

Fairway Energy (07) Flow-Through Limited Partnership

1. WHAT ARE FLOW-THROUGH SHARES?

Flow-through shares common shares are like any other common share issued and outstanding in a company, except they provide tax benefits to the purchaser. Resource companies issue flow-through shares to investors to fund their exploration and development activities. In return for receiving these funds, the resource company has the obligation to "flow-through" to the purchaser of the flow-through share the tax deductions it receives upon spending the funds on qualifying exploration and development activities. Except for the initial tax benefits, flow-through shares are indistinguishable from all other common shares of company.

2. WHAT TYPE OF COMPANIES CAN ISSUE FLOW-THROUGH SHARES?

Companies actively engaged in oil and gas or mining exploration or development and certain alternative energy projects are qualified to issue flow-through shares. The partnership will focus its investment capital on oil and gas exploration, development and/or production companies. Fairway sees many opportunities for investment in energy companies formed by experienced and successful oil and gas executives who have excellent track records in creating shareholder value.

3. WHY BUY A PORTFOLIO OF FLOW-THROUGH SHARES?

Buying a professionally managed portfolio of flow-through shares, rather than shares in a few individual companies, reduces the risk inherent in owning only a few stocks through diversification. In addition, because Peter Linder is a Calgary-based "institutional investor" he has direct relationships with many of the senior executives of energy companies that issue flow-through shares and with the investment dealers that manage flow-through share offerings. Therefore, the Partnership may have access to flow-through share offerings that are not available to the general public.

4. ARE THE BENEFITS LEGITIMATE?

Yes! The tax benefits associated with flow-through shares are well-accepted in Canada and have been in place through legislation for over 20 years. The other consideration with the Partnership is that the funds invested stay in Canada to be used to create genuine and valuable economic activity and growth within Canada's energy sector. Further, the tax deductions are only available to those people who pay Canadian taxes. The Partnership and General Partner have received a tax opinion from Borden Ladner Gervais LLP on the structure. (See the final prospectus dated February 14, 2007 for the full text of this opinion).

5. WHAT ARE THE RISKS?

Perhaps the most significant risk is that the energy sector has typically been a cyclical business. However, oil and gas companies generally have this fact inherently imbedded in their space price. One factor to remember is that with the tax deductions, investors may have a lower effective net at-risk capital amount of only 52% (based on the minimum offering) than investors in a conventional portfolio of energy securities. Please see the final prospectus dated February 14, 2007 for the complete description of the Risk Factors associated with an investment in Partnership Units.

6. WHAT CORPORATE ACTIVITIES QUALIFY FOR FLOW-THROUGH SHARES?

In the oil and gas business, qualified exploration and development drilling qualifies flow-through shares, as does exploration activities such as the cost of shooting seismic. The government of Canada has stringent requirements that must be met in order to determine whether an activity is development or exploration in nature, the key difference being the amount of write-off allowed. Exploration and certain development activities can be written off at 100%. The Companies that the Partnership will invest in will have experience in determining which classification of activity they are spending flow-through proceeds, and the investment agreements with these companies will require them to spend the funds as agreed.

7. WHAT IS ACB (ADJUSTED COST BASE)?

The adjusted cost base or "ACB" of a share is generally what you paid for it. Once you realize the tax deductions from flow-through shares you are deemed to have an adjusted cost base (ACB) of nil, due to the receipt of the tax benefits which will approximately equal your original investment amount. A nil adjusted cost base means that when you calculate your capital gains on the shares, you treat your adjusted cost base as zero; however only half of the capital gain is taxable.

8. HOW DO I GET MY TAX DEDUCTION?

Prior to the end of April of the year following the purchase of your flow-through investment, you will be mailed a T5013 federal tax receipt form from your investment dealer.

9. WHAT ABOUT MY CAPITAL LOSSES FROM OTHER INVESTMENTS?

If you sold investments and created a capital loss that you have not yet claimed, it can be carried back three years and forward indefinitely. This allows you to offset other capital gains against these losses, thereby reducing the tax you pay. The capital gains resulting from a sale of your investment, if any, after the initial investment period approximately 22 to 24 months, can be offset against any unused capital losses you may have.

10. HOW MUCH IS MY TAX DEDUCTION FOR THE TAX YEAR IN WHICH I INVEST?

The partnership intends to invest 100% of available funds in flow-through shares. Therefore, the expected tax deduction for a limited partner in the year of purchase is up to approximately 100% of the amount invested. Because of these anticipated tax deductions, investors may be able to reduce their effective net at-risk capital to approximately 52% of their original investment. (see "Selected Financial Aspects" in the final prospectus dated February 14, 2007).

11. ARE THERE ENOUGH GOOD ENERGY COMPANIES ISSUING FLOW-THROUGH SHARES?

During 2006 significant drilling activities occurred in the Western Canada Sedimentary Basin. Crude oil prices remain at levels that allow Canadian producers to earn an exceptional rate of return on their oil drilling projects. In addition, natural gas prices have encouraged natural gas drilling activity. Jove Investment Management Inc., the Investment Manager of the Partnership, believes that this robust level of drilling activity bodes well for continued demand by Canadian oil and gas companies for flow-through equity funding. This increased activity enables them to maximize their drilling opportunities in a strong commodity price environment while maintaining low levels of debt.

12. WHAT WILL YOUR INVESTMENT FOCUS BE - OIL AND GAS, MINING OR ALTERNATIVE ENERGY?

The partnership will invest 100% of its available funds in oil and gas exploration, development and/or production companies.

13. WHAT ARE THE BENEFITS OF A CALGARY-BASED FUND MANAGER?

Having Mr. Peter Linder, the partnership's Portfolio Manager based in Calgary, is a significant advantage as the focus of the Partnership is on oil and gas exploration, development and production companies, the majority of which companies are based in Calgary. Mr. Peter Linder has spent his entire career in Calgary's oil patch and has significant contacts with experienced oil and gas company executives, engineers and investment dealers.



Distributed by:

**Gibraltar Consulting Group
1.866.514.6603**

**Fairway Energy
1.866.688.5750**

**For further information please contact:
Andrea Pysh, Manager, Business and Client Services
Suite 1601, 650 West Georgia Street, Vancouver, BC V6B 4N7
Phone: 1.866.688.5750 or 604.684.5750 Fax: 604.684.5748 Email: andrea@fairwayenergy.ca**

The information contained in this document has been derived from the Final Prospectus of the Fairway Energy (07) Flow-Through Limited Partnership (the "Partnership") dated February 14, 2007 and the analysis is provided by Jove Investment Management Inc. (the "Investment Manager"). The information described herein is of a general nature and is not intended to be used by the reader as direct personalized investment advice nor is this communication to be construed as a public offering to sell, or a solicitation of an offer to buy securities. Commissions, trailing commissions, management fees and expenses may be associated with this investment. Limited Partnerships and Mutual Funds in general are not guaranteed, their values change frequently and past performance may not be repeated. Please read the Final Prospectus dated February 14, 2007 and consult with your own professional investment and tax advisor before considering investing in this or any other security.