

A nighttime photograph of a city skyline with various skyscrapers illuminated. A semi-transparent green banner is overlaid across the middle of the image, containing the text 'Next Edge Private Debt Fund'.

Next Edge Private Debt Fund

Next Edge Capital Corp., September 2016

IMPORTANT NOTES

The 'Next Edge Private Debt Fund' or the 'Fund' means the 'Next Edge Private Debt Fund' .

Capitalized terms not defined in this presentation are defined as set forth in the Offering Memorandum of the Fund (the 'OM').

This communication is not, and under no circumstances is to be construed as, an invitation to make an investment in the Fund nor does it constitute a public offering to sell the Fund or any other products described herein. Applications for the Fund will only be considered on the terms of the OM. The OM contains important detailed information about the Fund. Copies of the OM may be obtained from Next Edge Capital Corp., the principal distributor of the Fund. Each purchaser of the units of the Fund (the 'Units') may have statutory or contractual rights of action under certain circumstances as disclosed in the OM. Please review the provisions of the applicable securities legislation for particulars of these rights. Terms defined herein shall have the same meaning as in the OM. Potential investors should note that alternative investments can involve significant risks and the value of an investment may go down as well as up.

There is no guarantee of trading performance and past or projected performance is not indicative of future results.

Investors should review the OM in its entirety for a complete description of the Fund, its risks, and consult their registered dealers before making an investment.

The information contained in this material is subject to change without notice and Next Edge Capital Corp. will not be held liable for any inaccuracies or misprints.

Any descriptions or information involving investment process or strategies is provided for illustration purposes only, may not be fully indicative of any present or future investments, may be changed at the discretion of the Investment Manager and are not intended to reflect performance.

The Fund has not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any State securities laws. The Fund may not be offered or sold in the United States or to US persons.

Cautionary Note Regarding Forward-Looking Statements

The following presentation may contain forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that Next Edge Capital Corp., the Credit Advisor or any affiliates thereof (the 'Companies') believe, expect or anticipate will or may occur in the future (including, without limitation, statements regarding any targeted returns, projections, forecasts, statements and future plans and objectives of the Companies) are forward-looking statements. These forward-looking statements reflect the current expectations, assumptions or beliefs of the Companies based on information currently available to the Companies.

Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Companies to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Companies.

Factors that could cause actual results or events to differ materially from current expectations include, among other things, changes in international financial and commodities markets, fluctuations in currency exchange and interest rates, illiquidity of portfolio investments, reduction in availability of leverage, default by counterparties, special risks arising from short sales and investments in forward contracts and other derivatives, unintentional trades, accuracy of analytical models, valuation risks, limitations on redemptions, tax consequences, changes in applicable laws and other risks associated with investing in securities and those factors discussed under the section entitled 'Risk Factors' in the Prospectus.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Companies disclaim any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Companies believe that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

Risks of Investing In the Fund

Please see the Fund's OM for a complete listing and description of the risks associated with an investment in the Fund.

Risks Associated With An Investment In the Partnership

General Investment Risk; No Guaranteed Return; Limited Operating History; Class Risk; No Advice to Investors; Illiquidity of Units or Limited Liquidity; Potential Conflicts of Interest; Reliance on the Manager and Credit Managers; Capital Depletion Risk; Fees and Expenses of the Partnership; Risks Arising from Multiple Classes of Units; Changes in Applicable Law; Changes to Canadian Tax Laws and Challenges by the CRA; Achievement of the Investment Objective; Changes in Investment Strategies; Illiquid Positions; Not a Public Mutual Fund; Distributions; Possible Effect of Redemptions; Possible Loss of Limited Liability; Possible Negative Impact of Regulation; Potential Indemnification Obligations; Reliance on Manager and Track Record; Currency Risk; Initial Investment in the Partnership; Legal; Tax Liability; Units are not Insured and Strategies.

Risks Associated With the Underlying Investments & Strategies

Availability of investments; Counterparty and Settlement Risk; Credit Risk; Custody Risk and Broker or Dealer Insolvency; Debt Securities; Diversification; Valuation of the Partnership's Investments; General Litigation Risk; Uninsured and Underinsured Losses; Equity Risk; Exchange Traded Funds; Failure to Meet Commitments; Foreign Investment Risk; General Economic and Market Conditions; Highly Volatile Markets; Interest Rate Changes; Investment and Trading Risks in General; Issuer-Specific Changes; Knowledge and Expertise of the Credit Managers; Leverage; Limited Sources of Borrowing; Liquidity Risk; Credit Manager Insolvency; Nature of the Investments; Options; Portfolio Turnover; Shorting; Use of Derivatives and Composition of Investments.

Next Edge Capital Corp.

- Formed in July 2006, was renamed Next Edge Capital Corp. ('Next Edge') after the spinout of Man Investments Canada Corp. from Man Group plc ("Man") in June 2014
- Next Edge continues to support a number of the Canadian retail products offered by Man
- Licensed as an Exempt Market Dealer, Portfolio Manager and Investment Fund Manager
- Management team responsible for raising over CDN \$3 Billion of alternative assets in Canada since 2000
- Focused on providing unique, non-correlated investment ideas

	Industry Experience	With NECC Since	Responsibility
Toreigh Stuart, CFA	23	2006	Managing Director, Founding Partner, CEO
Robert Anton, CAIA	22	2006	Managing Director, Founding Partner, Head of Sales and Product Development
David Scobie	21	2009	Managing Director, Founding Partner, Chief Operating Officer
Andy Dayes, CFA	20	2016	Executive Vice President
Roy Trice	32	2015	Strategic Advisor
Dr. John Rowsell, PhD	33	2015	Strategic Advisor
Cheng Dang, CPA, CA	10	2012	Controller and Director of Fund Reporting
Eden Rahim	29	2014	Portfolio Manager
Michael Bird	31	2014	Associate Portfolio Manager

“Two out of every three institutional investors surveyed are considering or are investing in private debt funds” *

“Private debt should be a part of every pension plan’s portfolio”

- Teresa Troy, chief executive of Halifax-based HRM Pension Plan **

“27% of respondents have a fixed target allocation to private debt”*

“North American investors in private debt report an aggressive range of target returns from 9% to 15%” *

*Source: Prequin Special Report: Private Debt: The New Alternative?, July 2014

**Source: Troy, Teresa, Why the private debt world appeals to pension funds like Halifax’s HRM, The Financial Post, 2014-02-06

Private Lending: The Opportunity

Private Lending: An Attractive Fixed Income Solution

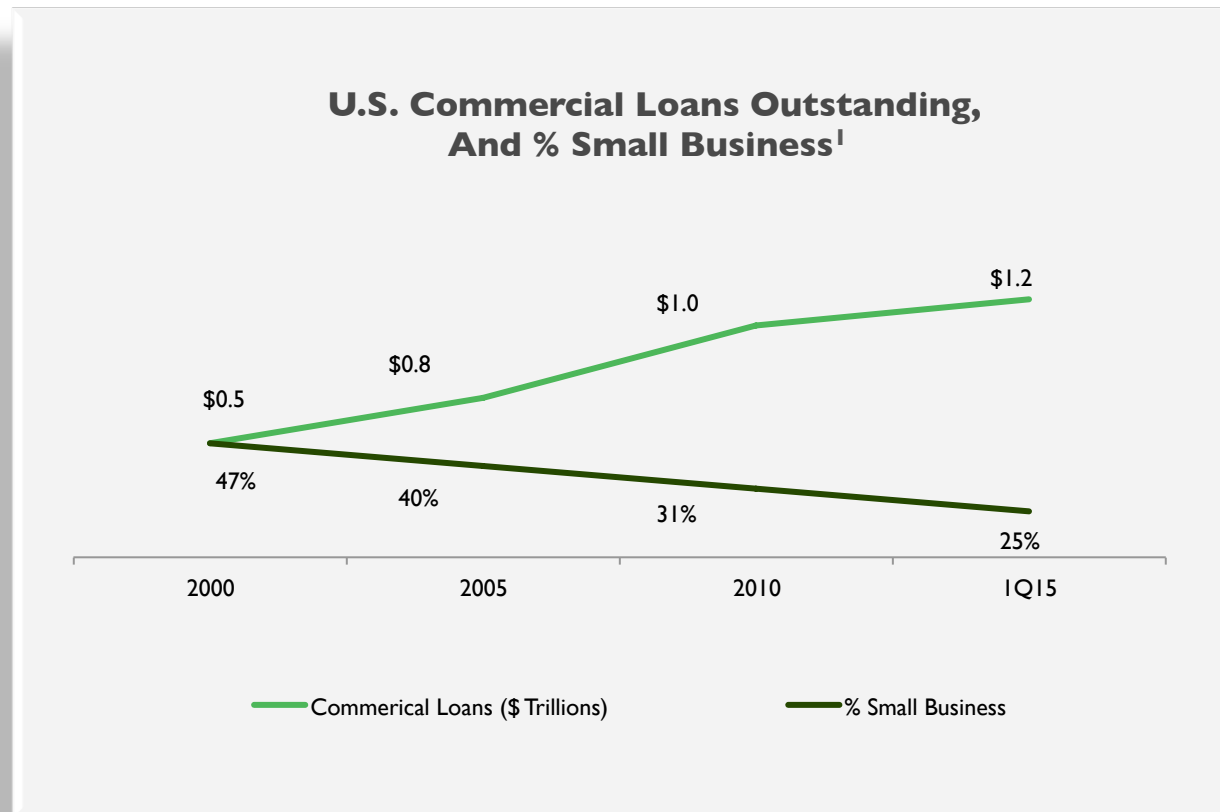
- ➔ Interest Rates are low, however many investors require higher yielding investments without assuming unnecessary risk.
- ➔ Private Lending provides an attractive solution for investors seeking reliable returns with safety of principal.

What is Private Lending?

Private Lending can be broadly defined as privately negotiated loans that take place outside of the traditional banking network.

Private Lending: The Opportunity

Post 2008, regulatory changes have forced traditional banks to notably pull back their lending activities. This has allowed new lenders to emerge and flourish in the alternative lending space. The Private Lending market is estimated to be in excess of US \$50 trillion in size.

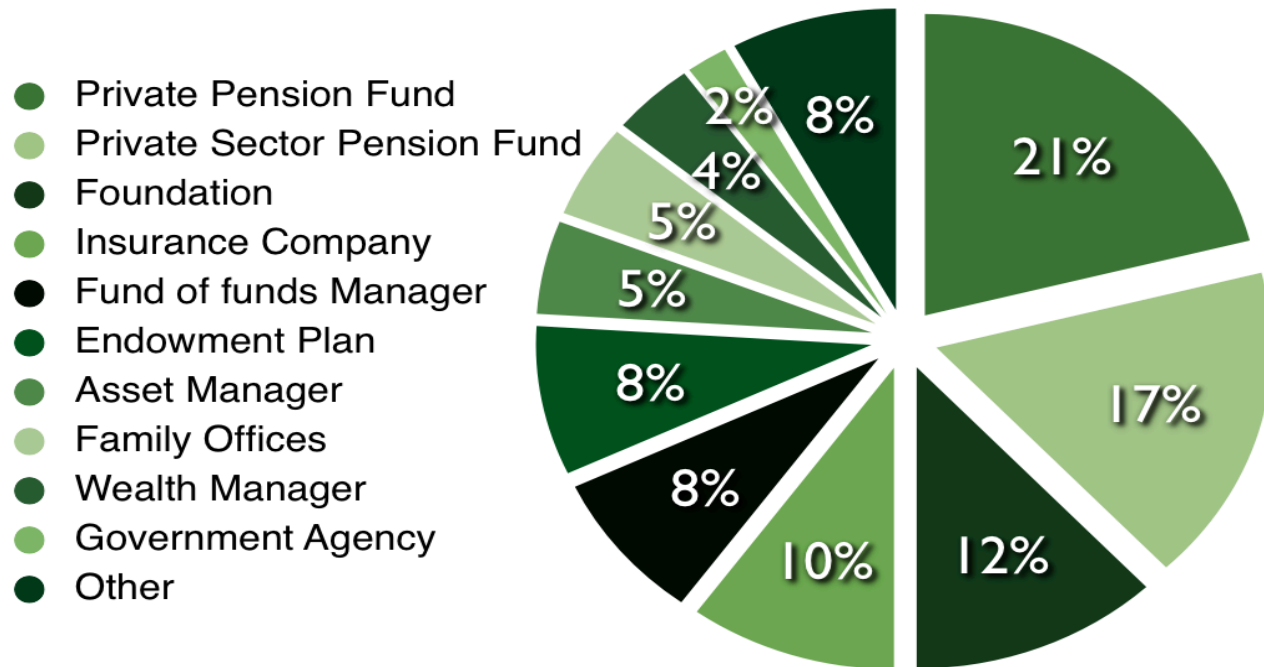


- Lending to small businesses continues to compress and accounts for only 25% of all commercial loans outstanding¹
- Loans below \$1 million are uneconomical for banks to underwrite from a cost and capital efficiency standpoint

1. FDIC Quarterly Banking Profile (September 2015).

Private Lending: The Opportunity

Breakdown of Institutional Investors in Private Lending by Type



“Alternative Credit should play a pivotal role in client portfolios, but instead tends to be underexploited, both in terms of asset allocation and the implementation of options created. Notably, alternative credit can play a role in helping to reduce the reliance on the equity premium to drive investment returns and as such help to improve investment efficiency and portfolio robustness.”

- Towers Watson Alternative Credit Report, September 2015

Source: Preqin Private Debt Online 2015

Private Lending: The Opportunity

Benefits of Private Lending Investing

- Strong return and cash flow characteristics relative to other fixed income vehicles
- Solid focus on preservation of capital
- Lower leverage ratios, greater asset coverage and stronger covenant than more liquid loan market
- Market inefficiencies translate into higher yields for investors
- Low correlation to equity and bond markets
- Private loans, not market priced (minimal market volatility as compared to public equities and bonds)
- Illiquidity Premium – for those investors that do not need the immediate liquidity of public markets, a premium is typically provided

Next Edge Private Debt Fund

Investment Objectives

- To achieve its investment objective the Fund will allocate capital to a limited number of specialist credit advisors and managers of credit pools to primarily take advantage of profitable opportunities in the private lending market
- The Fund aims to provide investors with the opportunity to attain attractive investment returns through interest and capital appreciation that historically have had low correlation to traditional forms of stock and bond securities

Features

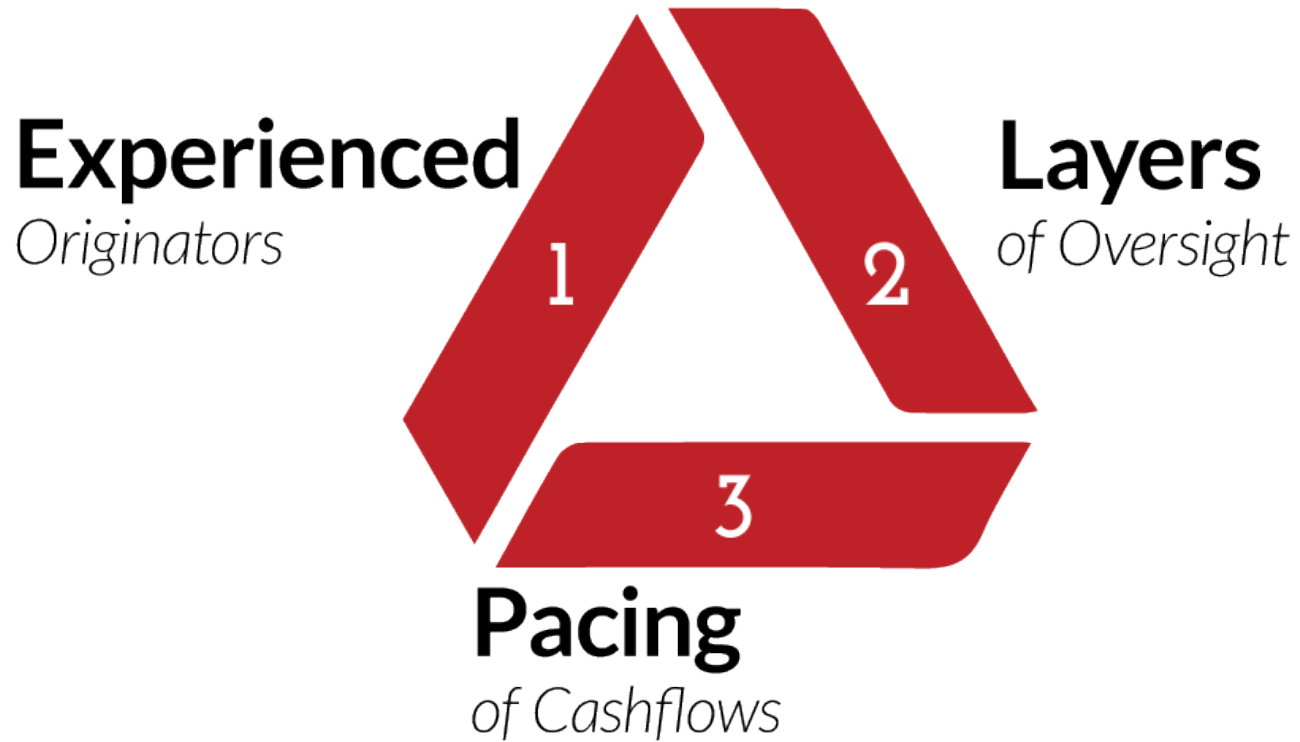
- Focus of the Fund is to provide shorter dated loans in the private lending space, focused on factoring, asset based lending and specialty finance
- The primary Credit Advisor, Liquid Capital, has been operating in the factoring and trade finance space since 1999 processing over \$2 billion in transactions through both its Canadian and US headquarters (in Toronto and Dallas respectively). The Company, with 90 points of presence, originates, manages, and funds accounts receivables, asset based lending and trade finance transactions.
- Diversified portfolio of loans and credit
- Targeted annual net returns of 8 – 10%*

Product Structure

- Mutual Fund trust structure available through FundSERV for accredited investors
- 8% per annum yield paid quarterly
- RRSP eligible

*Net of fees and pre distribution

Our Process



Next Edge Private Debt Fund is focused on these areas of Private Lending:

Factoring

- Accounts receivable financing, commonly referred to as factoring, is an essential component of trade finance and has existed in developed economies for centuries.
- Simply stated, factoring allows a company to improve its cash flow cycle through the sale of its accounts receivables to an outside party.
- By converting accounts receivable into cash, a company increases both its productivity and financial health.

Asset Based Lending

- Lending secured by an asset that acts as collateral for the loan. Some examples would include:
 - A loan secured by real estate
 - A business loan secured by property, plant, or equipment
- Attractive yields are available and secured by real assets.

Specialty Lending

- Consumer or small business loans which are provided by non-bank lenders.
- This area has been vastly growing due to technology driving efficiency & changing consumer behaviour.

Next Edge Private Debt Fund primary Credit Advisor is:



- Liquid Capital Corp. ('Liquid Capital') have been operating in the factoring and trade finance space since 1999 processing over \$2 billion in transactions through both its Canadian headquarters in Toronto and US headquarters in Dallas
- The Company, with 90 points of presence, originates, manages, and funds accounts receivables, asset based lending and trade finance transactions.
- Deal flow is relatively equal between Canada and the US
- Over 45 employees dedicated to credit underwriting and operations

Liquid Capital / Next Edge Capital Initial Credit Decision

Two layers of scrutiny, Liquid Capital and Next Edge credit personnel:

Deals first screened by Liquid Capital. High points of analysis include:

- Credit checks for both the client company and its owners
- UCC/PPSA searches and perfected senior security registrations
 - Liquid Capital is always in first security position on all assets it funds
- Receivables verification
- Client financial review
- Inventory and additional collateral appraisals for Asset-Based Lending (ABL) deals
- Credit insurance on all receivables
- Personal guarantees from the owner(s) of client companies

Deals then reviewed by Next Edge credit committee:

- Deal terms (advance rate, interest rate, any unique terms of the deal, etc.)
- Documentary review (confirm Liquid Capital's documents as described on next page)
- Industry exposure
- Review of security package, personal guarantees, etc.

If risk/reward profile is acceptable, then deal is funded

(See the template initial deal checklist on the next page)

Liquid Capital Initial Credit Decision Document Checklist

	Factoring	ABL
General Documents		
Signed Client Application	✓	✓
Corporate Financial Statements	✓	✓
Detailed Accounts Receivable Aging	✓	✓
Detailed Accounts Payable Aging	✓	✓
Inventory Valuation Report		✓
Additional Collateral Valuation Reports (e.g., equipment, real estate, etc. as required given the client's unique situation)		✓
Tax Due Diligence (Payroll, GST, Workers Comp.)	✓	✓
UCC/PPSA Search	✓	✓
Subordination Agreement, if any other lenders are present (Liquid Capital is always in first position on funded assets)	✓	✓
Personal Financial Statements & Guarantees	✓	✓
Articles of incorporation (Partnership Agreement/Operating Agreement)	✓	✓
AR Purchase and Sale Agreement	✓	✓
Client Credit Limits for Credit Insurance	✓	✓
General Security Agreement	✓	✓
Participation Agreement evidencing Next Edge as an investor in the deal	✓	✓
Other Documentation		
Copy of Insurance Certificate	✓	✓
List of Orders on Hand	✓	✓
Estoppel Letter, if necessary	✓	✓
Resumes of company owner(s)	✓	✓
Copy of DBA name filing for any trade names used	✓	✓
Customer Address List - including phone numbers and addresses	✓	✓
Brochures and other company information (if available)	✓	✓
Copy of an Invoice/Letterhead	✓	✓
On-site DD documentation, as required given the client's unique situation	✓	✓

Ongoing Monitoring

Daily monitoring by Liquid Capital using Cadence / FactorSoft administrative system

- Best in class industry standard software
- High degree of transparency
- Robust audit trail mitigates fraud risk
- Drilldowns by (these are examples – FactorSoft offers extremely granular reporting, if desired):
 - Client: entire receivables held as collateral; funds advanced by Liquid Capital, etc.
 - End debtor: advances versus credit limit, aging of AR, calculation of ineligible AR
 - Invoice / Purchase order / back-up documents (bills of lading, shipping documents, etc.)
 - Payment against invoice: cash collections, any discounts taken by the end debtor (dilution), etc.
 - Scans of all documents for the previous 6 months are available for audit purposes

Entire portfolio reviewed daily by Liquid Capital to assess deal-specific and firm-specific risks

Next Edge reviews Liquid Capital's entire portfolio (irrespective of whether Next Edge funded a particular facility) to assess risks to the Private Debt Fund's investment. Selected criteria include:

- Aging of the receivables book
- Ensuring that documentary requirements are being met (collateral valuations, guarantees, etc.) and that Liquid Capital is lending within the terms of these restrictions.
- Ensuring that appropriate credit insurance coverage is in place
- Industry / geographical concentrations
- End debtor credit concentrations
- Undue extension of payment terms by end debtors

Historical Performance

Class A¹

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	ANNUAL
2015	—	—	—	—	—	0.61%	0.75%	0.37%	0.38%	0.65%	0.69%	0.60%	4.13% ^{2,3}
2016	0.55%	0.59%	0.70%	0.31%	0.35%	0.56%	0.53%	0.69%	0.63%	—	—	—	5.02% ^{2,3}

Class F¹

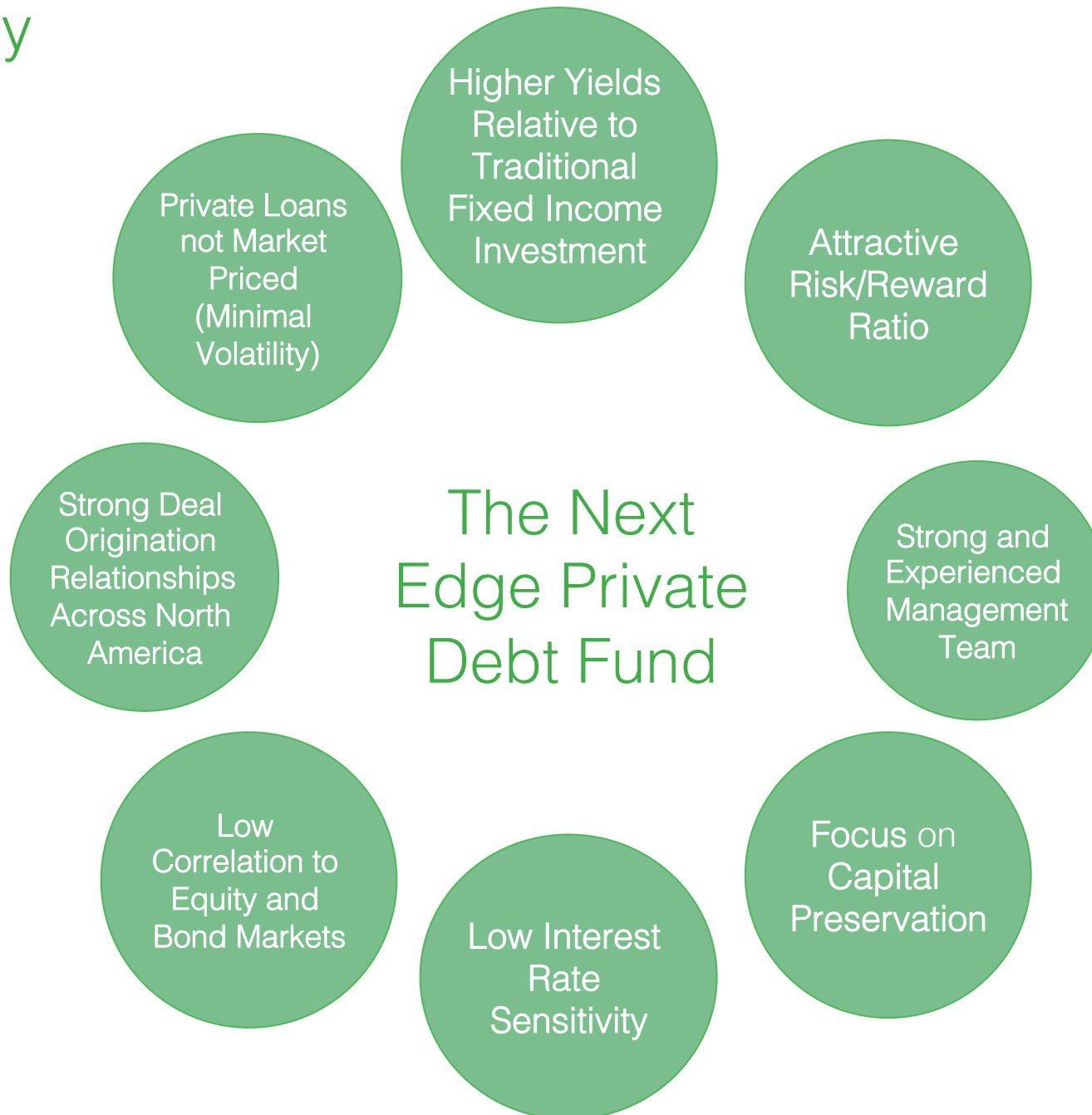
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	ANNUAL
2015	—	—	—	—	—	0.61%	0.98%	0.49%	0.50%	0.77%	0.81%	0.72%	4.97% ^{2,3}
2016	0.66%	0.70%	0.81%	0.44%	0.44%	0.68%	0.64%	0.79%	0.74%	—	—	—	6.05% ^{2,3}

1. The Next Edge Private Debt Fund (the 'Fund') returns are net of all fees and expenses associated with Class A Units and Class F Units charged from June 1st, 2015 (trading start date) Returns 2016 are unaudited. Therefore, performance statistics containing 2016 figures shown in this material are subject to final confirmation. The Next Edge Private Debt Fund Class A Units as of September 30th are: 1yr 7.70%; 3 yr N/A; 5 yr N/A; 10 yr N/A. The Next Edge Private Debt Fund Class F Units as of September 30th are: 1yr 8.50%; 3 yr N/A; 5 yr N/A; 10 yr N/A

2. Part Year

3. Distribution - adjusted return

Summary



Summary of Terms

Next Edge Private Debt Fund

FundSERV Code Class A Units – NEC 441
Class F Units – NEC 442

Minimum Initial Investment \$10,000 for Accredited Investors Only

Minimum Additional Investment \$5,000

Effective Management Fee Class A 1.75%
(Includes Servicing Fee) Class F 0.50%

Performance Fee 20% above 6% hurdle rate (with a catch-up)

Valuation Monthly

Redemptions Monthly with 90 days' notice

Distributions 8% per annum, paid quarterly

Registered Plan Status Eligible

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