

# **Annual Report of the Independent Review Committee to** **the Next Edge Group of Funds**

February 20, 2025

Dear Securityholder,

In accordance with **National Instrument 81-107 *Independent Review Committee for Investment Funds*** (“NI 81-107” or the “Instrument”), Next Edge Capital Corp. (the “Manager”) established an Independent Review Committee (the “Committee” or “IRC”) for the Funds (the “Funds”).

The IRC has functioned in accordance with the applicable securities laws and is composed of three individuals, each of whom is independent of the Funds, the Manager and each entity related to the Manager (as defined in the Instrument).

The IRC is pleased to publish its annual report to Securityholders, covering the period from January 1, 2024 to December 31, 2024 (the “Reporting Period”).

## **Mandate of the IRC**

In accordance with the Instrument, the mandate of the IRC is to consider and provide decisions to the Manager on conflicts of interest to which the Manager may be subject when managing the Funds. The Manager is required under the Instrument to identify potential conflicts of interest inherent in its management of the Funds, develop written policies and procedures guiding its management of those conflicts and request input from the IRC on those written policies and procedures.

When a conflict matter arises, the Manager must refer its proposed course of action in respect of such conflict to the IRC for its review. While certain matters require the IRC’s prior approval, in most cases the IRC will provide a decision to the Manager as to whether, in the opinion of the IRC, the Manager’s proposed action provides a fair and reasonable result for the Funds. For recurring conflict of interest matters, the IRC can provide the Manager with Standing Instructions (“SIs”) that enable the Manager to proceed with certain matters without having to refer them to the IRC each time for approval, providing the Manager deals with the conflicts in accordance with the SIs.

The IRC is empowered to represent the best interest of the Funds in any matter where the Manager has referred a conflict of interest matter to it. In those cases, the IRC has sought to ensure that the Manager’s proposed course of action represents a fair and reasonable result for the Funds.

## **Composition of the IRC**

The current members of the IRC and their principal occupations are as follows:

<i>Name and Municipality of Residence</i>	<i>Principal Occupation</i>	<i>Term of Office</i>
Chair: Anthony L. Cox, Toronto, Ontario	Financial Executive.	Initially appointed: January 1, 2022.  Re-appointed for two years in 2024 until December 31, 2026.
Geoff Salmon, Barrie, Ontario	Managing Director Independent Review Inc.	Initially appointed February 14, 2014.  Retired effective December 31, 2024.
Pat Dunwoody, Toronto, Ontario	Financial Services Executive	Initially appointed January 1, 2024.  Re-appointed for three years in 2024 until December 31, 2027.
Mike Neylan, Canmore, Alberta	Neylan Law Practice	Initially Appointed on January 1, 2025 for a period of one year.

In accordance with the Committee's succession plan, Geoff Salmon retired effective December 31, 2024. On October 27, 2023, the IRC appointed Mike Neylan to the IRC to replace Geoff Salmon with effect from January 1, 2025, for a one-year term. On October 24, 2024, Tony Cox was appointed as Chair of the IRC effective as of January 1, 2025.

On October 24, 2024, Pat Dunwoody was re-appointed for a period of three years effective January 1, 2025, and Mr. Cox was re-appointed for a period of two years effective January 1, 2025.

## **Compensation and Indemnification**

### **Review of Compensation**

The IRC reviewed its compensation which included a consideration of:

- the nature and extent of the workload of each member of the IRC, including the commitment of time and energy expected from each member;
- the number of meetings required by the IRC including special meetings to consider conflict issues brought to the committee;
- industry best practices, including industry averages and surveys on IRC compensation; and,
- the complexity of the conflict issues brought to the IRC.

The IRC concluded that its fees were adequate at present.

## **Members' Fees**

In aggregate, the IRC members were paid \$30,000 in 2024, plus applicable taxes.

## **Indemnities Granted**

The Funds and the Manager have provided each IRC Member with a contractual indemnity in keeping with NI 81-107. No payments were paid to the IRC Members pursuant to this indemnity by the Funds or the Manager during the Reporting Period.

## **Disclosure of IRC Members' Holdings**

As of December 31, 2024, the IRC Members did not beneficially own, directly or indirectly:

- any units in any of the Funds;
- any interest in the Manager; or,
- any interest in a company or person that provides services to the Manager or any Fund.

## **Decisions and Approvals**

There were no decisions or approvals rendered by the IRC during the Reporting Period.

## **Standing Instruction Approved**

The IRC has approved one (1) SI. The Manager can proceed with the specific action(s) set out in an SI without having to refer each conflict of interest matter or its proposed action to the IRC, provided that the Manager complies with the terms and conditions of the SI. The SI required the Manager to comply with its related policy and procedures and to report periodically to the IRC.

## **Standing Instruction No. 1: Omnibus.**

This SI deals with a number of conflict of interest matters including:

1. Fees and Expenses
2. Trade Allocations
3. Portfolio Pricing Issues
4. Pricing Errors and Other Errors
5. Distribution Issues
6. Showing Favouritism
7. Outsourcing to Third-Party Services
8. Personal Trading
9. Business Entertainment and Gifts
10. Client Complaints
11. Capacity Issues

## **Manager’s Report on its Standing Instruction**

In accordance with the Instrument, the Manager provided a written report to the IRC describing its reliance on the SI during the Reporting Period.

## **Funds served by the IRC during the Reporting Period**

Next Edge Biotech and Life Sciences Opportunities Fund  
Next Edge Strategic Metals and Commodities Fund  
Veritas Next Edge Premium Yield Fund  
2028 Investment Grade Bond Trust  
CMP Next Edge Resource Class (Formerly Dundee Resource Class) (effective December 30, 2024)  
CMP 2023 Resource Limited Partnership (effective December 30, 2024)

This report is available on the Manager’s website at <http://nextedgecapital.com/> or you may request a copy, at no cost to you, by contacting the Next Edge Funds at 1 877-860-1080 or by emailing the Next Edge Funds at [info@nextedgecapital.com](mailto:info@nextedgecapital.com). This document and other information about the Next Edge Funds, is available at [www.sedarplus.ca](http://www.sedarplus.ca).

Yours truly,

*“Anthony Cox”*

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Anthony Cox, Chair

## **Schedule of the Independent Review Committees on which the IRC Members Serve**

### **Geoff Salmon served as a member of the Independent Review Committees for the following funds:**

Investment Funds that are reporting issuers managed by Accelerate Financial Technologies Inc.  
Investment Funds that are reporting issuers managed by Algonquin Capital Corp.  
Investment Funds that are reporting issuers managed by Addenda Capital Inc.  
Investment Funds that are reporting issuers managed by EHP Funds Inc.  
Investment funds that are reporting issuers managed by Genus Capital Management Inc.  
Investment funds that are reporting issuers managed by Hamilton Capital Partners Ltd.  
Investment Funds that are reporting issuers managed by McElvaine Investment Management Ltd.  
Investment funds that are reporting issuers managed by Next Edge Capital Corp.  
*(retired effective December 31, 2024)*  
Investment funds that are reporting issuers managed by Sprott Asset Management  
*(appointed effective January 1, 2025)*  
Investment funds managed by VanCity Investment Management  
*(appointed effective October 22, 2024)*

### **Anthony Cox served as a member of the Independent Review Committees for the following funds:**

Investment funds that are reporting issuers managed by Next Edge Capital Corp.  
Investment funds managed by Spartan Fund Management Inc.  
*(appointed effective January 1, 2025)*

### **Pat Dunwoody served as a member of the Independent Review Committees for the following funds:**

Investment funds that are reporting issuers managed by Picton Mahoney Asset Management.  
Investment funds that are reporting issuers managed by Next Edge Capital Corp.  
Investment funds that are reporting issuers managed by Harvest Portfolios Group Inc.  
*(appointed effective January 1, 2025)*

### **Mike Neylan served as a member of the Independent Review Committees for the following funds:**

Investment funds that are reporting issuers managed by Next Edge Capital Corp.  
*(appointed effective January 1, 2025)*  
Investment funds managed by Auspice Capital Advisors Ltd.