



IMPORTANT TAX INFORMATION

**Probity Mining 2022-II Short Duration
Flow-Through Limited Partnership**

Capital Gains from the Exercise of Warrants

Under a typical flow-through limited partnership structure, any active portfolio warrants are rolled into a mutual fund on a tax-deferred basis when the partnership dissolves. As a result, investors give up beneficial ownership of those warrants, and any potential future value, when they sell their mutual fund units, even though warrants can generate meaningful upside over time.

Probity limited partnerships take a uniquely different approach. Rather than using a mutual fund roll-over, Probity retains the warrants in trust for investors after the partnership dissolves. If value is realized, Probity exercises the warrants, sells the underlying shares, and distributes the net proceeds directly to investors. This structure allows investors to continue participating in the potential upside of the warrants.

We are therefore pleased to confirm an additional distribution to unitholders, arising from the exercise of warrants and the sale of the resulting shares within the portfolio.

Tax Treatment

These distributions are treated as capital gains in the year the underlying shares are sold. As the warrant positions were sold in 2025, the resulting capital gains must be reported in the 2025 tax year.

Please report the capital gains as outlined in the accompanying breakdown.

<u>Year</u>	<u>National Class – Series A (QWE988)</u>	<u>National Class – Series F (QWE989)</u>	<u>Quebec Class – Series A (QWE992)</u>	<u>Quebec Class – Series F (QWE993)</u>	<u>British Columbia Class – Series A (QWE990)</u>	<u>British Columbia Class – Series F (QWE991)</u>
2025	\$0 per unit	\$ per unit	\$0 per unit	\$0 per unit	\$1.498301 per unit	\$1.546729 per unit

For more information, please contact Tammy Shapiro, Client Services, at funds@probitycorporation.com or at 416-402-4741.

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