

**Independent Review Committee
2020 Report to Security Holders of Qwest Funds**

January 11, 2021

Dear Investor,

In accordance with National Instrument 81-107 – *Independent Review Committee for Investment Funds (NI 81-107)*, Qwest Investment Fund Management Ltd. (**Qwest**) established an Independent Review Committee (the **IRC**) for the Qwest Funds (the **Funds**) in 2007. The purpose of the IRC, in the context of NI 81-107, is to represent the best interest of the Funds in any matter where Qwest has a conflict of interest.

Since its inception, the IRC has functioned in accordance with applicable securities laws, and in particular NI 81-107. Our focus is on the question of whether the Qwest's actions or proposed actions achieve a fair and reasonable result for the Funds.

The IRC has adopted a written charter that includes its mandate and responsibilities. Other key duties of the IRC include, at least once a year, reviewing and assessing the adequacy and effectiveness of Qwest's policies and procedures relating to conflict of interest matters in respect of the Funds, as well as conducting a self-assessment of the IRC's independence, compensation and effectiveness. The IRC has undertaken these activities in the past year.

We are pleased to present this annual report for the unitholders of the Qwest Funds. The IRC looks forward to continuing to work with the Manager to ensure, through open communication and an effective working relationship, the best interests of the Funds are served when the Manager is faced with a conflict of interest matter. This report is available on Qwest's website at www.qwestfunds.com or you may request a copy, at no cost to you, by contacting Qwest at (604) 602.1142 or toll-free at 1.866.602.1142.



David M. Gilkes
Chair
Qwest Investment Fund Management Ltd. Independent Review Committee

Independent Review Committee
2020 Report to Security Holders of the Qwest Funds

Mandate of the IRC

In accordance with NI 81-107, the mandate of the IRC is to: review and provide input on the Manager's written policies and procedures dealing with Conflict of Interest Matters (COIMs); and to review and provide its decision on COIMs referred to the IRC.

The Manager is required under NI 81-107 to identify conflicts of interest inherent in its management of the Funds, and request input from the IRC on how it manages those conflicts of interest, as well as on its written policies and procedures outlining its management of those conflicts of interest.

The Manager must refer its proposed course of action in respect of any such COIMs to the IRC for its review. Certain matters require the IRC's prior approval, but in most cases the IRC will provide a recommendation to the Manager as to whether or not, in the opinion of the IRC, the Manager's proposed action proves a fair and reasonable result for the Fund(s).

For recurring COIMs, the IRC can provide Qwest with standing instructions (**Standing Instructions**).

Members of the IRC

Name and municipality of residence	Principal Occupation	First appointed
Gary Arca, CPA, CA Delta, BC	Chief Financial Officer, Starcore International Mines Ltd.	April 27, 2007
Colin Bell, CPA, CA Vancouver, BC	Corporate Controller, Methanex Corporation	January 1, 2017
David M. Gilkes Burlington, ON	President, North Star Compliance and Regulatory Solutions Inc.	November 20, 2018

Each member of the IRC is independent of the Funds, the Manager and other companies related to the Manager.

Holding of Securities

As at December 31, 2020, no member of the IRC beneficially owned, directly or indirectly, any securities of any class or series of voting or equity securities of Qwest, any service provider to Qwest or a Fund of Qwest.

IRC Compensation and Indemnification

The aggregate compensation paid by the Funds to the IRC for the 2020 calendar year was \$24,000. The compensation consisted of a quarterly retainer of \$2,400 for the Chair and \$1,800 for each of the other members. The compensation was allocated among the Funds in accordance with the Managers expense allocation policy, which has been reviewed and approved by the IRC.

No indemnities were paid to the IRC by the Funds during the period.

The initial compensation of the IRC was set by the Manager. At least annually, the IRC reviews its compensation in a manner consistent with reasonability and good governance practices, giving consideration to the following:

- The best interest of the Funds;
- Each Fund must pay its reasonable allocation of the compensation of the IRC from the assets of the Fund;
- The compensation paid to the IRC by each Fund should fairly and reasonably reflect the general and specific benefits accruing to the Funds;
- The number, nature and complexity of the Funds for which the IRC acts, including the commitment of time and energy that is expected from each member;
- Industry best practices, including industry averages and surveys on IRC compensation;
- The Manager's recommendations, if any; and
- The IRC's most recent assessment, if any, of its compensation.

Conflict of Interest Matters

The IRC is not aware of any instance in which the Manager acted in a COIM referred to the IRC for which the IRC did not give a positive recommendation. The Manager has an obligation to notify the IRC of any such instance.

The IRC is not aware of any instance in which the Manager acted in a COIM but did not meet a condition imposed by the IRC in its recommendation or approval. The Manager has an obligation to notify the IRC of any such instance.

Standing Instructions Approved

The IRC has approved Standing Instructions, which constitute a written approval or recommendation from the IRC that permits the Manager to proceed with specific action(s). The Standing Instructions permit the Manager on an ongoing basis, without having to refer the COIM or its proposed action to the IRC, provided the Manager complies with the terms and conditions of the Standing Instructions. In each case, the Standing Instructions require the Manager to comply with its related policy and procedures and to report periodically to the IRC.

- Standing Instruction 1 - Fund Expenses and Allocation
- Standing Instruction 2 - Fund Family Trading Information - IRC Members
- Standing Instruction 3 - Employee Code of Conduct
- Standing Instruction 4 - Related, Connected and Associated Issuers
- Standing Instruction 5 - Policy on Trading Securities when Directors, Officers, or Employees are in a Special Relationship with the Issuer - Withdrawn

During the year ended December 31, 2020, the IRC, in conjunction with the Manager, reviewed and updated the Standing Instructions as prudent. Standing Instructions 3 and 5 have been combined as Qwest's Policies and Procedures have changed. The Qwest Code of Conduct now applies to Personal Trading of Directors, Officers, Employees and Contractors including those in a Special Relationship with an Issuer. Persons in a special relationship were previously dealt with in a separate policy and procedure. As a result, Standing Instruction 3 has been amended to include Persons in a Special Relationship and Standing Instruction 5 has been withdrawn.

Qwest Funds Served by the IRC

Qwest Funds Corp.:

- AlphaDelta Canadian Momentum Equity Class
- AlphaDelta Growth of Dividend Income Class
- AlphaDelta Canadian Growth of Dividend Income Class
- AlphaDelta Tactical Growth Class

Probity Mining Flow-Through Limited Partnerships:

- Probity Mining 2019-II Short Duration Flow-Through Limited Partnership
- Probity Mining 2020 Short Duration Flow-Through Limited Partnership
- Probity Mining 2020-II Short Duration Flow-Through Limited Partnership