

Annual Management Report of Fund Performance As at October 31, 2016 Front Street MLP and Infrastructure Income Class

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements for Front Street MLP Infrastructure and Income 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 fundamental investment objective of the Fund is to provide stable and long-term capital appreciation and income by investing primarily in, or providing economic exposure to, the securities of North American issuers that collect revenue based on the transportation of commodities between producers and consumers in sectors such as pipelines, terminals, marine transportation and midstream services energy infrastructure sector, including energy infrastructure master limited partnerships (“MLPs”) that are U.S. limited partnerships or limited liability companies that are (a) publicly traded on U.S. securities exchanges and (b) primarily engaged in the transportation, storage, processing, refining, marketing, exploration and production and mining of minerals or natural resources.

To meet its investment objectives, the Fund will provide Shareholders with economic exposure to the performance of an actively managed, diversified notional portfolio (the “Infrastructure MLP Portfolio”) of energy infrastructure MLPs and with exposure to a portfolio of North American energy infrastructure equity and income securities that are not MLPs (the “Infrastructure Portfolio”).

Front Street Capital 2004 is the manager of the Fund (the “Manager”). OFI SteelPath, Inc., New York, U.S.A. (the “MLP Advisor”) has been retained by the Manager, on behalf of the Fund, to provide investment advisory and portfolio management services on the Infrastructure MLP Portfolio. Front Street Investment Management Inc. (the “Investment Advisor”) has been retained by the Manager, on behalf of the Fund, to provide investment advisory and portfolio management services on the Infrastructure Portfolio. Front Street Capital 2004 assumed the portfolio management and investment advisory services from Front Street Investment Management Inc. on October 16, 2015. The allocation of the assets of the Fund between the Infrastructure MLP Portfolio and the Infrastructure Portfolio from time to time will be made by the Investment Advisor based on market conditions and the relative values of securities eligible for inclusion in such portfolios.

In order to obtain economic exposure to the Infrastructure MLP Portfolio, the Fund will enter into one or more equity swaps with a U.S. financial institution (the “Counterparty”) as counterparty (collectively, the “Infrastructure MLP Swap Agreement”). In accordance with its investment objectives, the return to Shareholders and the Fund is dependent upon the economic performance of the Infrastructure MLP Portfolio by virtue of the Swap Agreement to gain economic exposure to the Infrastructure MLP Portfolio. At any given time, all or a portion of the Fund’s assets may be exposed to the Infrastructure MLP Portfolio by virtue of the Swap Agreement, at the discretion of the Manager.

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 MLP and Infrastructure Income Class returned -1.1% (net of expenses).

During the year ended October 31, 2016, the Fund earned investment income of \$89,657 from interest. There were net realized gains on the financial assets held in swap agreement of \$24.8 million, gains from foreign exchange forward contracts of \$2.3 million and a change in unrealized depreciation on swap agreements and forward foreign currency contracts of \$11.2 million.

Operating expenses, excluding management fees and servicing fees, totalled \$282,993 during the year ended October 31, 2016.

Oil and natural gas markets rebounded substantially during the period, and midstream MLPs rose sharply as well. The crude oil price correction that started in June 2014 rivaled the most severe and protracted corrections in history. This sustained period of low crude oil prices caused exploration and production companies to reduce their drilling budgets to the point where many have been unable to replace the natural declines of production from existing wells in some regions. In other commodities, the coal group produced the best average total return year-to-date, while the upstream sub-sector has lagged.

The bounce back of the price of crude calmed fears in investors of midstream MLPs, which led to increased capital spending. Despite the downturn, EBITDA, price-to-distributable cash flow and distributions maintained stability and even increased in many cases.

RECENT DEVELOPMENTS

While near-term energy price volatility is sure to be driven by the unpredictable ebbs and flows of sentiment stirred by the most recent headline, the Manager's fundamental analysis suggests a high probability that energy pricing, capital investment and volumes must reflate over the coming years. Therefore, against a broad market backdrop of uninspiring return and growth opportunities, the Manager believes that the energy sector is primed to provide healthy returns to investors over a multi-year period. Specifically, U.S. shale should play a dominant role in the re-emergence of the energy markets from one of the harshest down cycles in history. Beyond the resultant boost for certain producers, the Manager foresees opportunities spanning across U.S. midstream operators.

The Manager anticipates a 4% to 7% annualized growth rate over the medium term, but expects near-term growth to run below trend. The Manager will continue to monitor commodity pricing, and the supply and demand situation of oil and natural gas particularly, both domestically and abroad. In addition, OPEC's commitment to its agreement to cut oil production will be monitored closely.

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 period ended October 31, 2016, fees paid to the Manager were as follows:

	2016	2015
Management fees	<u>\$ 1,206,209</u>	<u>\$ 314,811</u>
Servicing fees	<u>\$ 178,641</u>	<u>\$ 65,830</u>
Expenses waived or absorbed by Manager	<u>\$ -</u>	<u>\$ (227,517)</u>

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

	2016	2015
Management fees payable	<u>\$ 131,203</u>	<u>\$ 37,008</u>
Servicing fees payable	<u>\$ 19,490</u>	<u>\$ 8,589</u>

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

	2016	2015
Series F shares held by the Partners and Officers of the Manager	43,899.99	335,486.91
Percentage of Series F shares held by the Partners and Officers of the Manager	1.13%	18.52%
Series F shares held by the relatives of the Partners of the Manager	15,745.19	45,896.10
Percentage of Series F shares held by the relatives of the Partners of the Manager	0.40%	2.53%
Series MC shares held by the Partners and Officers of the Manager	227,133.09	-
Percentage of Series MC shares held by the Partners and Officers of the Manager	2.93%	Nil%
Series MC shares held by the relatives of the Partners of the Manager	604,888.80	-
Percentage of Series MC shares held by the relatives of the Partners of the Manager	7.80%	Nil%

As at October 31, 2016, Front Street Global Balanced Income Class, which is also managed by the Manager, held 114,962 shares (2015 – 111,933) of Series I, representing 12.2% (2015 – 16.0%) of Series I shares outstanding.

As at October 31, 2016, Front Street Global Opportunities Class, which is also managed by the Manager, held 352,951 shares (2015 – 320,618) of Series I, representing 37.6% (2015 – 45.9%) of Series I shares outstanding.

As at October 31, 2016, Front Street Resource Growth and Income Class, which is also managed by the Manager, held 162,826 shares (2015 – 84,264) of Series I, representing 17.3% (2015 – 12.1%) of Series I shares outstanding.

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 period ended October 31, 2016, Tuscarora Capital Inc., a company under common control to the Manager, received \$Nil (2015 – \$Nil) in commissions on portfolio transactions for the Fund.

Management fees and servicing 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. 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 \$	For the period from commencement of operation on November 14, 2014 to October 31, 2015 \$
Net Assets, beginning of the year	7.19	10.00*
Increase (decrease) from operations:		
Total revenue	0.01	—
Total expenses	(0.18)	(0.19)
Realized gains (losses) for the year	1.79	(3.45)
Unrealized gains (losses) for the year	(1.06)	0.94
Total increase (decrease) from operations⁽²⁾	0.56	(2.70)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.50)	(0.49)
Total distributions to redeemable Shareholders⁽³⁾	(0.50)	(0.49)
Net Assets, end of the year	6.59	7.19

- (1) The information for October 31, 2016 is derived from the Fund's audited annual financial statements and is prepared in accordance with IFRS.
- (2) Net assets and distributions are based on the actual number of redeemable shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of redeemable shares outstanding over the financial year.
- (3) Distributions were paid in cash/reinvested in additional redeemable shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	\$12,374	\$6,074
Number of redeemable shares outstanding ⁽¹⁾	1,878,379	845,081
Management expense ratio ⁽²⁾	2.69%	2.16%
Management expense ratio before waivers or absorptions ⁽²⁾	2.69%	3.31%
Trading expense ratio ⁽³⁾	-	-
Portfolio turnover rate ⁽⁴⁾	-	-
Net asset value per redeemable share ⁽⁵⁾	\$6.59	\$7.19

- (1) This information is provided as at end of the year shown.
- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period 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.
- (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 annual financial statements prepared in accordance with IFRS.

* Initial price

Series B

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

	October 31, 2016 \$	For the period from commencement of operation on November 14, 2014 to October 31, 2015 \$
Net Assets, beginning of the year	7.19	10.00*
Increase (decrease) from operations:		
Total revenue	0.01	—
Total expenses	(0.18)	(0.19)
Realized gains (losses) for the year	1.84	(3.39)
Unrealized gains (losses) for the year	(0.88)	0.88
Total increase from operations⁽²⁾	0.79	(2.70)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.50)	(0.49)
Total distributions to redeemable Shareholders⁽³⁾	(0.50)	(0.49)
Net Assets, end of the year	6.59	7.19

- (1) The information for October 31, 2016 is derived from the Fund's audited annual financial statements and is prepared in accordance with IFRS.
- (2) Net assets and distributions are based on the actual number of redeemable shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of redeemable shares outstanding over the financial year.
- (3) Distributions were paid in cash/reinvested in additional redeemable shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	\$16,498	\$8,215
Number of redeemable shares outstanding ⁽¹⁾	2,503,647	1,141,928
Management expense ratio ⁽²⁾	2.72%	2.18%
Management expense ratio before waivers or absorptions ⁽²⁾	2.72%	3.32%
Trading expense ratio ⁽³⁾	-	-
Portfolio turnover rate ⁽⁴⁾	-	-
Net asset value per redeemable share ⁽⁵⁾	\$6.59	\$7.19

- (1) This information is provided as at end of the year shown.
- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period 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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* Initial price

Series F

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

	October 31, 2016 \$	For the period from commencement of operation on November 4, 2014 to October 31, 2015 \$
Net Assets, beginning of the year	7.26	10.00*
Increase (decrease) from operations:		
Total revenue	0.01	—
Total expenses	(0.13)	(0.13)
Realized gains (losses) for the year	1.72	(3.58)
Unrealized gains (losses) for the year	(1.24)	1.17
Total increase from operations ⁽²⁾	0.35	(2.54)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.50)	(0.49)
Total distributions to redeemable Shareholders ⁽³⁾	(0.50)	(0.49)
Net Assets, end of the year	6.70	7.26

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

Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	\$26,072	\$13,163
Number of redeemable shares outstanding ⁽¹⁾	3,888,996	1,811,924
Management expense ratio ⁽²⁾	1.96%	1.56%
Management expense ratio before waivers or absorptions ⁽²⁾	1.96%	2.70%
Trading expense ratio ⁽³⁾	-	-
Portfolio turnover rate ⁽⁴⁾	-	-
Net asset value per redeemable share ⁽⁵⁾	\$6.70	\$7.26

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- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period 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.
- (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.
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* Initial price

Series I

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

	October 31, 2016	For the period from commencement of operation on December 8, 2014 to October 31, 2015
	\$	\$
Net Assets, beginning of the year	7.46	10.00*
Increase (decrease) from operations:		
Total revenue	0.01	—
Total expenses	(0.10)	(0.12)
Realized gains (losses) for the year	0.89	(2.99)
Unrealized gains (losses) for the year	(2.32)	0.94
Total increase from operations⁽²⁾	(1.52)	(2.17)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.50)	(0.45)
Total distributions to redeemable Shareholders⁽³⁾	(0.50)	(0.45)
Net Assets, end of the year	6.83	7.46

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Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	\$6,420	\$5,212
Number of redeemable shares outstanding ⁽¹⁾	939,701	699,039
Management expense ratio ⁽²⁾	1.41%	1.40%
Management expense ratio before waivers or absorptions ⁽²⁾	1.41%	2.54%
Trading expense ratio ⁽³⁾	-	-
Portfolio turnover rate ⁽⁴⁾	-	-
Net asset value per redeemable share ⁽⁵⁾	\$6.83	\$7.46

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* Initial price

Series X

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

	October 31, 2016 \$	For the period from commencement of operation on February 17, 2015 to October 31, 2015 \$
Net Assets, beginning of the year	7.65	10.00*
Increase (decrease) from operations:		
Total revenue	0.01	0.03
Total expenses	(0.17)	(0.11)
Realized gains (losses) for the year	1.55	(2.12)
Unrealized gains (losses) for the year	(1.60)	0.21
Total increase from operations ⁽²⁾	(0.21)	(1.99)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.50)	(0.37)
Total distributions to redeemable Shareholders ⁽³⁾	(0.50)	(0.37)
Net Assets, end of the year	7.12	7.65

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Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	12	\$8
Number of redeemable shares outstanding ⁽¹⁾	1,702	1,043
Management expense ratio ⁽²⁾	2.43%	1.26%
Management expense ratio before waivers or absorptions ⁽²⁾	2.43%	2.40%
Trading expense ratio ⁽³⁾	-	-
Portfolio turnover rate ⁽⁴⁾	-	-
Net asset value per redeemable share ⁽⁵⁾	\$7.12	\$7.65

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* Initial price

Series UB

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

	October 31, 2016 \$	For the period from commencement of operation on November 11, 2014 to October 31, 2015 \$
Net Assets, beginning of the year	9.94	11.35*
Increase (decrease) from operations:		
Total revenue	0.01	0.03
Total expenses	(0.19)	(0.23)
Realized gains (losses) for the year	1.92	(2.69)
Unrealized gains (losses) for the year	(1.42)	1.31
Total increase from operations⁽²⁾	0.32	(1.58)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.66)	(0.62)
Total distributions to redeemable Shareholders⁽³⁾	(0.66)	(0.62)
Net Assets, end of the year	9.67	9.94

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

Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	\$1,032	\$1,101
Number of redeemable shares outstanding ⁽¹⁾	106,754	110,847
Management expense ratio ⁽²⁾	2.12%	2.06%
Management expense ratio before waivers or absorptions ⁽²⁾	2.12%	3.20%
Trading expense ratio ⁽³⁾	-	-
Portfolio turnover rate ⁽⁴⁾	-	-
Net asset value per redeemable share ⁽⁵⁾	\$9.67	\$9.94

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- (5) The information for October 31, 2016 is derived from the Fund's audited annual financial statements prepared in accordance with IFRS.

* Initial price

Series UF

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

	October 31, 2016	For the period from commencement of operation on November 4, 2014 to October 31, 2015
	\$	\$
Net Assets, beginning of the year	9.77	11.40*
Increase (decrease) from operations:		
Total revenue	0.01	0.05
Total expenses	(0.13)	(0.06)
Realized gains (losses) for the year	1.94	(1.22)
Unrealized gains (losses) for the year	(1.52)	(0.44)
Total increase from operations⁽²⁾	0.30	(1.67)
Distributions to redeemable Shareholders:		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(0.66)	(0.53)
Total distributions to redeemable Shareholders⁽³⁾	(0.66)	(0.53)
Net Assets, end of the year	9.48	9.77

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

Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	\$1,000	\$942
Number of redeemable shares outstanding ⁽¹⁾	105,493	96,413
Management expense ratio ⁽²⁾	1.39%	0.55%
Management expense ratio before waivers or absorptions ⁽²⁾	1.39%	1.69%
Trading expense ratio ⁽³⁾	-	-
Portfolio turnover rate ⁽⁴⁾	-	-
Net asset value per redeemable share ⁽⁵⁾	\$9.48	\$9.77

- (1) This information is provided as at end of the year shown.
- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period 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.
- (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 annual financial statements prepared in accordance with IFRS.

* Initial price

Series UI

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

For the period from commencement
of operation on October 27, 2016 to October 31, 2016
\$

Net Assets, beginning of the year	13.39*
Increase (decrease) from operations:	
Total revenue	—
Total expenses	(0.01)
Realized gains (losses) for the year	—
Unrealized gains (losses) for the year	(0.38)
Total increase from operations⁽²⁾	(0.39)
Distributions to redeemable Shareholders:	
From income (excluding dividends)	—
From dividends	—
From capital gains	—
Return of capital	(0.06)
Total distributions to redeemable Shareholders⁽³⁾	(0.06)
Net Assets, end of the year	12.94

- (1) The information for October 31, 2016 is derived from the Fund's audited annual financial statements and is prepared in accordance with IFRS.
- (2) Net assets and distributions are based on the actual number of redeemable shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of redeemable shares outstanding over the financial year.
- (3) Distributions were paid in cash/reinvested in additional redeemable shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	\$518
Number of redeemable shares outstanding ⁽¹⁾	40,000
Management expense ratio ⁽²⁾	3.76%
Management expense ratio before waivers or absorptions ⁽²⁾	3.76%
Trading expense ratio ⁽³⁾	-
Portfolio turnover rate ⁽⁴⁾	-
Net asset value per redeemable share ⁽⁵⁾	\$12.94

- (1) This information is provided as at end of the year shown.
- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period 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.
- (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 annual financial statements prepared in accordance with IFRS.

* Initial price

Series MC

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

For the period from commencement
of operation on January 26, 2016 to October 31, 2016
\$

Net Assets, beginning of the year	4.08*
Increase (decrease) from operations:	
Total revenue	—
Total expenses	(0.07)
Realized gains (losses) for the year	1.64
Unrealized gains (losses) for the year	(0.15)
Total increase from operations⁽²⁾	1.42
Distributions to redeemable Shareholders:	
From income (excluding dividends)	—
From dividends	—
From capital gains	—
Return of capital	(0.58)
Total distributions to redeemable Shareholders⁽³⁾	(0.58)
Net Assets, end of the year	4.85

- (1) The information for October 31, 2016 is derived from the Fund's audited annual financial statements and is prepared in accordance with IFRS.
- (2) Net assets and distributions are based on the actual number of redeemable shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of redeemable shares outstanding over the financial year.
- (3) Distributions were paid in cash/reinvested in additional redeemable shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	\$37,621
Number of redeemable shares outstanding ⁽¹⁾	7,758,248
Management expense ratio ⁽²⁾	1.87%
Management expense ratio before waivers or absorptions ⁽²⁾	1.87%
Trading expense ratio ⁽³⁾	-
Portfolio turnover rate ⁽⁴⁾	-
Net asset value per redeemable share ⁽⁵⁾	\$4.85

- (1) This information is provided as at end of the year shown.
- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period 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.
- (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 annual financial statements prepared in accordance with IFRS.

* Initial price

Series MU

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

For the period from commencement
of operation on January 26, 2016 to October 31, 2016
\$

Net Assets, beginning of the year	3.79*
Increase (decrease) from operations:	
Total revenue	—
Total expenses	(0.05)
Realized gains (losses) for the year	0.83
Unrealized gains (losses) for the year	0.13
Total increase from operations⁽²⁾	0.91
Distributions to redeemable Shareholders:	
From income (excluding dividends)	—
From dividends	—
From capital gains	—
Return of capital	(0.77)
Total distributions to redeemable Shareholders⁽³⁾	(0.77)
Net Assets, end of the year	3.99

- (1) The information for October 31, 2016 is derived from the Fund's audited annual financial statements and is prepared in accordance with IFRS.
- (2) Net assets and distributions are based on the actual number of redeemable shares outstanding at the relevant time. The increase (decrease) from operations is based on the average number of redeemable shares outstanding over the financial year.
- (3) Distributions were paid in cash/reinvested in additional redeemable shares of the Fund or both.

Ratios and Supplemental Data

Total net asset value (\$000's) ⁽¹⁾	\$81
Number of redeemable shares outstanding ⁽¹⁾	20,349
Management expense ratio ⁽²⁾	1.80%
Management expense ratio before waivers or absorptions ⁽²⁾	1.80%
Trading expense ratio ⁽³⁾	-
Portfolio turnover rate ⁽⁴⁾	-
Net asset value per redeemable share ⁽⁵⁾	\$3.99

- (1) This information is provided as at end of the year shown.
- (2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period 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.
- (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 annual financial statements prepared in accordance with IFRS.

* Initial price

MANAGEMENT AND PERFORMANCE FEES

The Fund pays a monthly management fee equal to 1/12 of 1.35% of the net asset value of the Series A shares, Series B shares, Series F shares, Series X shares, Series UB shares, Series UF shares, Series MC shares, and Series MU shares and 1/12 of 0.90% of the net asset value of the Series I shares and Series UI shares calculated and paid at the end of each month in arrears.

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.

There are no performance fees payable by this 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 Manager absorbed certain expenses relating to the operation of the Fund. These expenses include administration fees, audit fees, legal fees, securityholder reporting costs, custodial fees, management fees and independent review committee expenses.

The Fund pays fees to the Counterparty in respect of the Swap Agreements it enters into with the Counterparty equal to an amount calculated at the beginning of a particular month as the product of (i) the value of the MLP Portfolio and (ii) the 3-month London interbank offered rate plus a spread, which spread value is based on the specific MLPs selected for the MLP Portfolio. Total counterparty fees in 2016 amounted to \$1,158,107 and are included in the realized gain (loss) on Swap Agreement.

DEALER COMPENSATION

Brokers, dealers and advisors may be paid a “trailer commission” for assets that their sales representatives place in the Series A, Series B, Series X and Series UB 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.

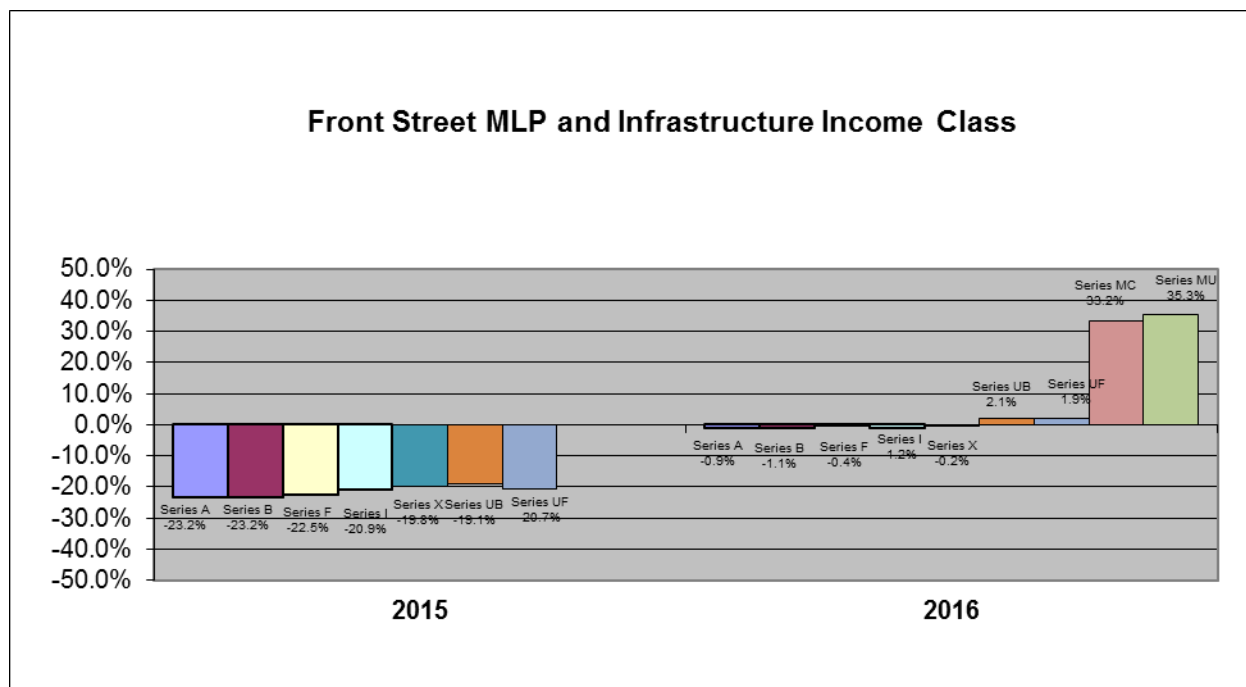
Series	Trailer Annual Rate	Annual Payment per \$1,000 of Fund securities held
A	0.75%	\$7.50
B	0.75%	\$7.50
F	0.00%	Nil
H	0.00%	Nil
I	0.00%	Nil
X	0.50%	\$5.00
UB	0.75%	\$7.50
UF	0.00%	Nil
UI	0.00%	Nil
MC	0.00%	-
MU	0.00%	-

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:

- (a) 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;
- (b) 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
- (c) how the Fund has performed in the past does not necessarily indicate how it will perform in the future.



ANNUAL COMPOUND RETURNS

The following table shows the Fund's historical annual compound total return for the past one financial year period and since inception (for Series A, B, F, I, X, UB and UF), as at October 31, 2016 and as compared to the Alerian MLP index.

Front Street MLP Infrastructure Income Class	Past 1 year	Since Inception November 14, 2014
Series A	-0.91%	-13.16%
Alerian MLP Index	-0.11%	-15.81%

Front Street MLP Infrastructure Income Class	Past 1 year	Since Inception November 11, 2014
Series B	-1.05%	-13.18%
Alerian MLP Index	-0.11%	-15.81%

Front Street MLP Infrastructure Income Class	Past 1 year	Since Inception November 4, 2014
Series F	-0.36%	-12.47%
Alerian MLP Index	-0.11%	-15.81%

Front Street MLP Infrastructure Income Class	Past 1 year	Since Inception December 8, 2014
Series I	-1.19%	-12.39%
Alerian MLP Index	-0.11%	-15.67%

Front Street MLP Infrastructure Income Class	Past 1 year	Since Inception February 17, 2015
Series X	-0.24%	-12.24%
Alerian MLP Index	-0.11%	-13.07%

Front Street MLP Infrastructure Income Class	Past 1 year	Since Inception November 11, 2014
Series UB	2.07%	-9.51%
Alerian MLP Index	-0.11%	-15.81%

Front Street MLP Infrastructure Income Class	Past 1 year	Since Inception December 4, 2014
Series UF	1.89%	-10.90%
Alerian MLP Index	-0.11%	-15.67%

The Alerian MLP Index is the leading gauge of energy Master Limited Partnerships. The float-adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis

Summary of MLP Portfolio as at October 31, 2016

The Fund obtains economic exposure to the MLP portfolio through a swap agreement. Accordingly, the investments in the MLP portfolio are as follows:

Underlying MLP portfolio	Percentage of MLP Portfolio
Genesis Energy LP	6.5%
Buckeye Partners LP	5.9%
Enterprise Products Partners LP	5.8%
Energy Transfer Partners LP	5.6%
TC Pipelines LP	5.1%
MPLX LP	4.9%
Enlink Midstream Partners LP	4.8%
Sunoco Logistics Partners LP	4.6%
Tallgrass Energy Partners LP	4.4%
Crossamerica Partners LP	4.0%
Holly Energy Partners LP	3.9%
Targa Resources Corp.	3.7%
Oneok Partners LP	3.6%
NGL Energy Partners LP	3.4%
Enbridge Energy Partners LP	3.4%
Western Gas Partners LP	3.2%
Tesoro Logistics LP	3.2%
Archrock Partners LP	3.1%
Summit Midstream Partners LP	3.0%
Transmontaigne Partners LP	2.8%
Energy Transfer Equity LP	2.5%
Williams Partners LP	2.3%
NuStar GP Holdings LLC	2.2%
DCP Midstream Partners LP	2.2%
Magellan Midstream Partners LP	2.0%
NuStar Energy LP	1.3%
USA Compression Partners LP	0.9%
Martin Midstream Partners LP	0.9%
Sunoco LP	0.8%
	100.0%

The following table summarizes the sector breakdown of investments in MLP portfolio as at October 31, 2016:

Sector	%
Petroleum transportation	51.6%
Natural Gas Pipelines	31.8%
Gathering and Processing of Natural Gas	15.8%
Diversified	0.8%

The information contained in the foregoing list may change due to the ongoing portfolio transactions of the MLP portfolio. A quarterly update may be obtained by contacting the Manager.

FRONT STREET MLP AND INFRASTRUCTURE INCOME 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 MLP and Infrastructure Income 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 MLP and Infrastructure Income 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 MLP and Infrastructure Income Class (the "Fund") of Front Street Mutual Funds Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Front Street MLP and Infrastructure Income 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 year ended October 31, 2016 and for the period from November 4, 2014 to October 31, 2015, 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 MLP and Infrastructure Income Class as at October 31, 2016 and 2015, and its financial performance and its cash flows for the for the year ended October 31, 2016 and for the period from November 4, 2014 to October 31, 2015 in accordance with International Financial Reporting Standards.

Segal LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
January 25, 2017

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

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

	2016	2015
ASSETS		
Current		
Cash and cash equivalents	\$ 68,691,777	\$ 23,517,076
Margin deposits	43,109,799	8,746,284
Subscriptions receivable	678,749	558,965
Foreign exchange forward contracts at fair value through profit or loss*, note 5	22,320	62,376
Financial assets at fair value through profit or loss*, note 5	<u>-</u>	<u>2,092,279</u>
	<u>\$ 112,502,645</u>	<u>\$ 34,976,980</u>
LIABILITIES		
Current		
Financial liabilities at fair value through profit or loss*, note 5	\$ 5,749,983	\$ -
Foreign exchange forward contracts at fair value through profit or loss*, note 5	3,379,432	80,955
Redemptions payable	1,202,478	27,214
Distributions payable	305,703	43,830
Management fees payable, note 10	131,203	37,008
Accrued expenses, note 10	<u>106,370</u>	<u>73,113</u>
Liabilities before net assets attributable to shareholders of redeemable shares	<u>10,875,169</u>	<u>262,120</u>
Net assets attributable to shareholders of redeemable shares	<u>\$ 101,627,476</u>	<u>\$ 34,714,860</u>

* Cost of investments is reflected on the Schedule of Investment Portfolio.
See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

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

	2016	2015
Net assets attributable to shareholders of redeemable shares		
Series A	\$ 12,374,315	\$ 6,073,377
Series B	\$ 16,497,627	\$ 8,214,572
Series F	\$ 26,071,651	\$ 13,163,307
Series I	\$ 6,420,486	\$ 5,212,346
Series X	\$ 12,126	\$ 7,977
Series UB	\$ 1,031,894	\$ 1,101,377
Series UF	\$ 999,668	\$ 941,904
Series UI	\$ 517,589	\$ -
Series MC	\$ 37,620,999	\$ -
Series MU	\$ 81,121	\$ -
Number of redeemable shares outstanding, note 6		
Series A	1,878,379	845,081
Series B	2,503,647	1,141,928
Series F	3,888,996	1,811,924
Series I	939,701	699,039
Series X	1,702	1,043
Series UB	106,754	110,847
Series UF	105,493	96,413
Series UI	40,000	-
Series MC	7,758,248	-
Series MU	20,349	-
Net assets attributable to shareholders of redeemable shares per share		
Series A	\$ 6.59	\$ 7.19
Series B	\$ 6.59	\$ 7.19
Series F	\$ 6.70	\$ 7.26
Series I	\$ 6.83	\$ 7.46
Series X	\$ 7.12	\$ 7.65
Series UB	\$ 9.67	\$ 9.94
Series UF	\$ 9.48	\$ 9.77
Series UI	\$ 12.94	\$ -
Series MC	\$ 4.85	\$ -
Series MU	\$ 3.99	\$ -

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 MLP AND INFRASTRUCTURE INCOME CLASS

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED OCTOBER 31, 2016 AND FOR THE PERIOD
FROM NOVEMBER 4, 2014 TO OCTOBER 31, 2015**

	2016 (12 months)	2015 (12 months)
Investment income		
Interest for distribution purposes and other	\$ 89,657	\$ 4,431
Foreign currency gain on cash and other net assets	742,932	2,117,579
Other net changes in fair value of financial assets and financial liabilities at fair value through profit or loss ("FVTPL")		
Net realized gain (loss) on financial assets held in swap agreement	24,803,566	(7,575,308)
Net realized gain (loss) on foreign exchange forward contracts	2,276,024	(1,950,920)
Change in the unrealized appreciation (depreciation) on swap agreements and forward foreign currency contracts	<u>(11,180,795)</u>	<u>2,073,700</u>
	<u>16,731,384</u>	<u>(5,330,518)</u>
Expenses		
Management fees, notes 7 and 10	1,206,209	314,811
Servicing fees, notes 7 and 10	178,641	65,830
Administration fees	102,965	125,733
Legal fees	75,087	32,380
Audit fees	60,606	12,464
Securityholder reporting costs	29,048	8,750
Independent review committee	14,228	2,268
Custodial fees	<u>1,059</u>	<u>7,796</u>
	1,667,843	570,032
Expenses waived or absorbed by Manager, notes 7 and 10	<u>-</u>	<u>(227,517)</u>
	<u>1,667,843</u>	<u>342,515</u>
Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations	<u>\$ 15,063,541</u>	<u>\$ (5,673,033)</u>

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED OCTOBER 31, 2016 AND FOR THE PERIOD
FROM NOVEMBER 4, 2014 TO OCTOBER 31, 2015**

	2016 (12 months)	2015 (12 months)
Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations		
Series A	\$ 797,570	\$ (1,146,242)
Series B	\$ 1,664,653	\$ (1,562,626)
Series F	\$ 943,746	\$ (2,154,318)
Series I	\$ (1,001,649)	\$ (380,574)
Series X	\$ (253)	\$ (2,023)
Series UB	\$ 34,657	\$ (111,118)
Series UF	\$ 31,332	\$ (316,132)
Series UI	\$ (15,515)	\$ -
Series MC	\$ 12,589,805	\$ -
Series MU	\$ 19,195	\$ -
Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations per share		
Series A	\$ 0.56	\$ (2.70)
Series B	\$ 0.79	\$ (2.70)
Series F	\$ 0.35	\$ (2.54)
Series I	\$ (1.52)	\$ (2.17)
Series X	\$ (0.21)	\$ (1.99)
Series UB	\$ 0.32	\$ (1.58)
Series UF	\$ 0.30	\$ (1.67)
Series UI	\$ (0.39)	\$ -
Series MC	\$ 1.42	\$ -
Series MU	\$ 0.91	\$ -

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

**STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
SHAREHOLDERS OF REDEEMABLE SHARES
FOR THE YEAR ENDED OCTOBER 31, 2016 AND FOR THE PERIOD
FROM NOVEMBER 4, 2014 TO OCTOBER 31, 2015**

	2016 (12 months)	2015 (12 months)
Net assets attributable to shareholders of redeemable shares, beginning of year/period		
Series A	\$ 6,073,377	\$ -
Series B	8,214,572	-
Series F	13,163,307	-
Series I	5,212,346	-
Series X	7,977	-
Series UB	1,101,377	-
Series UF	941,904	-
Series UI	-	-
Series MC	-	-
Series MU	-	-
	<u>34,714,860</u>	<u>-</u>
Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations		
Series A	797,570	(1,146,242)
Series B	1,664,653	(1,562,626)
Series F	943,746	(2,154,318)
Series I	(1,001,649)	(380,574)
Series X	(253)	(2,023)
Series UB	34,657	(111,118)
Series UF	31,332	(316,132)
Series UI	(15,515)	-
Series MC	12,589,805	-
Series MU	19,195	-
	<u>15,063,541</u>	<u>(5,673,033)</u>
Redeemable share transactions		
Proceeds from redeemable shares issued		
Series A	6,165,240	7,492,348
Series B	11,098,901	11,386,015
Series F	18,184,252	17,531,605
Series I	8,278,738	5,596,115
Series X	4,402	10,000
Series UB	322,366	1,291,081
Series UF	266,519	5,489,975
Series UI	535,340	-
Series MC	40,240,060	-
Series MU	104,240	-
	<u>85,200,058</u>	<u>48,797,139</u>

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

**STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
SHAREHOLDER OF REDEEMABLE SHARES
FOR THE YEAR ENDED OCTOBER 31, 2016 AND FOR THE PERIOD
FROM NOVEMBER 4, 2014 TO OCTOBER 31, 2015**

	2016 (12 months)	2015 (12 months)
Reinvestment of distributions to shareholders of redeemable shares		
Series A	472,768	145,900
Series B	833,826	249,259
Series F	941,444	359,517
Series I	326,744	83,110
Series X	612	382
Series UB	38,105	31,816
Series UF	51,379	27,623
Series UI	-	-
Series MC	4,068,506	-
Series MU	<u>15,912</u>	<u>-</u>
	<u>6,749,296</u>	<u>897,607</u>
Redemption of redeemable shares		
Series A	(404,934)	(195,523)
Series B	(4,241,786)	(1,552,963)
Series F	(5,785,994)	(2,119,112)
Series I	(6,064,170)	-
Series X	-	-
Series UB	(393,126)	(64,662)
Series UF	(222,138)	(4,148,547)
Series UI	-	-
Series MC	(14,146,017)	-
Series MU	<u>(42,314)</u>	<u>-</u>
	<u>(31,300,479)</u>	<u>(8,080,807)</u>
Net increase from redeemable share transactions	<u>60,648,875</u>	<u>41,613,939</u>
Distribution to shareholders of redeemable shares		
Return of capital		
Series A	(729,706)	(223,106)
Series B	(1,072,539)	(305,113)
Series F	(1,375,104)	(454,385)
Series I	(331,523)	(86,305)
Series X	(612)	(382)
Series UB	(71,485)	(45,740)
Series UF	(69,328)	(111,015)
Series UI	(2,236)	-
Series MC	(5,131,355)	-
Series MU	<u>(15,912)</u>	<u>-</u>
	<u>(8,799,800)</u>	<u>(1,226,046)</u>

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

**STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
SHAREHOLDER OF REDEEMABLE SHARES
FOR THE YEAR ENDED OCTOBER 31, 2016 AND FOR THE PERIOD
FROM NOVEMBER 4, 2014 TO OCTOBER 31, 2015**

	2016 (12 months)	2015 (12 months)
Increase in net assets attributable to shareholders of redeemable shares	<u>66,912,616</u>	<u>34,714,860</u>
Net assets attributable to shareholders of redeemable shares, end of year/period		
Series A	12,374,315	6,073,377
Series B	16,497,627	8,214,572
Series F	26,071,651	13,163,307
Series I	6,420,486	5,212,346
Series X	12,126	7,977
Series UB	1,031,894	1,101,377
Series UF	999,668	941,904
Series UI	517,589	-
Series MC	37,620,999	-
Series MU	81,121	-
	<u>\$ 101,627,476</u>	<u>\$ 34,714,860</u>

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

**STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED OCTOBER 31, 2016 AND FOR THE PERIOD
FROM NOVEMBER 4, 2014 TO OCTOBER 31, 2015**

	2016 (12 months)	2015 (12 months)
Cash flows from operating activities		
Increase (decrease) in net assets attributable to shareholders of redeemable shares from operations	\$ 15,063,541	\$ (5,673,033)
Adjustments for:		
Foreign currency gain on cash and other net assets	(742,932)	(2,117,579)
Net realized loss (gain) on financial assets held in swap agreement	(24,803,566)	7,575,308
Net realized loss (gain) on foreign exchange forward contracts	(2,276,024)	1,950,920
Change in unrealized depreciation (appreciation) on swap agreement and forward currency contracts	11,180,795	(2,073,700)
Increase in other payables and accrued liabilities	127,452	110,121
Purchases of financial assets held in swap agreement	(3,601,397)	-
Settlement of swap agreements	28,404,963	(7,575,308)
Settlement of foreign exchange forward contracts	<u>2,276,024</u>	<u>(1,950,920)</u>
Net cash used by operating activities	<u>25,628,856</u>	<u>(9,754,191)</u>
Cash flows from financing activities		
Proceeds from redeemable shares issued	85,080,274	48,238,174
Amounts paid on redemption of redeemable shares	(30,125,215)	(8,053,593)
Distributions to shareholders of redeemable shares, net of reinvested distributions	<u>(1,788,631)</u>	<u>(284,609)</u>
Net cash generated by financing activities	<u>53,166,428</u>	<u>39,899,972</u>
Net change in cash and cash equivalents	78,795,284	30,145,781
Foreign currency gain on cash and other net assets	742,932	2,117,579
Cash and cash equivalents, beginning of year/period	<u>32,263,360</u>	<u>-</u>
Cash and cash equivalents, end of year/period	<u>\$ 111,801,576</u>	<u>\$ 32,263,360</u>
Cash and cash equivalents comprise:		
Cash at bank	\$ 68,691,777	\$ 23,517,076
Margin deposits	<u>43,109,799</u>	<u>8,746,284</u>
	<u>\$ 111,801,576</u>	<u>\$ 32,263,360</u>
Interest received, net of withholding tax	\$ 89,657	\$ 4,431

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

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

	Number of Shares/Units /Par Value	Cost \$	Fair Value \$
Short positions (-5.7%)			
MLP Portfolio - Swap agreement - Refer to Schedule A	(1)	\$ _____ -	\$ (5,749,983)
Total Short Positions (-5.7%)		<u>\$ _____ -</u>	<u>\$ (5,749,983)</u>
Foreign exchange forward contracts, at fair value, note 5 (-3.3%)			
Unrealized loss on currency forward foreign contracts held by Series A only - Refer to Schedule B	-	\$ -	\$ (359,209)
Unrealized loss on currency forward foreign contracts held by Series B only - Refer to Schedule C	-	-	(481,473)
Unrealized loss on currency forward foreign contracts held by Series F only - Refer to Schedule D	-	-	(750,109)
Unrealized loss on currency forward foreign contracts held by Series I only - Refer to Schedule E	-	-	(229,362)
Unrealized loss on currency forward foreign contracts held by Series X only - Refer to Schedule F	-	-	(522)
Unrealized loss on currency forward foreign contracts held by Series MC only - Refer to Schedule G	-	_____ -	(1,536,437)
		<u>\$ _____ -</u>	<u>\$ (3,357,112)</u>
Total Investments (-9.0%)		<u>\$ _____ -</u>	<u>(9,107,095)</u>
Cash and cash equivalents (110.0%)			111,801,576
Other assets in excess of other liabilities (-1.0%)			<u>(1,067,005)</u>
Net assets (100.0%)			<u>\$ 101,627,476</u>

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

SCHEDULE OF INVESTMENT PORTFOLIO

AS AT OCTOBER 31, 2016

Schedule A

The indirect investments in the MLP Portfolio under the swap contract are as follows:

Notional Shares	Underlying MLP Portfolio	Fair Value of Notional Shares*	Unrealized Gain (Loss) on Swap Agreement*
174,877	Archrock Partners LP	\$ 3,384,737	\$ (71,851)
75,136	Buckeye Partners LP	6,504,336	(719,507)
128,200	Crossamerica Partners LP	4,393,442	22,672
53,545	DCP Midstream Partners LP	2,395,194	(145,017)
112,780	Enbridge Energy Partners LP	3,728,850	(122,257)
138,042	Energy Transfer Equity LP	2,764,375	(288,744)
132,663	Energy Transfer Partners LP	6,224,372	(378,995)
242,727	Enlink Midstream Partners LP	5,401,202	(244,059)
189,140	Enterprise Products Partners LP	6,403,223	(517,915)
153,484	Genesis Energy LP	7,190,972	(490,398)
105,310	Holly Energy Partners LP	4,315,258	(398,702)
24,995	Magellan Midstream Partners LP	2,253,939	(92,227)
36,827	Martin Midstream Partners LP	965,693	(25,302)
118,836	MPLX LP	5,422,609	19,519
157,800	NGL Energy Partners LP	3,767,497	(236,607)
22,091	NuStar Energy LP	1,398,271	(72,446)
72,182	NuStar GP Holdings LLC	2,401,079	(78,264)
74,509	Oneok Partners LP	3,971,573	53,538
112,200	Summit Midstream Partners LP	3,340,964	(115,193)
147,913	Sunoco Logistics Partners LP	5,086,866	(555,806)
21,760	Sunoco LP	831,529	(16,116)
80,600	Tallgrass Energy Partners LP	4,889,760	(241,590)
68,306	Targa Resources Corp.	4,022,067	(398,950)
79,600	TC Pipelines LP	5,568,992	(426,347)
54,556	Tesoro Logistics LP	3,493,420	(55,153)
58,582	Transmontaigne Partners LP	3,066,037	(124,602)
38,900	USA Compression Partners LP	995,529	14,567
47,300	Western Gas Partners LP	3,498,908	54,199
52,000	Williams Partners LP	2,498,359	(98,430)
		<u>\$ 110,179,053</u>	<u>\$ (5,749,983)</u>

*Balances have been converted to Canadian dollars from USD @ 0.7455

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

Forward Currency Foreign Contracts SERIES A AS AT OCTOBER 31, 2016 Schedule B

Purchased Currency		Sold Currency		Forward Rate	Maturity Date	Fair Value (\$)	Counterparty	Credit Rating
USD	67,695	CAD	(90,558)	0.747533	November 23, 2016	229	CIBC World Markets	A+
USD	143,706	CAD	(192,722)	0.745665	November 23, 2016	<u>4</u>	Bank of Nova Scotia	A+
						<u>233</u>		
CAD	154,785	USD	(116,233)	1.331681	November 23, 2016	(1,096)	CIBC World Markets	A+
CAD	151,094	USD	(114,571)	1.318778	December 9, 2016	(2,538)	CIBC World Markets	A+
CAD	211,221	USD	(159,990)	1.320216	December 9, 2016	(3,313)	CIBC World Markets	A+
CAD	187,706	USD	(143,431)	1.308689	December 9, 2016	(4,624)	CIBC World Markets	A+
CAD	252,423	USD	(192,487)	1.311379	December 9, 2016	(5,688)	Bank of Nova Scotia	A+
CAD	246,479	USD	(189,318)	1.301929	November 23, 2016	(7,417)	CIBC World Markets	A+
CAD	250,301	USD	(193,953)	1.290522	November 23, 2016	(9,811)	CIBC World Markets	A+
CAD	341,928	USD	(264,652)	1.291990	November 23, 2016	(12,999)	Bank of Nova Scotia	A+
CAD	5,606,145	USD	(4,245,375)	1.320530	January 23, 2017	(84,084)	Bank of Nova Scotia	A+
CAD	5,499,373	USD	(4,271,109)	1.287575	December 9, 2016	<u>(227,872)</u>	Bank of Nova Scotia	A+
						<u>(359,442)</u>		
						<u>(359,209)</u>		

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

Forward Currency Foreign Contracts SERIES B AS AT OCTOBER 31, 2016 Schedule C

Purchased Currency		Sold Currency		Forward Rate	Maturity Date	Fair Value (\$)	Counterparty	Credit Rating
USD	124,175	CAD	(166,114)	0.747533	November 23, 2016	419	CIBC World Markets	A+
USD	320,041	CAD	(429,202)	0.745665	November 23, 2016	<u>8</u>	Bank of Nova Scotia	A+
						<u>427</u>		
CAD	150,304	USD	(112,868)	1.331681	November 23, 2016	(1,064)	CIBC World Markets	A+
CAD	217,182	USD	(164,505)	1.320216	December 9, 2016	(3,407)	CIBC World Markets	A+
CAD	218,626	USD	(165,779)	1.318778	December 9, 2016	(3,672)	CIBC World Markets	A+
CAD	249,451	USD	(190,221)	1.311379	December 9, 2016	(5,621)	Bank of Nova Scotia	A+
CAD	433,163	USD	(332,709)	1.301929	November 23, 2016	(13,035)	CIBC World Markets	A+
CAD	8,071,544	USD	(6,112,352)	1.320530	January 23, 2017	(121,061)	Bank of Nova Scotia	A+
CAD	8,061,574	USD	(6,261,052)	1.287575	December 9, 2016	<u>(334,040)</u>	Bank of Nova Scotia	A+
						<u>(481,900)</u>		
						<u>(481,473)</u>		

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

Forward Currency Foreign Contracts SERIES F AS AT OCTOBER 31, 2016 Schedule D

Purchased Currency		Sold Currency		Forward Rate	Maturity Date	Fair Value (\$)	Counterparty	Credit Rating
USD	147,492	CAD	(197,305)	0.747533	November 23, 2016	498	CIBC World Markets	A+
USD	336,818	CAD	(451,702)	0.745665	November 23, 2016	<u>8</u>	Bank of Nova Scotia	A+
						<u>506</u>		
CAD	170,828	USD	(129,394)	1.320216	December 9, 2016	(2,680)	CIBC World Markets	A+
CAD	277,382	USD	(210,333)	1.318778	December 9, 2016	(4,659)	CIBC World Markets	A+
CAD	972,525	USD	(730,299)	1.331681	November 23, 2016	(6,885)	CIBC World Markets	A+
CAD	404,134	USD	(308,175)	1.311379	December 9, 2016	(9,106)	Bank of Nova Scotia	A+
CAD	582,218	USD	(444,886)	1.308689	December 9, 2016	(14,342)	CIBC World Markets	A+
CAD	479,996	USD	(368,681)	1.301929	November 23, 2016	(14,445)	CIBC World Markets	A+
CAD	469,965	USD	(364,167)	1.290522	November 23, 2016	(18,422)	CIBC World Markets	A+
CAD	1,133,102	USD	(860,880)	1.316214	December 9, 2016	(21,275)	CIBC World Markets	A+
CAD	866,437	USD	(665,478)	1.301976	November 23, 2016	(26,042)	CIBC World Markets	A+
CAD	859,300	USD	(665,098)	1.291990	November 23, 2016	(32,668)	Bank of Nova Scotia	A+
CAD	9,727,373	USD	(7,366,264)	1.320530	January 23, 2017	(145,896)	Bank of Nova Scotia	A+
CAD	10,961,345	USD	(8,513,170)	1.287575	December 9, 2016	<u>(454,195)</u>	Bank of Nova Scotia	A+
						<u>(750,615)</u>		
						<u>(750,109)</u>		

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

Forward Currency Foreign Contracts SERIES I AS AT OCTOBER 31, 2016 Schedule E

Purchased Currency		Sold Currency		Forward Rate	Maturity Date	Fair Value (\$)	Counterparty	Credit Rating
USD	65,603	CAD	(87,759)	0.747533	November 23, 2016	221	CIBC World Markets	A+
USD	838,657	CAD	(1,124,711)	0.745665	November 23, 2016	<u>20</u>	Bank of Nova Scotia	A+
						<u>241</u>		
CAD	67,034	USD	(50,338)	1.331681	November 23, 2016	(475)	CIBC World Markets	A+
CAD	67,880	USD	(51,416)	1.320216	December 9, 2016	(1,065)	CIBC World Markets	A+
CAD	92,178	USD	(69,897)	1.318778	December 9, 2016	(1,548)	CIBC World Markets	A+
CAD	105,144	USD	(80,178)	1.311379	December 9, 2016	(2,369)	Bank of Nova Scotia	A+
CAD	62,685	USD	(48,574)	1.290522	November 23, 2016	(2,457)	CIBC World Markets	A+
CAD	123,918	USD	(95,177)	1.301976	November 23, 2016	(3,724)	CIBC World Markets	A+
CAD	150,111	USD	(115,299)	1.301929	November 23, 2016	(4,517)	CIBC World Markets	A+
CAD	2,812,688	USD	(2,129,969)	1.320530	January 23, 2017	(42,186)	Bank of Nova Scotia	A+
CAD	1,495,745	USD	(1,157,706)	1.291990	November 23, 2016	(56,865)	Bank of Nova Scotia	A+
CAD	2,760,799	USD	(2,144,185)	1.287575	December 9, 2016	<u>(114,397)</u>	Bank of Nova Scotia	A+
						<u>(229,603)</u>		
						<u>(229,362)</u>		

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

Forward Currency Foreign Contracts SERIES X AS AT OCTOBER 31, 2016 Schedule F

Purchased Currency		Sold Currency		Forward Rate	Maturity Date	Fair Value (\$)	Counterparty	Credit Rating
USD	627	CAD	(828)	0.757026	November 23, 2016	13	CIBC World Markets	A+
USD	109	CAD	(146)	0.747509	November 23, 2016	<u>(1)</u>	CIBC World Markets	A+
						<u>12</u>		
CAD	190	USD	(142)	1.331694	November 23, 2016	(1)	CIBC World Markets	A+
CAD	111	USD	(84)	1.320257	December 9, 2016	(2)	CIBC World Markets	A+
CAD	153	USD	(116)	1.318762	December 9, 2016	(3)	CIBC World Markets	A+
CAD	174	USD	(133)	1.311414	December 9, 2016	(4)	Bank of Nova Scotia	A+
CAD	249	USD	(191)	1.301939	November 23, 2016	(8)	CIBC World Markets	A+
CAD	4,466	USD	(3,461)	1.290523	November 23, 2016	(175)	CIBC World Markets	A+
CAD	8,222	USD	(6,386)	1.287574	December 9, 2016	<u>(341)</u>	Bank of Nova Scotia	A+
						<u>(534)</u>		
						<u>(522)</u>		

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

Forward Currency Foreign Contracts SERIES MC AS AT OCTOBER 31, 2016 Schedule G

Purchased Currency		Sold Currency		Forward Rate	Maturity Date	Fair Value (\$)	Counterparty	Credit Rating
USD	954,338	CAD	(1,260,632)	0.757032	November 23, 2016	19,239	CIBC World Markets	A+
USD	487,967	CAD	(652,770)	0.747533	November 23, 2016	1,647	CIBC World Markets	A+
USD	695,557	CAD	(932,801)	0.745665	November 23, 2016	<u>16</u>	Bank of Nova Scotia	A+
						<u>20,902</u>		
CAD	253,106	USD	(191,715)	1.320216	December 9, 2016	(3,971)	CIBC World Markets	A+
CAD	473,830	USD	(359,295)	1.318778	December 9, 2016	(7,958)	CIBC World Markets	A+
CAD	214,238	USD	(166,009)	1.290522	November 23, 2016	(8,398)	CIBC World Markets	A+
CAD	526,377	USD	(401,392)	1.311379	December 9, 2016	(11,860)	Bank of Nova Scotia	A+
CAD	719,044	USD	(552,291)	1.301929	November 23, 2016	(21,638)	CIBC World Markets	A+
CAD	2,980,867	USD	(2,315,101)	1.287575	December 9, 2016	(123,515)	Bank of Nova Scotia	A+
CAD	36,298,978	USD	(28,095,401)	1.291990	November 23, 2016	<u>(1,379,999)</u>	Bank of Nova Scotia	A+
						<u>(1,557,339)</u>		
						<u>(1,536,437)</u>		

See accompanying notes to the financial statements

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

1. THE FUND

Front Street MLP and Infrastructure Income 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.

On January 26, 2016, Front Street U.S. MLP Income Fund Ltd. ("FSUSMLP") amalgamated with Front Street Mutual Funds Limited. For each equity share, series C, and equity share series U that shareholders of FSUSMLP held immediately prior to the amalgamation, they received, on the effective date of the amalgamation, one series MC share or one series MU share respectively of the new amalgamated fund Front Street MLP and Infrastructure Income Class.

The net assets of Front Street U.S. MLP Income Fund Ltd. amalgamated were as follows:

Total assets	\$ 39,780,307
Total liabilities	<u>77,552</u>
Net assets representing shareholders' equity	<u>\$ 39,702,755</u>

Aggregate consideration was paid through the issuance of the following shares:

	Shares	Transactional NAV
Series MC	<u>9,719,988</u>	<u>\$ 39,598,515</u>
Series MU	<u>27,800</u>	<u>\$ 104,240</u>

Series A commenced operations on November 14, 2014. Series B commenced operations on November 11, 2014. Series F commenced operations on November 4, 2014. Series I commenced operations on December 8, 2014. Series X commenced operations on February 17, 2015. Series UB commenced operations on November 11, 2014. Series UF commenced operations on December 4, 2014. Series MC and Series MU commenced operations on January 26, 2016. Series UI commenced operations on October 27, 2016.

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"). OFI SteelPath, Inc., New York, U.S.A. (the "MLP Advisor") has been retained by the Manager, on behalf of the Fund, to provide investment advisory and portfolio management services on the MLP Portfolio. CIBC Mellon is the custodian and also provides fund accounting services and shareholder recordkeeping services. Effective November 16, 2015, CIBC Mellon replaced Citibank Canada as the custodian of the Fund and replaced Citigroup Fund Services Canada, Inc. to provide shareholder recordkeeping services and fund accounting services.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

1. **THE FUND** (Continued...)

The Fund's investment objective is to provide Shareholders with economic exposure to the performance of an actively managed, diversified notional portfolio (the "MLP Portfolio") of energy infrastructure MLPs and with exposure to a portfolio of North American energy infrastructure equity and income securities that are not MLPs (the "Infrastructure Portfolio"). MLPs are U.S. limited partnerships or limited liability companies that are (a) publicly traded on U.S. securities exchanges and (b) primarily engaged in the transportation, storage, processing, refining, marketing, exploration and production and mining of minerals or natural resources.

In order to obtain economic exposure to the MLP Portfolio, the Fund will enter into one or more equity swaps with a U.S. financial institution (the "Counterparty") as counterparty (collectively, the "Swap Agreement"). In accordance with its investment objectives, the return to Shareholders and the Fund is dependent upon the economic performance of the MLP Portfolio by virtue of the Swap Agreement to gain economic exposure to the MLP Portfolio. At any given time, all or a portion of the Fund's assets may be exposed to the MLP Portfolio by virtue of the Swap Agreement, at the discretion of the Manager.

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

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.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(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:

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 MLP AND INFRASTRUCTURE INCOME 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 MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

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

(b) Fair value measurement: (Continued...)

Swap agreement

The value of the swap agreement on a valuation date is equal to the gain or loss that would be realized if the swap agreement were closed out. On cash settlement, the fair value of the Swap Agreement would equal the difference between the fair value of the notional securities held in the MLP portfolio, net of contractual expenses including counterparty fees plus any distributions on the notional shares, and the value of the notional securities held in the MLP portfolio at the previous reset date. Such calculation is performed on the last business day of each month. The MLP portfolio is valued at their closing prices on the valuation date for the purpose of determining the value of the Swap Agreement.

The unrealized gains (losses) arising from the swap agreement are recorded as part of change in unrealized appreciation (depreciation) on financial assets and financial liabilities held in a swap agreement at fair value through profit or loss in the statement of comprehensive income and financial assets held in swap agreement at fair value through profit or loss in the statement of financial position until the swap contract is closed out at such time as the gains (losses) are realized and reported as realized gain (loss) on financial assets held in swap agreement in the statement of comprehensive income.

(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.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

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

(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 or loss. Dividend revenue is recognized on the ex-dividend date.

(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.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

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

(h) Foreign currency translation (Continued...)

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.

(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.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

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

(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 MLP AND INFRASTRUCTURE INCOME 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.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

5. SWAP AGREEMENT AND FORWARD CURRENCY CONTRACTS

The Fund has entered into Equity Swaps with a U.S. financial institution as counterparty (collectively, the “Swap Agreement”). In accordance with its investment objectives, the return to Shareholders and the Fund is dependent upon the economic performance of the MLP Portfolio by virtue of the Swap Agreement to gain economic exposure to the MLP Portfolio.

The Fund obtains economic exposure to the MLP portfolio through a Swap Agreement with Citibank NA New York. The Swap Agreement has a term ending on November 16, 2016. The MLP portfolio has an initial invested amount equal to the amount of the proceeds of the subscription, net of fees, less 12.5% for margin requirements.

Citibank NA New York has entered into a total return swap in order to hedge its exposure to the economic performance of the MLP portfolio under the terms of the Swap Agreement. The Fund is exposed to counterparty risk, both from Citibank NA New York and from the total return swap counterparty, and tax uncertainty associated with withholding taxes. Currently, there is not expected to be US withholding or other taxes that would reduce the value of the amounts payable to the counterparty under the total return swap based on the MLP portfolio. The Fund is subject to the risk that changes in US tax laws or in the interpretation or application of such laws could result in the imposition of greater withholding or other taxes, which would have the effect of reducing the net amount received by the counterparty under the total return swap and, in turn, the amount payable to the Fund under the Swap Agreement.

The cash in the margin account has been pledged to Citibank NA New York as security for the obligations of the Fund under the swap agreement. Citibank NA New York will not have the right to sell, re-hypothecate, assign or otherwise dispose of the cash pledged.

On the settlement date of the swap agreement and/or reset dates (month-end), payment or receipts will be made in US dollars.

As at October 31, 2016, the unrealized gain (loss) from Swap Agreement amounted to (\$5,749,983) (2015 - \$2,092,279).

The MLP Portfolio is denominated in U.S. dollars. Payments under the Swap Agreement will be made in United States dollars. Accordingly, the return of the Fund under the Swap Agreement for Shareholders of Series other than UB, UF, UI and MU may be exposed to fluctuations in the Canadian / U.S. dollar exchange rate, except to the extent the Manager chooses to hedge such exposure. All or a portion of the value of the MLP Portfolio (other than the portion that is referable to Series UB, UF, UI and MU Shares) may be hedged at any time, at the discretion of the Portfolio Advisor, and the portion of the MLP Portfolio that is hedged may vary based on market conditions.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

5. SWAP AGREEMENT AND FORWARD CURRENCY CONTRACTS (Continued...)

The Fund has entered into forward foreign currency contracts to protect against fluctuations in the U.S. dollar exchange rates at Series level. As at October 31, 2016, the Fund has contracted to sell U.S. dollar currency amounting to CDN \$106,426,091 and has contracted to buy U.S. dollar currency amounting to CDN \$5,587,250 at various forward rates.

The net unrealized loss from forward contracts is as follows:

Series A	\$ (359,209)
Series B	(481,473)
Series F	(750,109)
Series I	(229,362)
Series X	(522)
Series MC	<u>(1,536,437)</u>
	<u>\$ (3,357,112)</u>

6. 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, and 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.

The authorized capital of the Fund consists of an unlimited number of mutual fund shares, available in eight 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 third year following acquisition.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

6. REDEEMABLE SHARES (Continued...)

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 I 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.

Series UB 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 UF shares

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

Series UI shares

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

Series MC shares

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

Series MU shares

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

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 period.

UB, UF and UI series are denominated in U.S dollars. Holders of these series who exchange these shares for shares of another series will do so at the prevailing exchange rate where applicable.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

6. REDEEMABLE SHARES (Continued...)

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

	2016	2015
Redeemable shares outstanding, beginning of the year/period:		
Series A	845,081	-
Series B	1,141,928	-
Series F	1,811,924	-
Series I	699,039	-
Series X	1,043	-
Series UB	110,847	-
Series UF	96,413	-
Series UI	-	-
Series MC	-	-
Series MU	-	-
Redeemable shares issued during the year/period:		
Series A	1,020,120	850,729
Series B	1,897,176	1,291,056
Series F	2,861,511	2,007,056
Series I	1,152,785	688,895
Series X	570	1,000
Series UB	34,074	113,150
Series UF	30,596	459,982
Series UI	40,000	-
Series MC	9,876,896	-
Series MU	27,800	-
Redeemable shares distributions reinvested during the year/period:		
Series A	72,923	17,754
Series B	129,139	30,322
Series F	143,804	44,145
Series I	47,987	10,144
Series X	89	43
Series UB	4,222	2,846
Series UF	5,794	2,536
Series UI	-	-
Series MC	856,680	-
Series MU	4,036	-

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

6. REDEEMABLE SHARES (Continued...)

Redeemable shares redeemed during the year/period:

Series A	59,745	23,402
Series B	664,596	179,450
Series F	928,243	239,277
Series I	960,110	-
Series X	-	-
Series UB	42,389	5,149
Series UF	27,310	366,105
Series UI	-	-
Series MC	2,975,328	-
Series MU	11,487	-

Redeemable shares outstanding, end of the year/period:

Series A	1,878,379	845,081
Series B	2,503,647	1,141,928
Series F	3,888,996	1,811,924
Series I	939,701	699,039
Series X	1,702	1,043
Series UB	106,754	110,847
Series UF	105,493	96,413
Series UI	40,000	-
Series MC	7,758,248	-
Series MU	20,349	-

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

7. FEES AND EXPENSES

The Fund pays a monthly management fee equal to 1/12 of 1.35% of the net asset value of the Fund calculated and paid at the end of each month payable monthly in arrears for series A, B, F, X, UB, UF, MC and MU of the Fund. The Fund pays a monthly management fee equal to 1/12 of 0.90% of the net asset value of series I and UI calculated and paid at the end of each month payable monthly in arrears.

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 0.75% of the net asset value of the Series A share, Series B share and Series UB share calculated and paid at the end of each month. The Funds 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.

No performance fees are payable by the Fund.

The Manager absorbed certain expenses relating to the operation of the Fund. These expenses include administration fees, legal fees, securityholder reporting costs, custodian fees, management fees and independent review committee expenses.

The Fund pays fees to the Counterparty in respect of the swap agreements it enters into with the Counterparty equal to an amount calculated at the beginning of a particular month as the product of (i) the value of the MLP Portfolio and (ii) the 3-month London interbank offered rate plus a spread, which spread value is based on the specific MLPs selected for the MLP Portfolio. Total counterparty fees in 2016 amounted to \$1,158,107 (2015 - \$197,446) and are included in the realized gain (loss) on swap agreement.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

8. 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.

9. 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 \$Nil (2015 - \$Nil).

There were no soft dollar amounts included in brokerage commissions.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

10. RELATED PARTY TRANSACTIONS

During the year ended October 31, 2016, fees paid to the Manager were as follows:

	2016	2015
Management fees, note 7	<u>\$ 1,206,209</u>	<u>\$ 314,811</u>
Servicing fees, note 7	<u>\$ 178,641</u>	<u>\$ 65,830</u>
Expenses waived or absorbed by Manager, note 7	<u>\$ -</u>	<u>\$ (227,517)</u>

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

	2016	2015
Management fees payable, note 7	<u>\$ 131,203</u>	<u>\$ 37,008</u>
Servicing fees payable, note 7	<u>\$ 19,490</u>	<u>\$ 8,589</u>

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

	2016	2015
Series F shares held by the Partners and Officers of the Manager	43,899.99	335,486.91
Percentage of Series F shares held by the Partners and Officers of the Manager	1.13%	18.52%
Series F shares held by the relatives of the Partners of the Manager	15,745.19	45,896.10
Percentage of Series F shares held by the relatives of the Partners of the Manager	0.40%	2.53%
Series MC shares held by the Partners and Officers of the Manager	227,133.09	-
Percentage of Series MC shares held by the Partners and Officers of the Manager	2.93%	Nil%
Series MC shares held by the relatives of the Partners of the Manager	604,888.80	-
Percentage of Series MC shares held by the relatives of the Partners of the Manager	7.80%	Nil%

As at October 31, 2016, Front Street Global Balanced Income Class, which is also managed by the Manager, held 114,962 shares (2015 - 111,933) of Series I, representing 12.2% (2015 - 16.0%) of Series I shares outstanding.

As at October 31, 2016, Front Street Global Opportunities Class, which is also managed by the Manager, held 352,951 shares (2015 - 320,618) of Series I, representing 37.6% (2015 - 45.9%) of Series I shares outstanding.

As at October 31, 2016, Front Street Resource Growth and Income Class, which is also managed by the Manager, held 162,826 shares (2015 - 84,264) of Series I, representing 17.3% (2015 - 12.1%) of Series I shares outstanding.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

10. **RELATED PARTY TRANSACTIONS** (Continued...)

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 \$Nil (2015 - \$Nil) in commissions on portfolio transactions for the Fund.

Management fees and servicing 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.

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 4 (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.

As at October 31, 2016 and 2015 there are no variances between the IFRS NA per share and net asset value per share.

12. **RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS**

The Fund's financial instruments consist of financial assets held in Swap Agreement at FVTPL, foreign exchange forward contracts at FVTPL, cash and cash equivalents, margin accounts, subscriptions receivable, accrued expenses, distributions payable and redemptions payable. 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.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

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

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.

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 Investment 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.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

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

ii) Currency risk (Continued...)

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	Total	Percentage of Net Assets
United States Dollar	<u>\$ (9,107,095)</u>	<u>\$ 111,517,602</u>	<u>\$ 102,410,507</u>	<u>100.77 %</u>

As at October 31, 2015

Currency	Financial instruments at FVTPL	Cash and cash equivalents	Total	Percentage of Net Assets
United States Dollar	<u>\$ 2,092,279</u>	<u>\$ 32,104,399</u>	<u>\$ 34,196,678</u>	<u>98.51 %</u>

The Fund has entered into forward foreign currency contracts to protect against fluctuations in the U.S. dollar exchange rates at Series level. As at October 31, 2016, on a net basis, the Fund has contracted to sell U.S. dollar currency amounting to CDN \$100,838,841 (2015 - \$32,367,856) at various forward rates (Schedules B-G).

The net unrealized gain (loss) from forward contracts is as follows:

	2016	2015
Series A	\$ (359,209)	\$ 158
Series B	(481,473)	2,531
Series F	(750,109)	(13,631)
Series I	(229,362)	(7,624)
Series X	(522)	(13)
Series MC	<u>(1,536,437)</u>	<u>-</u>
	<u>\$ (3,357,112)</u>	<u>\$ (18,579)</u>

FRONT STREET MLP AND INFRASTRUCTURE INCOME 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 and 2015 there were no 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

Financial assets	Floating Rate Financial Instruments	Fixed Rate Financial Instruments	Non-interest Bearing	Total
Financial assets at FVTPL	\$ -	\$ -	\$ 22,320	\$ 22,320
Cash and cash equivalents	111,801,576	-	-	111,801,576
Loans and receivables	<u>-</u>	<u>-</u>	<u>678,749</u>	<u>678,749</u>
Total	<u>\$ 111,801,576</u>	<u>\$ -</u>	<u>\$ 701,069</u>	<u>\$ 112,502,645</u>
Financial liabilities				
Financial liabilities at FVTPL	\$ -	\$ -	\$ 9,129,415	\$ 9,129,415
Other financial liabilities	<u>-</u>	<u>-</u>	<u>1,745,754</u>	<u>1,745,754</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,875,169</u>	<u>\$ 10,875,169</u>
IFRS NA				<u>\$ 101,627,476</u>

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

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

iii) Interest rate risk (Continued...)

As at October 31, 2015

Financial assets	Floating Rate Financial Instruments	Fixed Rate Financial Instruments	Non-interest Bearing	Total
Financial assets at FVTPL	\$ -	\$ -	\$ 2,154,655	\$ 2,154,655
Cash and cash equivalents	32,263,360	-	-	32,263,360
Loans and receivables	<u>-</u>	<u>-</u>	<u>558,965</u>	<u>558,965</u>
Total	<u>\$ 32,263,360</u>	<u>\$ -</u>	<u>\$ 2,713,620</u>	<u>\$ 34,976,980</u>
Financial liabilities				
Financial liabilities at FVTPL	\$ -	\$ -	\$ 80,955	\$ 80,955
Other financial liabilities	<u>-</u>	<u>-</u>	<u>181,165</u>	<u>181,165</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 262,120</u>	<u>\$ 262,120</u>
IFRS NA				<u>\$ 34,714,860</u>

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.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

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

iv) Liquidity risk (Continued...)

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	\$ 22,320	\$ -	\$ -	\$ -	\$ -	\$ 22,320
Loans and receivables	678,749	-	-	-	-	678,749
Cash and cash equivalents	<u>111,801,576</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,801,576</u>
Total	<u>\$ 112,502,645</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,502,645</u>
Financial liabilities						
Financial liabilities at FVTPL	\$ 9,129,415	\$ -	\$ -	\$ -	\$ -	\$ 9,129,415
Other financial liabilities	<u>1,745,754</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,745,754</u>
Total	<u>\$ 10,875,169</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,875,169</u>
IFRS NA						<u>\$ 101,627,476</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	\$ 2,154,655	\$ -	\$ -	\$ -	\$ -	\$ 2,154,655
Loans and receivables	558,965	-	-	-	-	558,965
Cash and cash equivalents	<u>32,263,360</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,263,360</u>
Total	<u>\$ 34,976,980</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,976,980</u>
Financial liabilities						
Financial liabilities at FVTPL	\$ 80,955	\$ -	\$ -	\$ -	\$ -	\$ 80,955
Other financial liabilities	<u>181,165</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,165</u>
Total	<u>\$ 262,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 262,120</u>
IFRS NA						<u>\$ 34,714,860</u>

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

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

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 Swap agreements and foreign exchange forward contracts. The Fund seeks to mitigate its exposure to credit risk by placing its cash, and transacting its securities activity with large financial institutions. The extent of the Fund's exposure to credit risk in respect of these financial assets is reflected in their carrying values as recorded in the fund's statement of financial position.

As at October 31, 2016 and 2015 the Fund has no debt instruments. The net assets of the Fund include financial assets (liabilities) held in a swap agreement at FVTPL with fair value of \$(5,749,983) (2015 - \$2,092,279) and net foreign exchange forward contracts at FVTPL of \$(3,357,112) (2015 - \$(18,579)). The counterparty to the swap agreement and foreign exchange forward contracts is Citibank NA New York, which has a credit rating of A+ according to Standard & Poor's. The Manager monitors the risks associated with the swap agreements and forward contracts on a continuous basis.

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; as at October 31:

	2016	2015
Cash and cash equivalents	110.0 %	92.9 %
Other assets less liabilities	(1.0)%	1.1 %
Forward foreign currency contracts	(3.3)%	- %
MLP portfolio - swap agreement	<u>(5.7)%</u>	<u>6.0 %</u>
Total	<u>100.0 %</u>	<u>100.0 %</u>

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

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

vii) Concentration risk (Continued...)

The return to the Fund is dependent upon the economic performance of the MLP Portfolio by virtue of the swap agreement to gain economic exposure to the MLP Portfolio. The MLP Portfolio's concentration risk by market segments/categories of financial instruments has been summarized as follows; as at October 31:

	2016	2015
Petroleum transportation	51.6 %	49.3 %
Natural Gas Pipelines	31.8 %	17.7 %
Gathering and Processing of Natural Gas	15.8 %	21.1 %
Diversified	0.8 %	6.1 %
Shipping	<u>- %</u>	<u>5.8 %</u>
Total	<u>100.0 %</u>	<u>100.0 %</u>

13. 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.

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

14. 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 October 31, 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>\$ -</u>	<u>\$ 22,320</u>	<u>\$ -</u>	<u>\$ 22,320</u>
Financial liabilities at FVTPL	<u>\$ -</u>	<u>\$ 9,129,415</u>	<u>\$ -</u>	<u>\$ 9,129,415</u>

As at October 31, 2015

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL	<u>\$ -</u>	<u>\$ 2,154,655</u>	<u>\$ -</u>	<u>\$ 2,154,655</u>
Financial liabilities at FVTPL	<u>\$ -</u>	<u>\$ 80,955</u>	<u>\$ -</u>	<u>\$ 80,955</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).

FRONT STREET MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

14. FAIR VALUE HIERARCHY (Continued...)

Valuation techniques and framework (Continued...)

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.

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 MLP AND INFRASTRUCTURE INCOME CLASS

NOTES TO THE FINANCIAL STATEMENTS OCTOBER 31, 2016 AND 2015

15. SUBSEQUENT EVENTS

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.