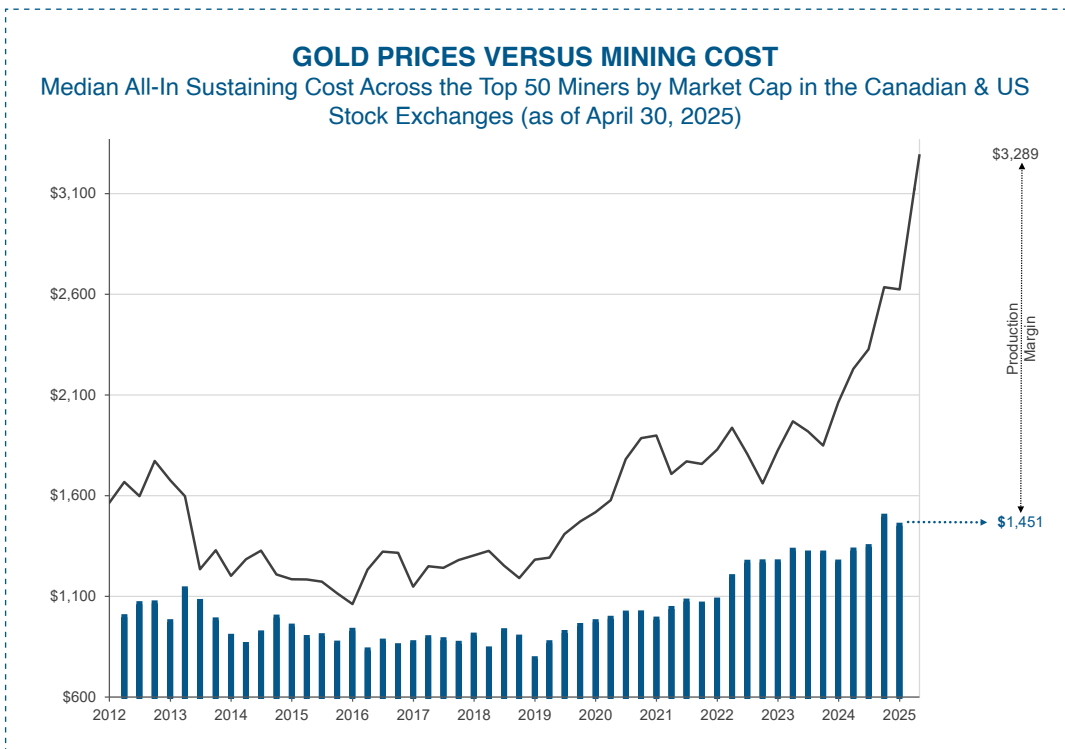
(January 1, 2015 - April 30, 2025)



Many resource indices, particularly small-cap focused ones, are trading significantly below prior peak levels, presenting a compelling valuation opportunity.

The Manager believes that the current market conditions suggest an opportune time for investors to gain exposure to the Resource Sector.

## THE CASE FOR RESOURCES – EXPANDING PRODUCTION MARGIN

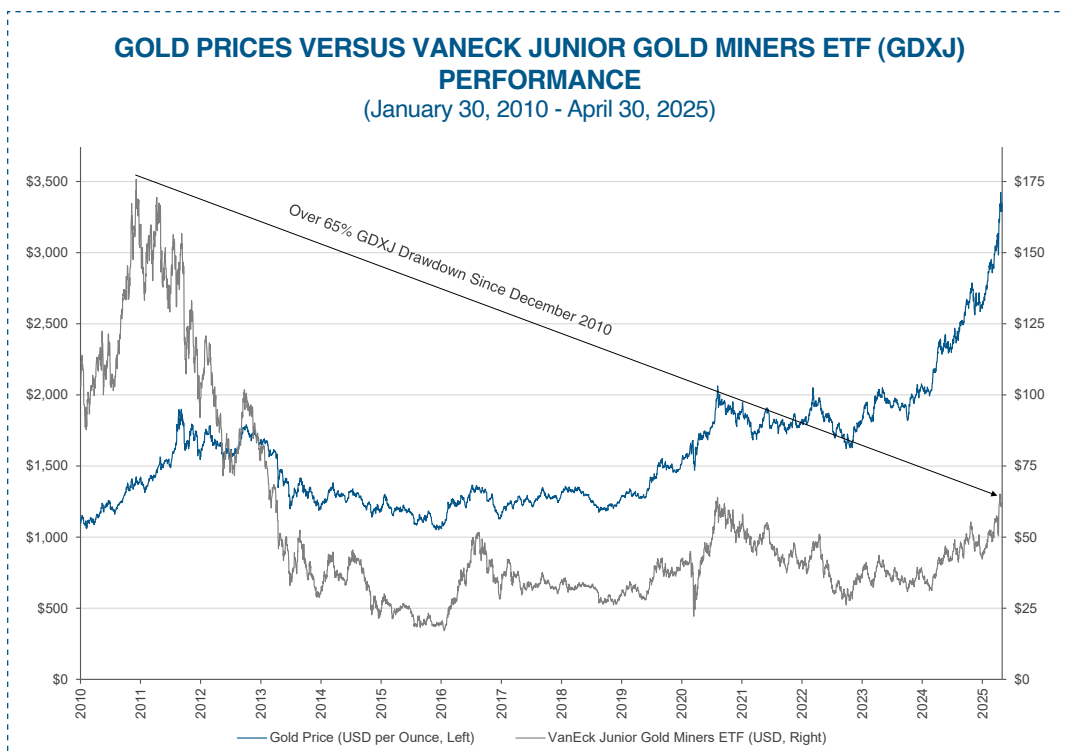


Gold has seen a strong upward trend since 2019 whereas costs for gold miners have also risen, but more gradually, recently 1,451 per ounce in Q4 2024.

The growing gap (i.e., the “production margin”) has expanded significantly in recent years, indicating increased profitability and opportunity for gold miners.

Source: Bloomberg; Tavi Costa; Crescat Capital LLC.

## THE CASE FOR RESOURCES – SIGNIFICANT CATCH-UP POTENTIAL



The VanEck Junior Gold Miners ETF peaked in December 2010 before entering a prolonged downtrend losing over 65% from its highs.

The Manager believes the move in the underlying gold commodity could represent a significant catch-up opportunity for junior gold equities.

Source: Next Edge Capital, Bloomberg LP.

## IMPORTANT NOTES

The Tax tables assume that the individual is at the highest marginal tax bracket. The calculations in the tax tables below assume that 75% of the limited partnership's portfolio will be used to acquire Flow-Through Shares of Resource Companies incurring Eligible Expenditures in 2025 that will be entitled to the Critical Mineral Tax Credit and that 25% of the limited partnership's portfolio will be used to acquire Flow-Through Shares of Resource Companies incurring Eligible Expenditures in 2025 that will entitle a Limited Partner to the 15% federal non-refundable Mineral Exploration Tax Credit (METC). It is assumed that the investor disposes of their mutual fund shares the year the LP is rolled into the designated mutual fund corporation; as such, it is assumed that the investor will be subject to tax on the recapture of the investment tax credits in 2025. The illustration considers that the cost to the investor of any Flow-Through Share which it acquires to be nil and, therefore, the amount of such capital gain will generally equal the proceeds of disposition of the Flow-Through Shares.

The information presented herein regarding At-Risk Capital, Breakeven Proceeds, and Downside Protection is for illustrative purposes only and does not constitute investment, financial, or tax advice. These figures are based on certain assumptions that may not reflect actual investor outcomes, including assumptions regarding tax rates, liquidity event timing, investment performance, and market conditions. The At-Risk Capital represents the estimated portion of a subscriber's investment that remains exposed to market risk after tax benefits have been applied, assuming a specific marginal tax rate and successful renunciation of eligible expenditures. Actual outcomes may vary depending on the individual investor's tax profile, timing of deductions, and changes to tax legislation. The Breakeven Proceeds refer to the minimum return required upon a liquidity event to recover the original investment, after accounting for estimated tax deductions and credits. These proceeds do not guarantee capital preservation and do not include the impact of fees, borrowing costs, or other expenses. Downside Protection estimates the degree of investment loss mitigation derived from the tax benefits under current tax legislation. This protection is theoretical and only applies under the assumption of full deductibility and tax credit eligibility. Tax benefits may be reduced or eliminated if the investor is subject to alternative minimum tax, limited recourse financing rules, or changes in tax law. These projections and metrics do not represent actual or guaranteed returns. Prospective investors should consult their own independent tax and financial advisors to evaluate how these estimates apply to their personal circumstances.

This information is communicated and/or distributed by CMP Next Edge Corp. (the "Company") identified above. This communication is not, and under no circumstances is to be construed as, an invitation to make an investment in a fund(s) nor does it constitute a public offering to sell a fund(s) or any other products described herein. Applications for fund(s) will only be considered on the terms of their respective Offering Documents (i.e. Prospectus, Offering Memorandum or Information Statement). Potential investors should note that alternative investments can involve significant risks and the value of an investment may go down as well as up. There is no guarantee of trading performance and past or projected performance is not indicative of future results. Investors should review the Offering Documents of the applicable fund(s) in their entirety for a complete description of the fund(s), its risks, and consult their registered dealers and/or tax advisors before making an investment. Opinions expressed are those of the author and may not be shared by all personnel of Next Edge Capital Corp. These opinions are subject to change without notice, are for information purposes only and do not constitute an offer or invitation to make an investment in any financial instrument or in any product to which the Company and/or its affiliates provide investment advisory or any other financial services. Any organizations, financial instruments or products described in this material are mentioned for reference purposes only, which should not be considered a recommendation for their purchase or sale. Neither the Company nor the authors shall be liable to any person for any action taken on the basis of the information provided. 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. These forward-looking statements speak only as of the date on which they are made, and the Company undertakes no obligation to update or revise any forward-looking statements. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those contained in the statements. The Company and/or its affiliates may or may not have a position in any financial instrument mentioned and may or may not be actively trading in any such securities. This material is proprietary information of the Company and its affiliates and may not be reproduced or otherwise disseminated in whole or in part without prior written consent from the Company. The Company believes the content to be accurate. However, accuracy is not warranted or guaranteed. The Company does not assume any liability in the case of incorrectly reported or incomplete information. Unless stated otherwise all information is provided by the Company. Unless stated otherwise this information is communicated by CMP Next Edge Corp.

### PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

For Existing Investors and Investment Professional Use Only.

18 King Street, Suite 902 Toronto ,ON M5C 1C4

 **CLIENT SERVICES:** 1.844.656.2321

416.775.3600 **Toll Free:** 1.877.860.1080

 [info@nextedgecapital.com](mailto:info@nextedgecapital.com)

Follow us:



[nextedgecapital.com](http://nextedgecapital.com)