

Annual Management Report of Fund Performance As at October 31, 2016 Front Street Global Opportunities Class

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements for Front Street Global Opportunities Class (the “Fund”), a class of shares of Front Street Mutual Funds Limited. The annual financials of the Fund are attached behind this report and you can also get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1-800-513-3868, by writing to us at LOGiQ Capital 2016 (formerly, Front Street Capital 2004)(the “Manager”), 77 King Street West, Suite 2110, PO Box 92, TD North Tower, Toronto-Dominion Centre, Toronto, Ontario M5K 1G8 or by visiting our website at www.frontstreetcapital.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the Fund’s proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure relating to the Fund.

Forward Looking Information

This Management Report of Fund Performance contains forward-looking information and statements relating, but not limited to, anticipated or prospective financial performance and results of operations of the Fund. Forward looking information involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. For this purpose, any statements that are contained herein that are not statements of historical fact may be deemed to be forward-looking information. Without limiting the foregoing, the words "believes", "anticipates", "plans", "intends", "will", "should", "expects", "projects", and similar expressions are intended to identify forward-looking information.

Although the Fund believes it has a reasonable basis for making the forecasts or projections included in this Management Report of Fund Performance, readers are cautioned not to place undue reliance on such forward-looking information. By its nature, the forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts and other forward-looking statements will not occur. These factors include, but are not limited to, those associated with the performance of the equity securities market, expectations about interest rates and factors incorporated by reference herein as risk factors.

The above list of important factors affecting forward looking information is not exhaustive, and reference should be made to the other risks discussed in the Fund’s filings with Canadian securities regulatory authorities. The forward looking information is given as of the date of this Management Report of Fund Performance, and the Fund undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Management Discussion of Fund Performance

INVESTMENT OBJECTIVES AND STRATEGIES

The Fund's investment objective is to provide shareholders with long term capital growth through the selection, management and strategic sector rotation and trading of global positions in equity, debt and derivative securities. The Fund may have exposure to all sectors of the economy, with the ability to focus its assets in specific industry sectors and asset classes based on analysis of business cycles, industry sectors and market outlook. The Fund will be global in nature and invest in small, medium and large cap companies.

The fundamental investment objective of the Fund cannot be changed without the approval of its shareholders.

The Fund's portfolio will consist primarily of investments which generate capital gains, but will also include investments which generate income.

The Fund will examine macro economic events that result in shifts in behaviour and supply and demand in the market in both traditional and new industries. In traditional industries such as oil and gas and mining, the Fund will focus on investing in companies with emerging technologies and new discoveries that improve and enhance operations and productivity but may consider other investment factors such as cash flow and liquidity requirements, hold periods and restrictions, risk factors, stop-loss containment and tax efficient distributions.

From time to time the Fund may invest in other mutual funds and may purchase securities of, or enter into specified derivative transactions for which the underlying interest is based on the securities of other mutual funds. Such investments may be entered into in conjunction with other strategies and investments in a manner considered most appropriate to achieving the Fund's investment objectives stated above and enhancing returns as permitted by securities regulations. The Fund may invest in securities of other mutual funds, including funds managed by the Manager or an associate or affiliate. No percentage of net assets is dedicated to such investments. Accordingly, all the assets of Fund may be invested in other mutual funds in accordance with securities legislation including NI 81-102.

RISK

The risks associated with investing in the Fund are discussed in the Fund's simplified prospectus, which is available on SEDAR at www.sedar.com or by visiting our website at www.frontstreetcapital.com. There were no changes over the period to the risks outlined in the simplified prospectus which would materially affect the overall risk of investing in the fund.

RESULTS OF OPERATIONS

For the year ended October 31, 2016, the Front Street Global Opportunities Class returned -7.3% (net of expenses).

During the year ended October 31, 2016, the Fund earned investment income of \$983,746 from dividends, interest, distributions from underlying funds and security lending revenue. There were net realized gains on the sale of investments of \$260,629 and a change in unrealized depreciation on the value of investments of \$3.0 million.

Operating expenses, excluding management fees, performance fees and servicing fees, totalled \$372,020 during the year ended October 31, 2016.

During the first half of the period, markets were preoccupied with anticipating the U.S. Federal Reserve Board's (Fed) sentiment, which quickly went from hawkish, when it raised interest rates in mid-December, to dovish as markets struggled early in 2016. A weakening in the U.S. dollar aided a rebound in commodity prices. The information technology sector performed poorly, and the Fed's indecision resulted in underperformance in the financial sector. Both materials and energy were strong after February.

Equities climbed during the third quarter of 2016, despite the U.K.'s vote to exit the European Union (Brexit), weak global economic data and uncertainty from the Fed. The Fed failed to follow through with interest rate increases as it had stated, despite an improving economy, falling unemployment and slightly higher inflation.

The Fund's overweight exposure to the financial sector and a weakening U.S. dollar detracted from its performance during the first half of the period. Holdings in Performance Sports Group also weighed on the Fund's returns. Top individual contributors to performance included Facebook and Shopify. The top contributor to performance later in the period was the Fund's holdings in Raytheon Company, a major U.S. defense contractor. Positions in health care sector holdings, ACADIA and Allergan, detracted from performance during the third quarter of 2016.

The Fund's primary mandate is to provide an alternative to the commodity-biased Toronto Stock Exchange. As such, with little to no weighting in commodities, the Fund was not able to participate in any of the big gains that transpired in the oils, golds and base metals industries.

The Manager reduced the Fund's approximately 30% financials sector weighting to 10% in early 2016.

RECENT DEVELOPMENTS

The Manager believes that markets are likely to be range-bound; that is, they will likely remain within a relatively tight range in the coming period. The coming period is also expected to bring heightened volatility, and the Fund's outlook will depend much on the outcome of the U.S. presidential election and on the timing of expected interest rate increases from the Fed. Looking forward, the Manager also believes that the major portion of the commodity rebound is finished, and that the economy will slowly begin to improve.

On December 8, 2016, the Manager, together with Aston Hill Financial Inc. ("Aston Hill") and Tuscarora Capital Inc. ("TCI"), an entity under common control with the Manager, completed a previously announced transaction whereby Aston Hill would acquire all of the equity interests in the Manager and TCI, and the companies would combine their respective operations. As part of the transaction, Aston Hill also changed its name to LOGiQ Asset Management Inc.

At special meetings of securityholders of the funds of Front Street Mutual Fund Limited on November 10, 2016, investors approved the change of manager resulting from the aforementioned transaction. Effective December 20, 2016, the Manager was renamed LOGiQ Capital 2016. It is anticipated that the management agreements for the funds of Front Street Mutual Funds Limited will be assigned from LOGiQ Capital 2016 to LOGiQ Asset Management Ltd., the manager of the Aston Hill mutual funds and closed end funds, in the near future. Upon such assignment, the manager of the funds forming part of Front Street Mutual Funds Limited will change to LOGiQ Asset Management Ltd.

RELATED PARTY-TRANSACTIONS

During the years ended October 31, 2016 and 2015, fees paid to the Manager were as follows:

	2016	2015
Performance fees	\$ <u>-</u>	\$ <u>1,373,653</u>
Management fees	\$ <u>1,198,167</u>	\$ <u>1,477,046</u>
Servicing fees	\$ <u>609,193</u>	\$ <u>722,050</u>
Operating costs	\$ <u>-</u>	\$ <u>31,734</u>

Management fees payable, performance fees payable and other payables included in the accrued expenses were as follows:

	2016	2015
Management fees payable	\$ <u>82,629</u>	\$ <u>124,958</u>
Servicing fees payable	\$ <u>40,168</u>	\$ <u>61,256</u>

The following are redeemable shares held by related parties of the Fund:

	2016	2015
Series B shares held by the Partners and officers of the Manager	2,143.02	2,143.02
Percentage of Series B shares held by the Partners of the Manager	0.18%	0.10%
Series F shares held by the Partners and officers of the Manager	80,418.20	171,311.80
Percentage of Series F shares held by the Partners of the Manager	12.07%	19.18%
Series F shares held by the relatives of the Partners of the Manager	192.64	879.06
Percentage of Series F shares held by the relatives of the Partners of the Manager	0.03%	0.10%

The Fund may place a portion of its portfolio transactions with brokerage firms which are affiliates of the Manager provided it determines that these affiliates' trade execution abilities and costs are comparable to those non-affiliated, qualified brokerage firms, on an execution only basis. During the year ended October 31, 2016, Tuscarora Capital Inc., a company under common control to the Manager, received \$169,288 (2015 - \$175,521) in commissions on portfolio transactions for the Fund.

Management fees, servicing fees, operating costs and performance fees are measured at the consideration prescribed by the offering documents of the Fund. When related parties enter shareholder transactions with the Fund, the consideration is the transactional NAV available to all other shareholders on the trade date.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five financial years. This information is derived from the Fund's audited annual financial statements.

Series A

The Fund's Net Assets per redeemable Share ⁽¹⁾

	October 31 2016 \$	October 31 2015 \$	October 31 2014 \$	October 31 2013 \$	October 31 2012 \$
Net Assets, beginning of the year	17.47	16.22	14.03	10.73	9.77
Increase (decrease) from operations:					
Total revenue	0.21	0.17	0.19	0.14	0.03
Total expenses	(0.70)	(0.97)	(0.92)	(0.42)	(0.10)
Realized gains (losses) for the year	(0.47)	2.07	2.46	1.05	0.06
Unrealized gains (losses) for the year	(0.68)	(0.12)	0.34	2.71	1.01
Total increase (decrease) from operations ⁽²⁾	(1.64)	1.15	2.07	3.48	1.00
Distributions to redeemable Shareholders:					
From income (excluding dividends)	—	—	—	—	—
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total distributions to redeemable Shareholders ⁽³⁾	—	—	—	—	—
Net Assets, end of the year	16.17	17.47	16.22	13.97	10.73

(1) The information for October 31, 2016 is derived from the Fund's audited financial statements and is prepared in accordance with IFRS. The information for October 31, 2014 was re-stated in accordance with IFRS requirements. The information prior to 2014 is derived from the Fund's annual audited financial statements prepared based on Canadian GAAP.

(2) Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of shares outstanding over the financial year.

(3) Distributions were paid in cash/reinvested in additional shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	\$26,236	\$36,924	\$33,199	\$23,757	\$2,900
Number of redeemable shares outstanding ⁽¹⁾	1,622,853	2,115,641	2,050,156	1,692,921	269,334
Management expense ratio ⁽²⁾	3.13%	4.69%	4.86%	3.38%	1.04%
Management expense ratio before waivers or absorptions ⁽²⁾	3.13%	4.69%	4.86%	5.61%	7.85%
Trading expense ratio ⁽³⁾	1.12%	0.71%	0.93%	0.90%	0.80%
Portfolio turnover rate ⁽⁴⁾	292.52%	260.76%	325.02%	275.51%	312.67%
Net asset value per redeemable share ⁽⁵⁾	\$16.17	\$17.45	\$16.19	\$14.03	\$10.77

(1) This information is provided as at end of the year shown.

(2) Management expense ratio (MER) is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated year and is expressed as an annualized percentage of daily average net asset value during the year. The manager can waive certain fees or absorb certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is at the discretion of the manager.

The Fund holds investments in other investment funds ("Underlying Funds") and the MER is calculated taking into consideration the expenses of the Fund allocated to the series including expenses indirectly attributable to its investment in the Underlying Funds divided by the average daily net asset value of the series of the Fund during the year.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

(5) The information for October 31, 2016 is derived from the Fund's audited financial statements prepared in accordance with IFRS. The information prior to 2014 is derived from the Fund's annual audited financial statements prepared based on Canadian GAAP.

Series B

The Fund's Net Assets per redeemable Share ⁽¹⁾

	October 31 2016 \$	October 31 2015 \$	October 31 2014 \$	October 31 2013 \$	October 31 2012 \$
Net Assets, beginning of the year	17.48	16.23	14.05	10.75	9.78
Increase (decrease) from operations:					
Total revenue	0.21	0.17	0.19	0.14	0.03
Total expenses	(0.70)	(0.99)	(0.92)	(0.46)	(0.09)
Realized gains (losses) for the year	(0.60)	2.09	2.49	1.10	0.08
Unrealized gains (losses) for the year	(0.74)	(0.29)	0.29	2.74	1.08
Total increase (decrease) from operations ⁽²⁾	(1.83)	0.98	2.05	3.52	1.10
Distributions to redeemable Shareholders:					
From income (excluding dividends)	—	—	—	—	—
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total distributions to redeemable Shareholders ⁽³⁾	—	—	—	—	—
Net Assets, end of the year	16.19	17.48	16.23	13.99	10.75

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(2) Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of shares outstanding over the financial year.

(3) Distributions were paid in cash/reinvested in additional shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	\$18,932	\$37,073	\$27,130	\$16,858	\$1,019
Number of redeemable shares outstanding ⁽¹⁾	1,169,643	2,122,260	1,673,743	1,199,773	94,545
Management expense ratio ⁽²⁾	3.11%	4.76%	4.83%	3.67%	0.94%
Management expense ratio before waivers or absorptions ⁽²⁾	3.11%	4.76%	4.83%	5.89%	7.75%
Trading expense ratio ⁽³⁾	1.12%	0.71%	0.93%	0.90%	0.80%
Portfolio turnover rate ⁽⁴⁾	292.52%	260.76%	325.02%	275.51%	312.67%
Net asset value per redeemable share ⁽⁵⁾	\$16.19	\$17.47	\$16.21	\$14.05	\$10.78

(1) This information is provided as at end of the year shown.

(2) Management expense ratio (MER) is based on total expenses (excluding commissions and other transaction costs) for the stated year and is expressed as annualized percentage of daily average net asset value during the year. The manager can waive certain fees or absorb certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is at the discretion of the manager.

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(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

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Series F

The Fund's Net Assets per redeemable Share ⁽¹⁾

	October 31 2016 \$	October 31 2015 \$	October 31 2014 \$	October 31 2013 \$	October 31 2012 \$
Net Assets, beginning of the year	18.10	16.70	14.34	10.87	9.80
Increase (decrease) from operations:					
Total revenue	0.22	0.18	0.20	0.15	0.03
Total expenses	(0.57)	(0.90)	(0.80)	(0.40)	—
Realized gains (losses) for the year	(0.54)	2.12	2.53	1.19	0.08
Unrealized gains (losses) for the year	(0.73)	(0.27)	0.16	2.81	1.16
Total increase (decrease) from operations ⁽²⁾	(1.62)	1.13	2.09	3.75	1.27
Distributions to redeemable Shareholders:					
From income (excluding dividends)	—	—	—	—	—
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total distributions to redeemable Shareholders ⁽³⁾	—	—	—	—	—
Net Assets, end of the year	16.92	18.10	16.70	14.28	10.87

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- Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of shares outstanding over the financial year.
- Distributions were paid in cash/reinvested in additional shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	\$11,273	\$16,151	\$12,089	\$7,263	\$303
Number of redeemable shares outstanding ⁽¹⁾	666,207	893,156	724,870	506,475	27,771
Management expense ratio ⁽²⁾	2.12%	4.10%	3.97%	3.10%	0.15%
Management expense ratio before waivers or absorptions ⁽²⁾	2.12%	4.10%	3.97%	5.33%	6.96%
Trading expense ratio ⁽³⁾	1.12%	0.71%	0.93%	0.90%	0.80%
Portfolio turnover rate ⁽⁴⁾	292.52%	260.76%	325.02%	275.51%	312.67%
Net asset value per redeemable share ⁽⁵⁾	\$16.92	\$18.08	\$16.68	\$14.34	\$10.91

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- Management expense ratio (MER) is based on total expenses (excluding commissions and other transaction costs) for the stated year and is expressed as annualized percentage of daily average net asset value during the year. The manager can waive certain fees or absorb certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is at the discretion of the manager.

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- The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.
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Series X

The Fund's Net Assets per redeemable Share ⁽¹⁾

	October 31 2016 \$	October 31 2015 \$	October 31 2014 \$	October 31 2013 \$	For the period from commencement of operation on January 19, 2012 to October 31 2012 \$
Net Assets, beginning of the year	17.81	16.46	14.16	10.77	9.13*
Increase (decrease) from operations:					
Total revenue	0.22	0.18	0.19	0.13	0.02
Total expenses	(0.64)	(0.92)	(0.88)	(0.32)	(0.04)
Realized gains (losses) for the year	(0.96)	2.19	2.53	0.99	—
Unrealized gains (losses) for the year	(2.54)	0.09	0.65	2.70	0.76
Total increase (decrease) from operations ⁽²⁾	(3.92)	1.54	2.49	3.50	0.74
Distributions to redeemable Shareholders:					
From income (excluding dividends)	—	—	—	—	—
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total distributions to redeemable Shareholders ⁽³⁾	—	—	—	—	—
Net Assets, end of the year	16.59	17.81	16.46	14.10	10.77

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(2) Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of shares outstanding over the financial year.

(3) Distributions were paid in cash/reinvested in additional shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	\$823	\$3,060	\$2,911	\$3,321	\$1,224
Number of redeemable shares outstanding ⁽¹⁾	49,631	171,930	177,103	234,472	113,260
Management expense ratio ⁽²⁾	2.56%	4.29%	4.53%	2.56%	0.58%
Management expense ratio before waivers or absorptions ⁽²⁾	2.56%	4.29%	4.53%	4.78%	9.27%
Trading expense ratio ⁽³⁾	1.12%	0.71%	0.93%	0.90%	0.80%
Portfolio turnover rate ⁽⁴⁾	292.52%	260.76%	325.02%	275.51%	312.67%
Net asset value per redeemable share ⁽⁵⁾	\$16.59	\$17.80	\$16.44	\$14.16	\$10.81

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* Initial price

MANAGEMENT AND PERFORMANCE FEES

The Fund pays a monthly management fee equal to 1/12 of 1.5% of the net asset value of the Fund calculated and paid at the end of each month in arrears from each Fund series.

In consideration of the management fees payable by the Fund to the Manager, the Manager is responsible for providing marketing and promotion, fund management and administration and investment advisory services to the Fund. Fund management and administration services include establishing investment objectives, selecting investment sub-advisors, if applicable, and establishing and maintaining an appropriate infrastructure to meet accounting, financial and taxation reporting requirements. The Manager is also responsible for establishing and maintaining a servicing and risk management framework to ensure regulatory compliance, which includes regular monitoring. The Manager does not charge or allocate corporate overhead or expenses to the Fund.

The Fund is responsible for payment of all operating and administrative expenses of the Fund. The main components of these expenses are legal and accounting fees, printing expenses, reporting issuer filing and sustaining fees, custodial fees, fees payable to, and expenses incurred by, the Fund's Independent Review Committee and expenses of making distributions to shareholders. As the Fund has more than one series of shares, the shareholders of each series, bear their pro rata share of those expenses which are common to the operation of all series, as well as those expenses which are attributable solely to that series.

The Fund pays a performance fee if the percentage gain in the net asset value of a series of the Fund (as adjusted for any prior return deficiencies) over the preceding fiscal quarter or quarters since a performance fee was last payable exceeds the percentage gain or loss of the benchmark (the "Benchmark") over the same period. The Benchmark for the Fund is the S&P 500 Index. The fee is equal to this excess return per share multiplied by the number of shares outstanding at the end of the quarter multiplied by 20%, provided that the net asset value per share of the Fund (including distributions) is greater than all previous values at the end of each previous fiscal quarter, in which a performance fee was paid. The starting reference point for the next fiscal quarter's calculation is based on the higher of either the Benchmark performance adjusted net asset value per share or the adjusted actual net asset value per share, both with respect to the previous quarter in which a performance fee was payable.

The Manager may, at its discretion, add a service charge of up to 15% of the costs incurred for any operating and administrative costs charged to the Fund other than management services which are already included in the management fee rate which the Manager receives from the Fund. The 15% service charge is intended to cover certain investor servicing costs attributable solely to the Fund, such as the establishment of the Fund's client servicing models, maintenance of investor support phone lines, and investor website and email support. The Manager stopped charging such fees in August 2015.

DEALER COMPENSATION

Brokers, dealers and advisors may be paid a “trailer commission” for assets that their sales representatives place in the Series A and Series B Fund securities. The Fund may, at its discretion, negotiate, change the terms and conditions of, or discontinue the trailer commission with brokers, dealers and advisors.

The trailer commission is calculated as a percentage of assets each broker, dealer or advisor has placed in the Fund series. The trailer commission is calculated based on the closing balance of client accounts for each calendar month. The trailer commission will not be paid if the assets are removed from the Funds. Trailer commissions are paid monthly at rates set within ranges according to the following table.

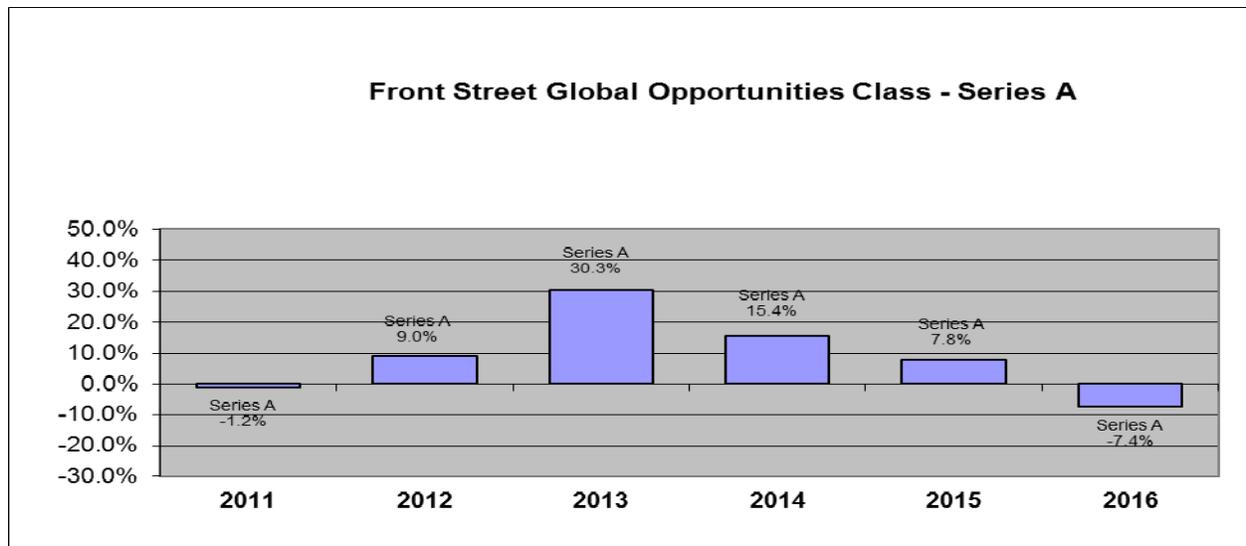
Series	Trailer Annual Rate	Annual Payment per \$1,000 of Fund securities held
A	1.00%	\$10.00
B	1.00%	\$10.00
F	0.00%	Nil
X	0.50%	\$5.00

PAST PERFORMANCE

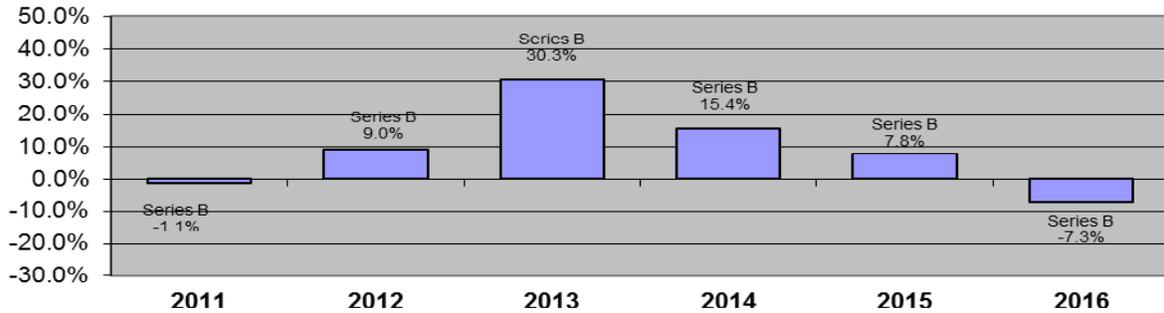
The past performance of the Fund is set out below and includes year-by year returns.

With respect to the charts displayed below, please note the following:

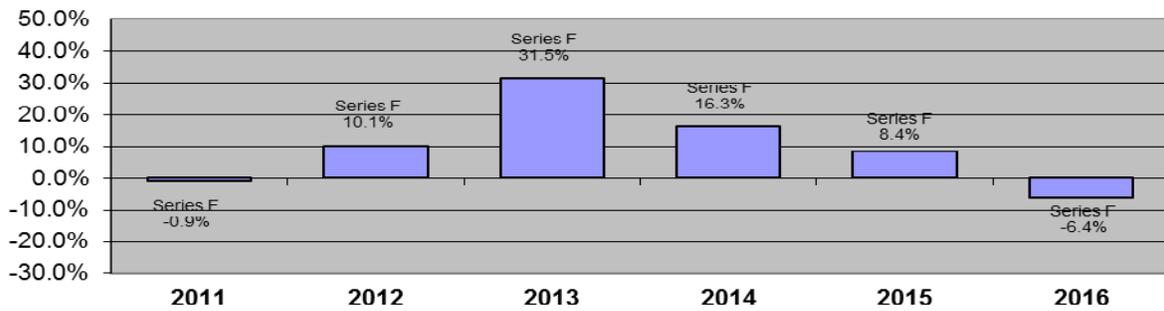
- the returns or performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional shares of the Fund;
- the return or performance information does not take into account sales, redemption, distribution or other optional charges or income taxes payable that would have reduced returns or performance; and
- how the Fund has performed in the past does not necessarily indicate how it will perform in the future.



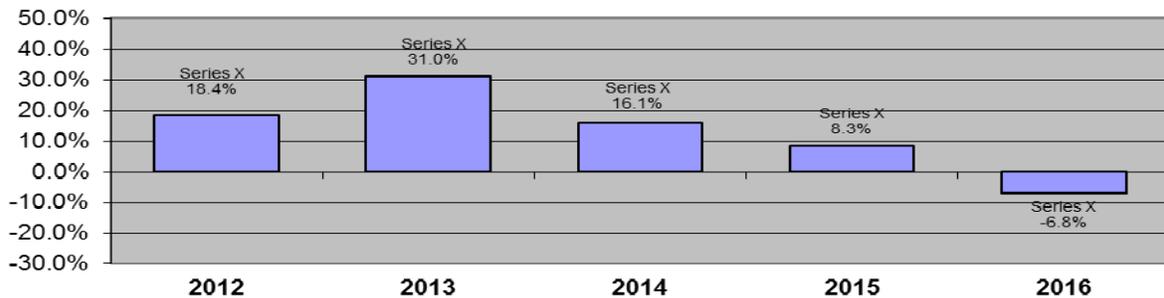
Front Street Global Opportunities Class - Series B



Front Street Global Opportunities Class - Series F



Front Street Global Opportunities Class - Series X



ANNUAL COMPOUND RETURNS

The following table shows the Fund's historical annual compound total return for the past five, three, one financial year periods and since inception, as at October 31, 2016 and as compared to the performance of the S&P 500 Index.

Front Street Global Opportunities Class	Past 5 years	Past 3 years	Past 1 year	Since inception on July 8, 2011
Series A	10.35%	4.83%	-7.37%	9.42%
Series B	10.36%	4.83%	-7.34%	9.45%
Series F	11.30%	5.67%	-6.43%	10.37%
S&P 500 Index	11.15%	6.57%	2.25%	9.34%

Front Street Global Opportunities Class	Past 5 years	Past 3 year	Past 1 year	Since inception on January 19, 2012
Series X	N/A	5.42%	-6.77%	13.10%
S&P 500 Index	N/A	6.57%	2.25%	11.48%

S&P 500 Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

Summary of Investment Portfolio as at October 31, 2016

Portfolio by Category

	Percentage of Net Asset Value
LONG POSITIONS	
Information Technology	31.1%
Cash and cash equivalents	17.8%
Consumer Discretionary	9.7%
Financials	8.5%
Consumer Staples	7.0%
Industrials	5.5%
Mutual Funds	4.2%
Health Care	4.0%
Materials	3.9%
Corporate Bonds	1.4%
Energy	0.8%
SHORT POSITIONS	
Written Call Options	-0.3%
Written Put Options	-0.2%
Other assets less other liabilities	6.6%
<hr/>	
	100.0%
<hr/>	

Top 25 Investments

	Percentage of Net Asset Value
LONG POSITIONS	
Front Street MLP and Infrastructure Income Class Series I	4.2%
Alphabet Inc.	4.0%
The Home Depot Inc.	3.9%
MasterCard Inc. 'A'	3.4%
Costco Wholesale Corporation	2.9%
CGI Group Inc. 'A'	2.8%
Citigroup Inc.	2.7%
CBS Corporation	2.7%
Facebook Inc.	2.6%
JPMorgan Chase & Co.	2.4%
Premium Brands Holdings Corporation	2.3%
The Descartes Systems Group Inc.	2.2%
NXP Semiconductors NV	2.2%
Splunk Inc.	2.1%
Bank of America Corporation	2.0%
Shopify Inc. 'A'	2.0%
Tahoe Resources Inc.	2.0%
Starbucks Corporation	1.9%
Alimentation Couche-Tard Inc. 'B'	1.8%
NVIDIA Corporation	1.7%
Microsoft Corporation	1.7%
E.I. du Pont de Nemours and Company	1.6%
Alibaba Group Holding Limited	1.6%
Raytheon Company	1.6%
salesforce.com inc.	1.6%
	59.9%
TOTAL NET ASSET VALUE (000's)	\$57,265

The information contained in the foregoing list may change due to the ongoing portfolio transactions of the Fund. In addition, the simplified prospectus and other information about the underlying investment fund is available on the internet at www.frontstreetcapital.com or www.sedar.com

FRONT STREET GLOBAL OPPORTUNITIES CLASS

**FINANCIAL STATEMENTS
OCTOBER 31, 2016 AND 2015**

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MANAGEMENT REPORT

Management's Responsibility for Financial Reporting

The accompanying financial statements of Front Street Global Opportunities Class have been prepared by the management of LOGiQ Capital 2016, the Manager of the Fund, and approved by the Board of Directors of Front Street Mutual Funds Limited. The Manager is responsible for the information and representations contained in these financial statements.

The Manager maintains processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. The significant accounting policies, which the Manager believes are appropriate for the Fund, are described in note 3 to the financial statements.

The Board of Directors of Front Street Mutual Funds Limited is responsible for reviewing the financial statements, the adequacy of internal controls, the audit process and financial reporting with the Manager and the external auditors. The Board of Directors approves the audited financial statements for publication.

Segal LLP are the external auditors of Front Street Global Opportunities Class. They are appointed by the Manager of the Fund. The external auditors have audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to the shareholders their opinion on the financial statements. Their report is set out below.

On behalf of Management of LOGiQ Capital 2016,
Manager of the Fund



Terence Lui
Governance Committee Member
LOGiQ Capital 2016 (formerly
Front Street Capital 2004)



Normand G. Lamarche
Governance Committee Member
LOGiQ Capital 2016 (formerly
Front Street Capital 2004)

Toronto, Ontario
January 25, 2017

INDEPENDENT AUDITOR'S REPORT

**To the Shareholders
of Front Street Global Opportunities Class (the "Fund") of
Front Street Mutual Funds Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Front Street Global Opportunities Class which comprise the statements of financial position as at October 31, 2016 and 2015, the statements of comprehensive income, statements of changes in net assets attributable to shareholders of redeemable shares, and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Independent Auditor's Report
Page 2

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Front Street Global Opportunities Class as at October 31, 2016 and 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.



Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
January 25, 2017

FRONT STREET GLOBAL OPPORTUNITIES CLASS

STATEMENTS OF FINANCIAL POSITION AS AT OCTOBER 31, 2016 AND 2015

	2016	2015
ASSETS		
Current		
Financial assets at fair value through profit or loss*	\$ 43,547,621	\$ 83,360,276
Cash and cash equivalents	10,218,906	8,724,462
Receivables for investments sold	5,065,310	4,762,816
Dividends receivable	11,341	30,592
Interest and other receivables	5,896	4,167
Subscriptions receivable	2,159	291,389
Foreign exchange forward contracts at fair value through profit or loss*, note 13	<u>-</u>	<u>628,755</u>
	<u>\$ 58,851,233</u>	<u>\$ 97,802,457</u>
LIABILITIES		
Current		
Payables for investments purchased	\$ 622,132	\$ 2,296,333
Redemptions payable	482,417	145,491
Financial liabilities at fair value through profit or loss*	269,474	1,584,687
Accrued expenses, note 9	124,425	215,655
Management fees payable	82,629	124,958
Foreign exchange forward contracts at fair value through profit or loss*, note 13	<u>-</u>	<u>149,347</u>
Liabilities before net assets attributable to shareholders of redeemable shares	<u>1,581,077</u>	<u>4,516,471</u>
Net assets attributable to shareholders of redeemable shares	<u>\$ 57,270,156</u>	<u>\$ 93,285,986</u>

* Cost of investments is reflected on the Schedule of Investment Portfolio

See accompanying notes to the financial statements

FRONT STREET GLOBAL OPPORTUNITIES CLASS

STATEMENTS OF FINANCIAL POSITION
AS AT OCTOBER 31, 2016 AND 2015

	2016	2015
Net assets attributable to shareholders of redeemable shares		
Series A	\$ 26,238,164	\$ 36,955,281
Series B	\$ 18,934,126	\$ 37,103,461
Series F	\$ 11,274,334	\$ 16,164,750
Series X	\$ 823,532	\$ 3,062,494
Number of redeemable shares outstanding, note 5		
Series A	1,622,853	2,115,641
Series B	1,169,643	2,122,260
Series F	666,207	893,156
Series X	49,631	171,930
Net assets attributable to shareholders of redeemable shares per share		
Series A	\$ 16.17	\$ 17.47
Series B	\$ 16.19	\$ 17.48
Series F	\$ 16.92	\$ 18.10
Series X	\$ 16.59	\$ 17.81

Approved on behalf of the Board of Front Street Mutual Funds Limited:



Terence Lui
Chief Executive Officer



Susan Johnson
Chief Financial Officer

See accompanying notes to the financial statements

FRONT STREET GLOBAL OPPORTUNITIES CLASS

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED OCTOBER 31, 2016 AND 2015**

	2016	2015
Investment income		
Dividends	\$ 809,517	\$ 801,243
Interest income for distribution purposes and other	58,458	23,865
Distributions from underlying funds	115,708	13,286
Securities lending revenue	63	32,326
Foreign currency gain (loss) on cash and cash equivalents and other net assets	(407,353)	1,393,803
Other net changes in fair value of financial assets and financial liabilities at fair value through profit or loss ("FVTPL")		
Net realized gain on financial assets and liabilities at FVTPL	260,629	9,018,902
Net realized loss on foreign exchange forward contracts	(2,351,327)	(9,297)
Change in unrealized depreciation on financial assets and liabilities at FVTPL	(3,000,817)	(1,508,055)
Change in unrealized appreciation (depreciation) on foreign exchange forward contracts	<u>(479,408)</u>	<u>479,408</u>
	<u>(4,994,530)</u>	<u>10,245,481</u>
Expenses		
Management fees, notes 6 and 9	1,198,167	1,477,046
Transaction costs, notes 8 and 9	843,034	631,928
Servicing fees, notes 6 and 9	609,193	722,050
Administration fees	188,537	276,084
Withholding taxes	103,073	86,194
Legal fees	69,431	50,578
Audit fees	47,112	54,848
Custodial fees	36,304	79,510
Securityholder reporting costs	19,097	7,277
Compensatory dividends	15,855	-
Independent review committee	11,539	9,879
Securities borrowing fees	3,651	-
Performance fees, notes 6 and 9	-	1,373,653
Operating costs, notes 6 and 9	<u>-</u>	<u>31,734</u>
	<u>3,144,993</u>	<u>4,800,781</u>
Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations	<u>\$ (8,139,523)</u>	<u>\$ 5,444,700</u>

See accompanying notes to the financial statements

FRONT STREET GLOBAL OPPORTUNITIES CLASS

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED OCTOBER 31, 2016 AND 2015**

	2016	2015
<hr/>		
Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations		
Series A	\$ (3,074,880)	\$ 2,356,143
Series B	\$ (3,405,826)	\$ 1,900,496
Series F	\$ (1,318,580)	\$ 898,511
Series X	\$ (340,237)	\$ 289,550
 Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations per share		
Series A	\$ (1.64)	\$ 1.15
Series B	\$ (1.83)	\$ 0.98
Series F	\$ (1.62)	\$ 1.13
Series X	\$ (3.92)	\$ 1.54

See accompanying notes to the financial statements

FRONT STREET GLOBAL OPPORTUNITIES CLASS

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
SHAREHOLDERS OF REDEEMABLE SHARES
FOR THE YEARS ENDED OCTOBER 31, 2016 AND 2015

	2016	2015
Net assets attributable to shareholders of redeemable shares, beginning of year		
Series A	\$ 36,955,281	\$ 33,244,039
Series B	37,103,461	27,167,043
Series F	16,164,750	12,105,642
Series X	<u>3,062,494</u>	<u>2,914,981</u>
	<u>93,285,986</u>	<u>75,431,705</u>
Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations		
Series A	(3,074,880)	2,356,143
Series B	(3,405,826)	1,900,496
Series F	(1,318,580)	898,511
Series X	<u>(340,237)</u>	<u>289,550</u>
	<u>(8,139,523)</u>	<u>5,444,700</u>
Redeemable share transactions		
Proceeds from redeemable shares issued		
Series A	2,277,800	9,448,089
Series B	5,871,510	15,967,639
Series F	4,368,752	5,825,853
Series X	<u>-</u>	<u>530,297</u>
	<u>12,518,062</u>	<u>31,771,878</u>
Redemption of redeemable shares		
Series A	(9,920,037)	(8,092,990)
Series B	(20,635,019)	(7,931,717)
Series F	(7,940,588)	(2,665,256)
Series X	<u>(1,898,725)</u>	<u>(672,334)</u>
	<u>(40,394,369)</u>	<u>(19,362,297)</u>

See accompanying notes to the financial statements

FRONT STREET GLOBAL OPPORTUNITIES CLASS

**STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
SHAREHOLDERS OF REDEEMABLE SHARES
FOR THE YEARS ENDED OCTOBER 31, 2016 AND 2015**

	2016	2015
Net increase (decrease) in net assets from redeemable share transactions	<u>(27,876,307)</u>	<u>12,409,581</u>
Increase (decrease) in net assets attributable to shareholders of redeemable shares	<u>(36,015,830)</u>	<u>17,854,281</u>
Net assets attributable to shareholders of redeemable shares, end of year		
Series A	26,238,164	36,955,281
Series B	18,934,126	37,103,461
Series F	11,274,334	16,164,750
Series X	<u>823,532</u>	<u>3,062,494</u>
Total	<u>\$ 57,270,156</u>	<u>\$ 93,285,986</u>

See accompanying notes to the financial statements

FRONT STREET GLOBAL OPPORTUNITIES CLASS

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED OCTOBER 31, 2016 AND 2015**

	2016	2015
Cash flows from operating activities		
Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations	\$ (8,139,523)	\$ 5,444,700
Adjustments for:		
Foreign currency loss (gain) on cash and other net assets	407,353	(1,393,803)
Net realized gain on financial assets and liabilities at FVTPL	(260,629)	(9,018,902)
Net realized loss on foreign exchange forward contracts	2,351,327	9,297
Change in unrealized depreciation on financial assets and liabilities at FVTPL	3,000,817	1,508,055
Change in unrealized depreciation (appreciation) on foreign exchange forward contracts	479,408	(479,408)
Decrease (increase) in dividends receivable	19,251	(15,675)
Increase in interest and other receivables	(1,729)	(4,167)
Increase (decrease) in other payables and accrued liabilities	(133,559)	15,539
Purchases of financial assets and liabilities at FVTPL	(202,776,368)	(177,394,235)
Proceeds from sales of financial assets and liabilities at FVTPL	236,672,635	167,345,156
Non-cash distributions from underlying funds	(115,708)	-
Proceeds to settlement of foreign exchange forward contracts	<u>(2,351,327)</u>	<u>(9,297)</u>
Net cash used by operating activities	<u>29,151,948</u>	<u>(13,992,740)</u>
Cash flows from financing activities		
Proceeds from redeemable shares issued	12,807,292	31,830,627
Amounts paid on redemption of redeemable shares	<u>(40,057,443)</u>	<u>(19,351,191)</u>
Net cash generated by financing activities	<u>(27,250,151)</u>	<u>12,479,436</u>
Net change in cash and cash equivalents	1,901,797	(1,513,304)
Foreign currency gain (loss) on cash and other net assets	(407,353)	1,393,803
Cash and cash equivalents, beginning of year	<u>8,724,462</u>	<u>8,843,963</u>
Cash and cash equivalents, end of year	<u>\$ 10,218,906</u>	<u>\$ 8,724,462</u>
Cash and cash equivalents comprise:		
Cash at bank	<u>\$ 10,218,906</u>	<u>\$ 8,724,462</u>
Interest received, net of withholding tax	\$ 56,729	\$ 32,984
Dividends received, net of withholding tax	\$ 725,695	\$ 699,374
Compensatory dividends paid	\$ (15,855)	\$ -

See accompanying notes to the financial statements

FRONT STREET GLOBAL OPPORTUNITIES CLASS

**SCHEDULE OF INVESTMENT PORTFOLIO
AS AT OCTOBER 31, 2016**

	Number of Shares/Units /Par Value	Cost \$	Fair Value \$
Long positions (76.1%)			
Consumer Discretionary (9.7%)			
CBS Corporation	20,000	\$ 1,405,978	\$ 1,518,888
NIKE Inc.	3,000	205,073	201,919
Sportsman's Warehouse Holdings Inc.	31,136	342,096	384,217
Starbucks Corporation	15,000	1,102,201	1,067,742
The Home Depot Inc.	13,800	2,355,430	2,258,398
Under Armour Inc.	2,500	<u>126,174</u>	<u>104,286</u>
		<u>\$ 5,536,952</u>	<u>\$ 5,535,450</u>
Consumer Staples (7.0%)			
Alimentation Couche-Tard Inc. 'B'	15,000	\$ 982,272	\$ 1,010,700
Costco Wholesale Corporation	8,500	1,713,997	1,685,873
Premium Brands Holdings Corporation	20,000	<u>1,123,982</u>	<u>1,298,200</u>
		<u>\$ 3,820,251</u>	<u>\$ 3,994,773</u>
Energy (0.8%)			
Lite Access, Subscription Agreement	86,000	\$ 98,900	\$ 128,225
Secure Energy Services Inc.	41,200	<u>359,143</u>	<u>338,664</u>
		<u>\$ 458,043</u>	<u>\$ 466,889</u>
Financials (8.5%)			
Bank of America Corporation	52,900	\$ 1,056,598	\$ 1,170,754
Citigroup Inc.	23,700	1,387,429	1,562,420
Committed Capital Acquisition Corporation II	25,200	159,831	155,483
Committed Capital Acquisition Corporation II, Warrants April 19, 2019	52,200	-	770
JPMorgan Chase & Co.	15,000	1,282,309	1,393,477
KKR & Co LP	30,402	<u>575,140</u>	<u>578,643</u>
		<u>\$ 4,461,307</u>	<u>\$ 4,861,547</u>

See accompanying notes to the financial statements

FRONT STREET GLOBAL OPPORTUNITIES CLASS

**SCHEDULE OF INVESTMENT PORTFOLIO
AS AT OCTOBER 31, 2016**

	Number of Shares/Units /Par Value	Cost \$	Fair Value \$
Health Care (4.0%)			
Allergan PLC	2,500	\$ 780,471	\$ 700,628
HLS Therapeutics Inc. (Restricted)	46,200	519,918	433,777
HLS Therapeutics Inc., Warrants August 11, 2020	3,146	-	-
Johnson & Johnson	1,500	228,196	233,366
Merck & Co., Inc.	10,000	689,040	787,611
Nobilis Health Corporation	500	2,046	2,225
Nobilis Health Corporation, Warrants May 13, 2017	11,250	-	1,350
Savaria Corporation, Warrants April 15, 2017	16,000	-	<u>130,720</u>
		<u>\$ 2,219,671</u>	<u>\$ 2,289,677</u>
Industrials (5.5%)			
American Airlines Group Inc.	10,000	\$ 499,723	\$ 544,568
Northrop Grumman Corporation	2,500	657,790	767,894
Ocean Harvest Technology Inc.	150,000	150,000	15,000
Raytheon Company	5,000	824,175	916,175
Walker Innovation Inc.	166,666	538,449	98,362
Waste Connections Inc.	8,000	<u>787,557</u>	<u>805,280</u>
		<u>\$ 3,457,694</u>	<u>\$ 3,147,279</u>

See accompanying notes to the financial statements

FRONT STREET GLOBAL OPPORTUNITIES CLASS

**SCHEDULE OF INVESTMENT PORTFOLIO
AS AT OCTOBER 31, 2016**

	Number of Shares/Units /Par Value	Cost \$	Fair Value \$
Information Technology (31.1%)			
Alibaba Group Holding Limited	6,750	\$ 836,934	\$ 920,598
Alphabet Inc.	2,200	2,106,704	2,315,068
Apple Inc.	1,000	154,304	152,291
Breaking Data Corporation Unit	777,100	139,878	310,995
CGI Group Inc. 'A'	25,000	1,432,627	1,592,750
DealNet Capital Corporation, Warrants February 18, 2017	112,500	-	6,750
Facebook Inc.	8,500	1,349,264	1,493,424
Intel Corporation	13,500	671,210	631,410
iON Worldwide LLC	120,000	147,714	160,956
Kinaxis Inc.	6,500	420,722	426,010
MasterCard Inc. 'A'	13,500	1,763,943	1,937,870
Microsoft Corporation	11,800	908,319	948,374
Mobidia Technology Inc. Class "A" Series 5	178,600	18	18
NVIDIA Corporation	10,000	599,479	954,469
NXP Semiconductors NV	9,500	1,261,327	1,274,235
salesforce.com inc.	9,000	769,303	907,309
Shopify Inc. 'A'	20,800	667,713	1,156,415
Skyworks Solutions Inc.	1,400	129,351	144,479
Splunk Inc.	15,000	990,189	1,210,993
The Descartes Systems Group Inc.	46,000	<u>748,381</u>	<u>1,285,700</u>
		<u>\$ 15,097,380</u>	<u>\$ 17,830,114</u>
Materials (3.9%)			
Detour Gold Corporation	7,000	\$ 174,408	\$ 178,990
E.I. du Pont de Nemours and Company	10,000	897,434	922,680
Tahoe Resources Inc.	70,000	<u>1,121,303</u>	<u>1,125,600</u>
		<u>\$ 2,193,145</u>	<u>\$ 2,227,270</u>
Corporate Bonds (1.4%)			
Cooltech Corporation Convertible 1.00% May 19, 2017	80,000	\$ 104,220	\$ 107,304
Cricket Acquisition Group Limited Convertible 5.00% June 30, 2019	56,600	100,000	50,000
HLS Therapeutics Term Loan 10.00%, August 11, 2021	466,381	<u>608,980</u>	<u>625,557</u>
		<u>\$ 813,200</u>	<u>\$ 782,861</u>

See accompanying notes to the financial statements

FRONT STREET GLOBAL OPPORTUNITIES CLASS

SCHEDULE OF INVESTMENT PORTFOLIO

AS AT OCTOBER 31, 2016

	Number of Shares/Units /Par Value	Cost \$	Fair Value \$
Mutual Funds (4.2%)			
Front Street MLP and Infrastructure Income Class Series I	352,951	<u>\$ 2,537,550</u>	<u>\$ 2,411,761</u>
Total Long Positions (76.1%)		<u>\$ 40,595,193</u>	<u>\$ 43,547,621</u>
Short Positions (-0.5%)			
Written Call Options (-0.3%)			
Alimentation Couche-Tard Inc., Call 68, December 18, 2016	(150)	\$ (13,500)	\$ (10,500)
Alphabet Inc., Call 815, December 16, 2016	(15)	(35,389)	(16,397)
CBS Corporation, Call 57.5, November 18, 2016	(200)	(37,231)	(37,556)
Intel Corporation, Call 36, November 18, 2016	(100)	(7,220)	(1,744)
MasterCard Inc., Call 105, November 18, 2016	(100)	(18,077)	(42,251)
Tahoe Resources Inc., Call 16, November 18, 2016	(150)	(9,900)	(11,250)
The Descartes Systems Group Inc., Call 28, November 18, 2016	(600)	(41,550)	(31,500)
Uni-Select Inc., Call 31, November 18, 2016	(150)	<u>(9,450)</u>	<u>(6,750)</u>
		<u>\$ (172,317)</u>	<u>\$ (157,948)</u>
Written Put Options (-0.2%)			
Facebook Inc., Put 129, November 18, 2016	(120)	\$ (46,178)	\$ (52,311)
MasterCard Inc., Put 105, November 18, 2016	(100)	(14,319)	(13,949)
Microsoft Corporation, Put 57.5, November 18, 2016	(150)	(8,196)	(6,639)
Tahoe Resources Inc., Put 17, November 18, 2016	(175)	(29,225)	(21,525)
Under Armour Inc., Put 31, November 18, 2016	(150)	<u>(11,643)</u>	<u>(17,102)</u>
		<u>\$ (109,561)</u>	<u>\$ (111,526)</u>
Total Short Positions (-0.5%)		<u>\$ (281,878)</u>	<u>\$ (269,474)</u>
Transaction costs, note 3		<u>\$ (97,835)</u>	-
Total Investments (75.6%)		<u>\$ 40,215,480</u>	43,278,147
Cash and cash equivalents (17.8%)			10,218,906
Other assets, less liabilities (6.6%)			<u>3,773,103</u>
Net assets (100.0%)			<u>\$ 57,270,156</u>

See accompanying notes to the financial statements

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

1. THE FUND

Front Street Global Opportunities Class (the "Fund") is a class of shares of Front Street Mutual Funds Limited (the "Corporation"), a mutual fund corporation incorporated under the Canada Business Corporations Act on April 11, 2006, and is authorized to issue an unlimited number of classes of shares in multiple series. Reference is made to the Fund's Simplified Prospectus for additional information on the Fund's structure. The Fund was established on June 29, 2011. Series A commenced operations on July 8, 2011. Series B commenced operations on July 8, 2011. Series F commenced operations on July 8, 2011. Series X commenced operations on January 19, 2012. The Fund's registered address is 33 Yonge Street, Suite 600, Toronto, Ontario, M5E 1G4.

On January 26, 2016, Front Street U.S. MLP Income Fund Ltd. amalgamated with Front Street Mutual Funds Limited.

The foregoing financial statements and accompanying notes to the financial statements presented herein are for the Fund. Separate financial statements of each of the other classes of shares of the Corporation have also been prepared as at October 31, 2016.

Front Street Capital 2004 is the manager of the Fund (the "Manager") providing investment advisory and portfolio management services to the Fund. CIBC Mellon is the custodian and CIBC Capital Markets Inc. is the prime broker of the Fund. CIBC Mellon provides fund accounting services and shareholder recordkeeping services. Effective November 16, 2015, CIBC Mellon replaced NBCN Inc. as the custodian of the Fund and replaced Citigroup Fund Services Canada, Inc. to provide shareholder recordkeeping services and fund accounting services.

The Fund's investment objective is to provide shareholders with long term capital growth through the selection, management and strategic sector rotation and trading of global positions in equity, debt and derivative securities. The Fund may have exposure to all sectors of the economy, with the ability to focus its assets in specific industry sectors and asset classes based on analysis of business cycles, industry sectors and market outlook. The Fund will be global in nature and invest in small, medium and large cap companies.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

2. BASIS OF PRESENTATION

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board ("IASB").

These financial statements were authorized for issue by the Board of Directors on January 25, 2017.

(b) Basis of preparation

These financial statements have been prepared on the IFRS Standards that are published at the time of preparation and that are effective as at October 31, 2016, the Fund's annual reporting date.

(c) Basis of measurement

These financial statements have been prepared on the historical cost basis, except for financial assets and liabilities at fair value through profit or loss which are measured at fair value.

(d) Functional and presentation currency

The financial statements have been presented in Canadian dollars, which is the Fund's functional currency, and all values are rounded to the nearest dollar except where otherwise indicated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies described below have been applied consistently to all periods presented in these financial statements.

(a) Financial instruments:

Classification of financial instruments

The Fund classifies its financial assets and financial liabilities at initial recognition into the following categories, in accordance with IAS 39, Financial Instruments: Recognition and Measurement:

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued...)

(a) Financial instruments: (Continued...)

Financial assets and liabilities at fair value through profit or loss

The category of financial assets and liabilities at fair value through profit or loss is sub-divided into the following two sub-categories.

Financial assets and liabilities held for trading: financial assets are classified as held for trading if they are acquired for the purpose of selling and/or repurchasing in the near term. Derivatives are classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39. The Fund's policy is not to apply hedge accounting.

Financial instruments designated as fair value through profit or loss upon initial recognition: these include equities, treasury bills, and other interest-bearing investments. These financial assets are designated upon initial recognition on the basis that they are part of a group of financial assets that are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Fund as set out in the Fund's Investment Guidelines.

The Fund recognizes financial instruments at fair value upon initial recognition. Transaction costs include brokerage commissions incurred in the purchase and sale of portfolio investments in which the Fund invests. All such costs are expensed in the period incurred and presented in the statements of comprehensive income. Purchases and sales of financial assets are recognized at their trade date. The Fund's investments and derivative assets and liabilities are measured at fair value through profit or loss (FVTPL), including certain investments in debt securities which have been designated at FVTPL. The Fund's obligations for net assets attributable to shareholders of redeemable shares are presented at the redemption amount. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives, except for warrants classified as level 2 are identical to those used in measuring its net asset value ("NAV") for transactions with shareholders.

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. Quantitative information on the impact on the Fund's statements of financial position if all amounts were set off is required.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued...)

(b) Fair value measurement:

The Fund's portfolio investments are classified as fair value through profit or loss ("FVTPL"). Any unrealized gain or loss arising due to changes in fair value during the reporting period is presented separately in the statements of comprehensive income. Portfolio investments cannot be reclassified out of the FVTPL category while they are held.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in a transaction between market participants at the measurement date. The fair value of financial instruments traded in active markets should be measured based on a price within the bid and ask spread that is most representative of fair value and allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid-ask spread. The Fund has determined the closing sale price to be most reflective of fair value unless this price is outside the bid and ask spread. When the closing sale price of financial instruments traded in active markets is outside the bid and ask spread, such financial instruments are measured based on the bid price for securities owned or held long and on the asking price for securities sold short. The fair value of financial instruments not traded in an active market (including, but not limited to securities in private companies, warrants and restricted securities) are determined using valuation techniques. Depending on the circumstances, the Fund may use several methods and make assumptions based on market conditions existing at each reporting date. Valuation techniques may include, without limitation, the use of comparable recent arm's length transactions, discounted cash flow analysis, option-pricing models and other valuation techniques commonly used by market participants. Estimated fair values for investments in securities not traded in an active market are based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for such investments.

The fair value of financial instruments which are restricted as to transferability are valued at the fair value of the unrestricted investment as provided above less a discount of 2% per month up to four months.

Short-term investments, if any, are valued at the aggregate of cost and accrued interest receivable, which approximates fair value.

For financial statement reporting purposes, under National Instrument 81-106 ("NI 81-106") the Fund is required to disclose the differences between net assets attributable to redeemable shares per share and net asset value per share, including any differences in valuation principles or practices for the purposes of calculating net asset value versus those required under IFRS. A reconciliation between the net assets attributable to redeemable shares per share for financial reporting purposes and net asset value for investor transactions is presented in note 11 (Reconciliation of Net Asset Value to IFRS Net Assets Attributable to Shareholders of Redeemable Shares).

Investments in mutual funds or pooled funds are valued based on the net asset value per share at the close of trading on the financial statement date.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued...)

(c) Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Fund in the management of short-term commitments, other than cash collateral provided in respect of derivatives and securities borrowing transactions.

(d) Redeemable shares

The Fund classifies redeemable shares issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The Fund has multiple classes of redeemable shares that do not have identical features and therefore, do not qualify as equity under IAS 32, Financial Instruments. The redeemable shares, which are classified as financial liabilities and measured at redemption amount, provide investors with the right to require redemption, subject to available liquidity, for cash at a share price based on the Fund's valuation policies at each redemption date. The shares represent the residual interest in the Fund.

(e) Impairment of financial assets

At the end of each reporting period, the Fund reviews its financial assets that are carried at amortized cost for any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured and recognized as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed.

(f) Investment transactions and income recognition

Investment transactions are accounted for on a trade date basis. Realized gains and losses are calculated on a weighted average cost basis.

Revenue from investments is recognized on the accrual basis. Interest for distribution purposes shown on the statements of comprehensive income represents the coupon interest received by the Fund accounted for on an accrual basis and is recognized through profit and loss. Dividend revenue is recognized on the ex-dividend date.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued...)

(g) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date. The value of cash or securities held as collateral must at least 102% of the fair value of the securities loaned, sold or purchased. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is recognized on an accrual basis and included in the statements of comprehensive income under the heading securities lending revenue.

(h) Foreign currency translation

The fair value of investments and derivatives, other assets and liabilities denominated in foreign currencies are translated at the exchange rate between the functional currency and the foreign currency at each of the valuation date. Foreign currency transactions, including purchase and sales of investments, investment income and expenses are translated at the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Realized and unrealized exchange gains and losses on foreign currency cash and cash equivalents and other assets and liabilities are presented as “Foreign currency gain (loss) on cash and cash equivalents and other net assets”. Realized and unrealized exchange gains and losses on investments and derivatives are presented within “Other net changes in fair value of financial assets and financial liabilities at fair value through profit or loss”.

(i) Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations per share

Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations per share is calculated by dividing the increase (decrease) in net assets attributable to shareholders of redeemable shares from operations of a series by the average number of shares outstanding of that series during the year.

(j) Net assets attributable to shareholders of redeemable shares per share

The net assets attributable to shareholders of redeemable shares per share are calculated by dividing the net assets of a series of shares by the total number of redeemable shares of that series outstanding at the end of the year.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued...)

(k) Transaction costs

Portfolio transaction costs are expensed and are included in "Transaction costs" in the statements of comprehensive income. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges. The individual security's cost shown on the schedule of investment portfolio includes only those transaction costs incurred on the acquisition of portfolio investments.

(l) Provisions

The Fund recognizes a provision, if as a result of a prior event, the Fund has a current obligation requiring the outflow of resources to settle. Provisions are recorded at the Manager's best estimates of the most probable outcome of any future settlement.

(m) Interests in subsidiaries, associates and unconsolidated structured entities

The Fund meets the definition of an investment entity and as such, does not consolidate the entities it controls. Instead, interests in entities subject to control are classified as fair value through profit or loss, and measured at fair value.

The Fund may invest in redeemable units of other investment funds as part of its investment strategy. The nature and purpose of the investee funds generally is to manage assets on behalf of third party investors and generate fees for the investment manager, and are financed through the issue of redeemable units to investors.

The maximum exposure to loss from interests in investee funds is equal to the fair value of the investment in those respective funds, which are included in financial assets at fair value through profit or loss in the statement of financial position.

(n) Future changes in accounting standards:

IFRS 9 - Financial Instruments

IFRS 9 was issued in November 2009 with an implementation date of annual periods beginning on or after January 1, 2018. It addresses classification and measurement of financial assets and replaces the multiple categories and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends, to the extent not clearly representing a return of investment, are recognized in profit or loss; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely. The Manager is in the process of evaluating the impact of this standard on the financial statements.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The timely preparation of financial statements requires the Fund to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. The following summarizes the accounting judgments, estimates and assumptions the Fund considers significant:

(a) Valuation of investments

Portfolio investments are measured and reported at fair value through profit or loss. Portfolio investments may include securities not traded in an active market, the fair value of which is determined using valuation techniques. Such estimates of fair value of portfolio investments not traded in an active market involve assumptions and uncertainties, and may include matters of significant judgment. Therefore, such estimates are subjective and cannot be determined with precision. Changes in assumptions may significantly affect the estimates.

(b) Other judgments, estimates and assumptions

Estimates are also used when determining the amount of impairment of assets and the likelihood of contingencies.

(c) Assessment as investment entity

The Manager has concluded that the Fund has the characteristics of an investment entity, in that it has more than one investment and is managed in accordance with the articles of incorporation and prospectus; the investments are predominantly in the form of equities and similar securities; it has more than one investor and its investors are not related parties. These conclusions will be reassessed on an annual basis, if any of these criteria or characteristics change.

5. REDEEMABLE SHARES

Net assets attributable to holders of redeemable shares consists of amounts paid for shares, undistributed income, realized gains and losses and unrealized appreciation (depreciation) of financial assets at FVTPL, represents the capital of the Fund. The Fund may issue an unlimited number of redeemable shares. Each share is redeemable at the option of the shareholder in accordance with the articles of incorporation and prospectus, and entitles the shareholder to a proportionate interest in the net assets of the Fund. The Fund has no restrictions or specified capital requirements on subscriptions or redemptions of shares.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

5. REDEEMABLE SHARES (Continued...)

The authorized capital of the Fund consists of an unlimited number of mutual fund shares, available in four series. Redemption and commission fees vary according to each series of shares as follows:

Series A shares

Redemption fees payable to the Manager may be applicable upon the sale of shares of this series based on the original cost amount and the time to disposition. A redemption fee of 3% applies to shares of this series sold within the first 18 months following acquisition. A redemption fee of 2% applies to shares of this series sold between the first 18 months to 36 months following acquisition. No redemption fee applies to shares of this series sold after the first 36 months following acquisition.

Series B shares

Commission fees payable to brokers, dealers or advisors may be applicable upon the purchase of shares of this series up to 5% of the gross purchase amount, at the discretion of the broker, dealer or advisor.

Series F shares

No redemption or commission fees are applicable to shares of this series.

Series X shares

No redemption or commission fees are applicable to shares of this series.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

5. REDEEMABLE SHARES (Continued...)

The Fund allocates income and expenses, and realized and unrealized capital gains and losses to each class of redeemable shares outstanding based on the average class allocation for the year.

The following redeemable share transactions took place during the year ended October 31:

	2016	2015
Redeemable shares outstanding, beginning of the year:		
Series A	2,115,641	2,050,156
Series B	2,122,260	1,673,743
Series F	893,156	724,870
Series X	171,930	177,103
Redeemable shares issued during the year:		
Series A	138,149	524,750
Series B	348,922	896,205
Series F	257,781	314,405
Series X	-	31,680
Redeemable shares redeemed during the year:		
Series A	630,937	459,265
Series B	1,301,539	447,688
Series F	484,730	146,119
Series X	122,299	36,853
Redeemable shares outstanding, end of the year:		
Series A	1,622,853	2,115,641
Series B	1,169,643	2,122,260
Series F	666,207	893,156
Series X	49,631	171,930

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

6. FEES AND EXPENSES

The Fund pays a monthly management fee equal to 1/12 of 1.5% of the net asset value of the Fund calculated and paid at the end of each month in arrears from each Fund series.

In consideration of the management fees payable by the Fund to the Manager, the Manager is responsible for providing marketing and promotion, fund management and administration and investment advisory services to the Fund. Fund management and administration services include establishing investment objectives, selecting investment sub-advisors, if applicable, and establishing and maintaining an appropriate infrastructure to meet accounting, financial and taxation reporting requirements. The Manager is also responsible for establishing and maintaining a servicing and risk management framework to ensure regulatory compliance, which includes regular monitoring. The Manager does not charge or allocate corporate overhead or expenses to the Fund.

The Fund pays a monthly service fee of 1/12 of 1% of the net asset value of the Series A and Series B shares calculated and paid at the end of each month. The Fund pays a monthly service fee of 1/12 of 0.50% of the net asset value of Series X shares calculated and paid at the end of each month.

The Fund is responsible for payment of all operating and administrative expenses of the Fund. The main components of these expenses are legal and accounting fees, printing expenses, reporting issuer filing and sustaining fees, custodial fees, fees payable to, and expenses incurred by, the Fund's Independent Review Committee and expenses of making distributions to shareholders. As the Fund has more than one series of shares, the shareholders of each series bear their pro rata share of those expenses which are common to the operation of all series, as well as those expenses which are attributable solely to that series.

The Manager may, at its discretion, add a service charge of up to 15% of the costs incurred for any operating and administrative costs charged to the Fund other than management services which are already included in the management fee rate which the Manager receives from the Fund. The 15% service charge is intended to cover certain investor servicing costs attributable solely to the Fund, such as the establishment of the Fund's client servicing models, maintenance of investor support phone lines, and investor website and email support. The Manager stopped charging such fees in August 2015.

The Fund pays a performance fee if the percentage gain in the net asset value of a series of the Fund (as adjusted for any prior return deficiencies) over the preceding quarter or quarters since a performance fee was last payable exceeds the percentage gain or loss of the S&P 500 Index (the "Benchmark") over the same year. The fee is equal to this excess return per share multiplied by the number of shares outstanding at the end of the quarter multiplied by 20%, provided that the net asset value per share of the Fund (including distributions) is greater than all previous values at the end of each previous quarter. The starting reference point for the next quarter's calculation is based on the higher of either the Benchmark performance adjusted net asset value per share or the adjusted actual net asset value per share, both with respect to the previous quarter in which a performance fee was payable.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

7. INCOME TAX DISTRIBUTION

The Fund qualifies as a mutual fund corporation under the Income Tax Act (Canada). The Corporation will earn three types of income, Canadian dividends, taxable capital gains and other net taxable income. The income of the Fund, including taxable capital gains, will be subject to income tax at applicable corporate tax rates, after claiming allowable deductions for expenses and applicable credits for foreign taxes paid on foreign-source income. Income tax on capital gains is refundable to the Fund to the extent that such gains are distributed to shareholders as capital gains dividends or the Fund's share are redeemed. Gains and losses realized by the Fund in relation to certain derivative transactions and short sale transactions may be taxed on account of income as opposed to on account of capital. Other income is subject to tax at normal corporate rates and is not subject to refundable tax treatment.

The Fund may elect in the prescribed manner and form in order to have the dividends it distributes treated as capital gains dividends to the extent that the dividends do not exceed the Fund's capital gains dividend account. The capital gains dividend account will be represented by the amount by which capital gains realized by the Fund while it was a mutual fund corporation exceed the aggregate of:

- (a) capital losses realized by the Fund while it was a mutual fund corporation;
- (b) certain capital gains dividends previously paid by it; and
- (c) amounts in respect of which the Fund received capital gains tax refunds.

The Corporation is a single legal entity for tax purposes and is not taxed on a fund-by-fund basis. Non-capital and capital losses of the Corporation may be applied against the income and/or capital gains attributable to the Corporation as a whole irrespective of the Fund from which the income, gains and/or losses arise. Therefore, where the Corporation has positive net taxable income, any current tax liability can be offset with the utilization of unused prior year tax losses of the Corporation. Further, the payment of capital gains dividends, will also reduce or eliminate any taxes payable by the Corporation. This eliminates the requirement for a net tax provision for the Fund.

The Corporation's shares are qualified investments for registered plans.

8. TRANSACTION COSTS AND SOFT DOLLARS

The total brokerage commissions paid by the Fund with respect to security transactions for the year ended October 31, 2016 was \$843,034 (2015 - \$631,928).

There were no soft dollar amounts included in brokerage commissions.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

9. RELATED PARTY TRANSACTIONS

During the years ended October 31, 2016 and 2015, fees paid to the Manager were as follows:

	2016	2015
Performance fees, note 6	<u>\$ -</u>	<u>\$ 1,373,653</u>
Management fees, note 6	<u>\$ 1,198,167</u>	<u>\$ 1,477,046</u>
Servicing fees, note 6	<u>\$ 609,193</u>	<u>\$ 722,050</u>
Operating costs, note 6	<u>\$ -</u>	<u>\$ 31,734</u>

Management fees payable, performance fees payable and other payables included in the accrued expenses were as follows:

	2016	2015
Management fees payable	<u>\$ 82,629</u>	<u>\$ 124,958</u>
Servicing fees payable	<u>\$ 40,168</u>	<u>\$ 61,256</u>

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

9. RELATED PARTY TRANSACTIONS (Continued...)

The following are redeemable shares held by related parties of the Fund:

	2016	2015
Series B shares held by the Partners and officers of the Manager	2,143.02	2,143.02
Percentage of Series B shares held by the Partners of the Manager	0.18%	0.10%
Series F shares held by the Partners and officers of the Manager	80,418.20	171,311.80
Percentage of Series F shares held by the Partners of the Manager	12.07%	19.18%
Series F shares held by the relatives of the Partners of the Manager	192.64	879.06
Percentage of Series F shares held by the relatives of the Partners of the Manager	0.03%	0.10%

As at October 31, 2016, the Fund held 352,951 Series I shares (2015 - 320,618), representing 4.2% (2015 - 2.6%) of the net assets, in Front Street MLP and Infrastructure Income Class which is also managed by the Manager.

The Fund may place a portion of its portfolio transactions with brokerage firms which are affiliates of the Manager provided it determines that these affiliates' trade execution abilities and costs are comparable to those non-affiliated, qualified brokerage firms, on an execution only basis. During the year ended October 31, 2016, Tuscarora Capital Inc., a company under common control to the Manager, received \$169,288 (2015 - \$175,521) in commissions on portfolio transactions for the Fund.

Management fees, servicing fees, operating costs and performance fees are measured at the consideration prescribed by the offering documents of the Fund. When related parties enter shareholder transactions with the Fund, the consideration is the transactional NAV available to all other shareholders on the trade date.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

10. SECURITIES LENDING

The Fund lends portfolio securities from time to time in order to earn additional income. The Fund has entered into a securities lending program with its custodian, CIBC Mellon. The aggregate fair value of all securities loaned will not exceed 50% of the net assets of the Fund. The Fund receives collateral (in the form of obligations of, or guaranteed by, the Government of Canada, or a province thereof, or by the United States government or its agencies and/or cash) against the loaned securities. Collateral is maintained in an amount representing at least 102% of the fair value of the loaned securities during the year the loan is outstanding. The fair value of the loaned securities is determined daily at the close of business of the Fund and any additional collateral required is delivered to the Fund on the next business day.

A reconciliation of the gross amount generated from securities lending transactions to the securities lending revenue for the years ended October 31, 2016 and 2015 is as follows:

Securities lending income	2016	2015
Gross securities lending income	\$ 124	\$ 64,652
Agent fees - The Bank of New York Mellon Corp.	<u>(61)</u>	<u>(32,326)</u>
Securities lending income to the Fund		
Before tax reclaims (withholding taxes)	63	32,326
Tax reclaims (withholding taxes)	<u>-</u>	<u>-</u>
Net securities lending income	<u>\$ 63</u>	<u>\$ 32,326</u>

As at October 31, 2016 and 2015, the aggregate fair values of the Fund's securities loaned and the collateral received were as follows:

	2016	2015
Value of securities loaned	<u>\$ -</u>	<u>\$ 729,194</u>
Value of collateral received	<u>\$ -</u>	<u>\$ 802,865</u>

11. RECONCILIATION OF NET ASSET VALUE TO IFRS NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS OF REDEEMABLE SHARES

Investment funds may have two different net asset values: (i) one for financial statements, which is prepared in accordance with IFRS (referred to as "IFRS NA") and (ii) another for all other purposes, including share pricing for investor transactions (referred to as "net asset value"). For investments that are traded in an active market where quoted prices are readily and regularly available, IFRS requires investments to be valued using the methods and principles described in note 3 (Summary of significant accounting policies – Fair value measurement), wherein the Fund may use closing sale prices for the purpose of determining net asset value. For investments that are not traded in an active market, IFRS requires the use of specific valuation techniques, rather than the use of valuation techniques in general practice in the investment funds industry. National Instrument 81-106 ("NI 81-106") requires that annual financial statements present a reconciliation of Net asset value per share to IFRS Net Assets Attributable to Shareholders of Redeemable Shares.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

11. RECONCILIATION OF NET ASSET VALUE TO IFRS NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS OF REDEEMABLE SHARES (Continued...)

As at October 31, 2016, that reconciliation is as follows:

	Net asset value	Financial reporting adjustment	IFRS NA	Net asset value per share	IFRS NA per share
Series A	\$ 26,235,587	\$ 2,577	\$ 26,238,164	\$ 16.17	\$ 16.17
Series B	18,932,266	1,860	18,934,126	16.19	16.19
Series F	11,273,226	1,108	11,274,334	16.92	16.92
Series X	823,451	81	823,532	16.59	16.59
Total	\$ 57,264,530	\$ 5,626	\$ 57,270,156		

As at October 31, 2015, that reconciliation is as follows:

	Net asset value	Financial reporting adjustment	IFRS NA	Net asset value per share	IFRS NA per share
Series A	\$ 36,924,483	\$ 30,798	\$ 36,955,281	\$ 17.45	\$ 17.47
Series B	37,072,547	30,914	37,103,461	17.47	17.48
Series F	16,151,296	13,454	16,164,750	18.08	18.10
Series X	3,059,942	2,552	3,062,494	17.80	17.81
Total	\$ 93,208,268	\$ 77,718	\$ 93,285,986		

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The Fund's financial instruments consist of financial assets and liabilities at FVTPL, cash and cash equivalents, receivables for investments sold, subscriptions receivable, dividends receivable, interest and other receivables, payables for investments purchased, accrued expenses, management fees payable, redemptions payable and foreign exchange forward contracts at FVTPL. It is the Manager's opinion that due to the short term nature of these financial instruments, the Fund is not exposed to significant market price, currency, interest rate, liquidity, cash flow, credit, and portfolio concentration risks arising from these financial instruments except as described below. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

All securities present a risk of loss of capital. The Manager seeks to minimize potential adverse effects of these risks on the Fund's performance by employing professional, experienced portfolio advisors, by daily monitoring of the Fund's positions and market events, and by diversifying the investment portfolio within the constraints of the investment objective. To assist in managing risk, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued...)

The schedule of investment portfolio presents the securities held by the Fund as at October 31, 2016 and groups the securities by asset type, sector and/or market segment. Significant risks that are relevant to the Fund are discussed below.

The Fund is exposed to financial risks, including market risk, currency risk, interest rate risk, liquidity risk, cash flow risk, credit risk and concentration risk. The Fund's overall risk management program seeks to minimize potentially adverse effects of those risks on the Fund's financial performance. The Fund moderates financial risks through the careful selection of portfolio investments and other financial instruments within the parameters of the investment guidelines, strategies and objectives.

i) Market price risk

Market price risk, is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument, its issuer, or factors affecting similar financial instruments traded in the market.

The Fund is exposed to market price risk arising from its investments in securities. The Manager manages the Fund's market price risk on a daily basis in accordance with the Fund's investment objective and policies.

ii) Currency risk

The Fund may invest in financial instruments denominated in currencies other than its measurement currency. Consequently, the Fund is exposed to risks that the exchange rate of its currency relative to other currencies may change in a manner that has an adverse effect on the value of the portion of the Fund's assets or liabilities denominated in currencies other than Canadian dollars, absent any changes in market price or investment specific events.

Included in the undernoted accounts are the following foreign currency balances:

As at October 31, 2016

Currency	Financial instruments at FVTPL	Cash and cash equivalents	Other assets less liabilities	Forward currency contacts (note 13)	Total	Percentage of net assets
United States Dollar	<u>\$ 32,240,733</u>	<u>\$ 9,348,138</u>	<u>\$ 3,634,236</u>	<u>\$ -</u>	<u>\$ 45,223,107</u>	<u>78.96 %</u>

As at October 31, 2015

Currency	Financial instruments at FVTPL	Cash and cash equivalents	Other assets less liabilities	Forward currency contacts (note 13)	Total	Percentage of net assets
United States Dollar	<u>\$ 57,572,321</u>	<u>\$ 7,473,614</u>	<u>\$ 1,037,809</u>	<u>\$ 11,999,240</u>	<u>\$ 78,082,984</u>	<u>83.70 %</u>

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued...)

iii) Interest rate risk

The Fund may invest in fixed and floating rate securities. The income of the Fund may be affected by changes to interest rates relevant to particular securities or as a result of management being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movement in the future. Interest payable on bank overdraft or broker margin account positions will be affected by fluctuations in interest rates. As at October 31, 2016, 1.4% (2015 – 0.8%) of the net assets invested in bonds. The remaining portion of the Fund's investments are substantially non-interest bearing equity investments.

As at October 31, 2016	Floating Rate Financial Instruments	Fixed Rate Financial Instruments	Non-interest Bearing	Total
Financial assets				
Financial assets at FVTPL	\$ -	\$ 782,861	\$ 42,764,760	\$ 43,547,621
Cash and cash equivalents	10,218,906	-	-	10,218,906
Loans and receivables	-	-	5,084,706	5,084,706
Total	<u>\$ 10,218,906</u>	<u>\$ 782,861</u>	<u>\$ 47,849,466</u>	<u>\$ 58,851,233</u>
Financial liabilities				
Financial liabilities at FVTPL	\$ -	\$ -	\$ 269,474	\$ 269,474
Other financial liabilities	-	-	1,311,603	1,311,603
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,581,077</u>	<u>\$ 1,581,077</u>
IFRS NA				<u>\$ 57,270,156</u>
As at October 31, 2015	Floating Rate Financial Instruments	Fixed Rate Financial Instruments	Non-interest Bearing	Total
Financial assets				
Financial assets at FVTPL	\$ -	\$ 704,074	\$ 83,284,957	\$ 83,989,031
Cash and cash equivalents	8,724,462	-	-	8,724,462
Loans and receivables	-	-	5,088,964	5,088,964
Total	<u>\$ 8,724,462</u>	<u>\$ 704,074</u>	<u>\$ 88,373,921</u>	<u>\$ 97,802,457</u>
Financial liabilities				
Financial liabilities at FVTPL	\$ -	\$ -	\$ 1,734,034	\$ 1,734,034
Other financial liabilities	-	-	2,782,437	2,782,437
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,516,471</u>	<u>\$ 4,516,471</u>
IFRS NA				<u>\$ 93,285,986</u>

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NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued...)

iv) Liquidity risk

Liquidity risk is the risk the Fund will encounter difficulty in meeting obligations associated with financial liabilities. Shareholder redemption requests are the main liquidity risk for the Fund.

The Fund maintains cash and marketable securities, and manages liquidity risk through its ability to close out market positions in a timely manner.

As at October 31, 2016

Financial assets	0 - 12 months	1 - 3 years	3 - 5 years	Beyond 5 years	Indefinite maturity	Total
Financial assets at FVTPL	\$ 246,124	\$ 50,770	\$ 625,557	\$ -	\$ 42,625,170	\$ 43,547,621
Cash and cash equivalents	10,218,906	-	-	-	-	10,218,906
Loans and receivables	<u>5,084,706</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,084,706</u>
Total	<u>\$15,549,736</u>	<u>\$ 50,770</u>	<u>\$ 625,557</u>	<u>\$ -</u>	<u>\$ 42,625,170</u>	<u>\$ 58,851,233</u>
Financial liabilities						
Financial liabilities at FVTPL	\$ 269,474	\$ -	\$ -	\$ -	\$ -	\$ 269,474
Other financial liabilities	<u>1,311,603</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,311,603</u>
Total	<u>\$ 1,581,077</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,581,077</u>
IFRS NA						<u>\$ 57,270,156</u>

As at October 31, 2015

Financial assets	0 - 12 months	1 - 3 years	3 - 5 years	Beyond 5 years	Indefinite maturity	Total
Financial assets at FVTPL	\$ 819,170	\$ 87,465	\$ -	\$ 654,074	\$ 82,428,322	\$ 83,989,031
Cash and cash equivalents	8,724,462	-	-	-	-	8,724,462
Loans and receivables	<u>5,088,964</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,088,964</u>
Total	<u>\$14,632,596</u>	<u>\$ 87,465</u>	<u>\$ -</u>	<u>\$ 654,074</u>	<u>\$ 82,428,322</u>	<u>\$ 97,802,457</u>
Financial liabilities						
Financial liabilities at FVTPL	\$ 1,368,788	\$ -	\$ -	\$ -	\$ 365,246	\$ 1,734,034
Other financial liabilities	<u>2,782,437</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,782,437</u>
Total	<u>\$ 4,151,225</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 365,246</u>	<u>\$ 4,516,471</u>
IFRS NA						<u>\$ 93,285,986</u>

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued...)

iv) Liquidity risk (Continued...)

Certain of the Fund's investments are in private securities which are thinly traded. As at October 31, 2016, the fair value of such assets was 2.4% (2015 – 1.6%) of the total net assets.

v) Cash flow risk

The risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. In the case of a floating rate debt instrument, for example, such fluctuations could result from a change in the effective interest rate of the financial instrument, usually without a corresponding change in its fair value.

vi) Credit risk

The Fund is exposed to credit risk arising from its transactions with its counterparties and brokers, related to securities purchases and sales. Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Financial assets which potentially expose the Fund to credit risk consist principally of investment in bonds, amounts due from brokers and derivatives. The Fund seeks to mitigate its exposure to credit risk by placing its cash, and transacting its securities activity with large financial institutions. The Fund may also invest in corporate bonds. Until the bonds are sold or mature, the Fund is exposed to credit risk relating to whether the bond issuer will meet its obligations when they come due. The extent of the Fund's exposure to credit risk in respect of these financial assets is reflected in their carrying value as recorded in the Fund's Statement of Financial Position.

To partially mitigate credit risk with respect to its securities lending the Fund receive collateral against the securities loaned (note 10). As at October 31, 2016, the Fund loaned securities with an aggregate fair value of \$Nil (2015 - \$729,194) and received collateral with an aggregate fair value of \$Nil (2015 - \$802,865).

As at October 31, 2016, the Fund had 1.4% (2015 - 0.8%) of holdings in debt instruments with the following credit ratings obtained from Standard and Poor's Moody's or DBRS:

	Percentage of net assets	
Debt instruments by credit rating	2016	2015
Not available or not rated	1.4 %	0.8 %

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

12. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Continued...)

vii) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The Fund's concentration risk by market segments/categories of financial instruments has been summarized as follows:

	2016	2015
Information technology	31.1 %	27.0 %
Cash and cash equivalents	17.8 %	9.3 %
Consumer discretionary	9.7 %	12.0 %
Financials	8.5 %	31.8 %
Consumer staples	7.0 %	- %
Other assets less liabilities	6.6 %	2.5 %
Industrials	5.5 %	5.8 %
Materials	3.9 %	0.8 %
Mutual funds	4.2 %	2.6 %
Health care	4.0 %	8.2 %
Energy	0.8 %	- %
Corporate bonds	1.4 %	0.8 %
Unrealized gain on currency forward contracts	- %	0.5 %
Written options	<u>(0.5)%</u>	<u>(1.3)%</u>
Total	<u>100.0 %</u>	<u>100.0 %</u>

13. FORWARD FOREIGN CURRENCY CONTRACTS

As at October 31, 2016, the Fund had no open position in forward foreign currency contracts to protect against fluctuations in the U.S. dollar exchange rates.

As at October 31, 2015, the Fund contracted to sell U.S. dollar currency amounting to Cdn \$36,000,000 at a forward rate of 1.3178, and contracted to buy U.S. dollar currency amounting to Cdn \$18,000,000 at a forward rate of 1.3192, and Cdn \$15,000,000 at a forward rate of 1.2894, and Cdn \$15,000,000 at a forward rate of 1.2953. These contracts were settled on November 9, 2015. The net unrealized gain from forward contracts amounted to \$479,408 as at October 31, 2015.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

14. CAPITAL MANAGEMENT

The Fund considers financial instruments in the form of redeemable shares to represent capital. In managing this capital, the objectives of the Fund are:

- (a) to safeguard the Fund's ability to continue as a going concern, be flexible and take advantage of opportunities that might present themselves;
- (b) to provide an appropriate return to shareholders; and
- (c) to use active management strategies intended to enhance the returns of the Fund and concurrently minimize risk and preserve capital, consistent with the investment guidelines, strategies and objectives of the Fund.

The Fund follows, and is in compliance with, the Investment Guidelines described in the Prospectus.

The Fund is not subject to any externally imposed capital requirements.

15. FAIR VALUE HIERARCHY

IFRS requires the Fund to use a three-tier hierarchy as a framework for disclosing fair values, based on inputs used to value the Fund's investments in financial assets and financial liabilities. This hierarchy is summarized as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e., derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following tables summarize the inputs used as of October 31, 2016 and 2015 in valuing the Fund's financial assets and liabilities at FVTPL.

As at October 31, 2016

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL	<u>\$ 41,861,286</u>	<u>\$ 293,723</u>	<u>\$ 1,392,612</u>	<u>\$ 43,547,621</u>
Financial liabilities at FVTPL	<u>\$ 269,474</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 269,474</u>

As at October 31, 2015

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL	<u>\$ 81,398,603</u>	<u>\$ 1,119,936</u>	<u>\$ 1,470,492</u>	<u>\$ 83,989,031</u>
Financial liabilities at FVTPL	<u>\$ 1,584,687</u>	<u>\$ 149,347</u>	<u>\$ -</u>	<u>\$ 1,734,034</u>

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

15. FAIR VALUE HIERARCHY (Continued...)

The following table reconciles opening balances to closing balances for fair value measurements in Level 3 of the fair value hierarchy:

	Financial assets at FVTPL Equities	Financial assets at FVTPL Bonds
Balance at October 31, 2014	\$ 277,880	\$ 50,000
Purchases	667,650	652,878
Proceeds from sales	(51,463)	-
Transfers out	-	-
Gains (losses)		
Realized	(198,577)	-
Unrealized	<u>70,928</u>	<u>1,196</u>
Balance at October 31, 2015	\$ 766,418	\$ 704,074
Purchases	-	204,220
Proceeds from sales	-	(144,338)
Gains (losses)		
Realized	-	440
Unrealized	<u>(156,667)</u>	<u>18,465</u>
Balance at October 31, 2016	<u>\$ 609,751</u>	<u>\$ 782,861</u>

Valuation techniques and framework

The Fund's portfolio investments in equity securities are classified as Level 1 when the security is actively traded and a reliable price is observable. The Fund may not be able to trade certain equity securities of publicly listed issuers (primarily warrants and shares for which trading is restricted by a contractual hold period), and therefore observable prices may not be available. In such cases, fair value is determined based on observable market data (e.g., prices for transactions for similar securities of the same issuer) and the fair value is classified as Level 2. However, if the determination of fair value requires significant unobservable data, the measurement of such securities is classified as Level 3.

Valuation techniques are used for equity securities classified as Level 2 and Level 3 (primarily private companies).

Valuation techniques may include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models, including but not limited to the Black-Scholes stock option model. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity indices, EBITDA and/or revenue multiples and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value measurement for an asset to be sold or a liability to be transferred between market participants at a measurement date.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

15. FAIR VALUE HIERARCHY (Continued...)

Valuation techniques and framework (Continued...)

The Fund uses widely recognized valuation models for determining the fair value of common and simple financial instruments, such as warrants and temporarily restricted shares of public companies, which generally use observable market data and require some management judgment and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and other simple derivatives. The availability of observable market prices and model inputs may reduce the need for management judgment and estimation and may reduce, but does not eliminate, uncertainty associated with determining fair values. The availability of observable inputs may vary and depends on the nature of the securities being valued and markets, and is subject to change based on specific events and general conditions in the financial markets. Management applies a certain discount to restricted securities in order to determine the fair value of these securities. To determine the fair value of warrants, management uses the Black-Scholes stock option model, which incorporates the volatility of the underlying stock.

The Fund may invest in equity securities of private companies, which are classified as Level 3 securities. These may be valued using the most recent rounds of financing, or in certain cases, using models. Some or all of the significant inputs into the valuation models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows on the security being valued, and other inputs (such as discount rate, liquidity risk, credit risk, as applicable), to the extent that the Fund believes that a third party market participant would take them into account in pricing a transaction.

The Fund has established a control framework for the measurement of fair value. The valuation process is overseen by management, who are responsible for developing the Fund's valuation processes and procedures, conducting periodic reviews of those policies and evaluating their consistent application. When third party information, such as broker quotes or pricing services or recent transactions, are used to measure value, then management assesses the evidence obtained from third parties to support the conclusion that such valuations meet the requirements of IFRS. This includes verifying the information provided, and analyzing the information to check for any material inconsistencies.

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

15. FAIR VALUE HIERARCHY (Continued...)

Valuation techniques and framework (Continued...)

The tables below summarize the Level 3 financial assets at FVTPL valued based on the aforementioned valuation techniques as at October 31, 2016 and 2015.

As at October 31, 2016	Number of Shares/Units /Par Value	Cost \$	Fair Value \$
Cooltech Corporation Convertible 1.00%, May 19, 2017	80,000	\$ 104,220	\$ 107,304
Cricket Acquisition Group Limited 5.00% June 30, 2019 Convertible Debenture	56,600	100,000	50,000
HLS Therapeutics Inc. Restricted	46,200	519,918	433,777
HLS Therapeutics Term Loan 10.00%, August 11, 2021	466,381	608,980	625,557
iON World LLC	120,000	147,714	160,956
Mobidia Technology Inc. Class A Series 5	178,600	18	18
Ocean Harvest Technology (Canada) Inc.	150,000	<u>150,000</u>	<u>15,000</u>
		<u>\$ 1,630,850</u>	<u>\$ 1,392,612</u>

As at October 31, 2015	Number of Shares/Units /Par Value	Cost \$	Fair Value \$
Cricket Media Group 6.50% October 31, 2016 Convertible Debenture	100,000	\$ 100,000	\$ 50,000
HLS Therapeutics Inc. Restricted	42,000	519,918	549,422
HLS Therapeutics Restricted Warrants	3,146	-	-
HLS Therapeutics Term Loan	500,000	652,878	654,074
iON World LLC	120,000	147,714	156,978
Mobidia Technology Inc. Class A Series 5	178,600	18	18
Ocean Harvest Technology (Canada) Inc.	150,000	<u>150,000</u>	<u>60,000</u>
		<u>\$ 1,570,528</u>	<u>\$ 1,470,492</u>

FRONT STREET GLOBAL OPPORTUNITIES CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

16. SUBSEQUENT EVENTS

On December 8, 2016, Front Street Capital 2004, together with Aston Hill Financial Inc. ("Aston Hill") and Tuscarora Capital Inc. ("TCI"), an entity under common control with the Manager, completed a previously announced transaction whereby Aston Hill would acquire all of the equity interests in the Manager and TCI, and the companies would combine their respective operations. As part of the transaction, Aston Hill also changed its name to LOGiQ Asset Management Inc.

At special meetings of securityholders of the funds of Front Street Mutual Fund Limited on November 10, 2016, investors approved the change of manager resulting from the aforementioned transaction. Effective December 20, 2016, the Manager was renamed LOGiQ Capital 2016. It is anticipated that the management agreements for the funds of Front Street Mutual Funds Limited will be assigned from LOGiQ Capital 2016 to LOGiQ Asset Management Ltd., the manager of the Aston Hill mutual funds and closed end funds, in the near future. Upon such assignment, the manager of the funds forming part of Front Street Mutual Funds Limited will change to LOGiQ Asset Management Ltd.