



Hesperian Capital Management Ltd.

**REPORT OF THE INDEPENDENT REVIEW COMMITTEE
TO THE SECURITYHOLDERS OF THE
NORREP FLOW-THROUGH LIMITED PARTNERSHIPS**

YEAR ENDED DECEMBER 31, 2008

Introduction

The Independent Review Committee (the “IRC”) of the Norrep Flow-Through Limited Partnerships (the “Partnerships”) is making its second annual report to securityholders for the year ending December 31, 2008, as required under National Instrument 81-107 *Independent Review Committee for Investment Funds*.

Hesperian Capital Management Ltd., in its role as manager of the Partnerships under NI 81-107 (the “Manager”), appointed the initial members of the IRC on October 23, 2007 and the IRC became operational on November 1, 2007.

The mandate of the IRC is to review conflict of interest matters identified and referred to it by the Manager, including the policies and procedures in place to manage these conflicts. The IRC provides the Manager with its approval or recommendation on the conflict of interest matters referred to it by the Manager and input when requested on the Manager’s policies and procedures.

At least once per year, the Independent Review Committee will review and assess the adequacy and effectiveness of the policies and procedures relating to conflict of interest matters in respect of the Partnerships, and will also conduct a self-assessment of the IRC’s independence, compensation and effectiveness.

Members of the Independent Review Committee

The names of the members of the IRC are listed below, along with their residency and date of appointment. There were no changes to the composition of the IRC in the reporting period.

Name	Residence	Length of Service (First Appointed)
James B. Rooney, Q.C. (Chair)	Calgary, Alberta	October 23, 2007
Michael P. Robinson, C.M.	Calgary, Alberta	October 23, 2007
Ian T. Brown, BSc., P. Geol, ICD.D	Calgary, Alberta	October 23, 2007

The IRC meets regularly with representatives of the Manager, and also holds meetings without representatives of the Manager being present, to discuss matters affecting the Manager's policies and procedures, standing instructions and conflict of interest matters referred to the IRC. During the period from January 1, 2008 to December 31, 2008, the IRC held four meetings with representatives of the Manager. A portion of each meeting was reserved for discussion without the representatives of the Manager being present. The IRC also held one meeting at which representatives of the Manager were not present and attended one IRC education seminar.

As at December 31, 2008, the members of the IRC did not beneficially own, directly or indirectly, in aggregate, in excess of 10% of the outstanding units of any one of the Norrep Flow-Through Limited Partnerships.

As at December 31, 2008, no member of the IRC beneficially owned, directly or indirectly, any class of voting or equity securities of Hesperian Capital Management Ltd.

The percentage of securities of each class of voting or equity securities of Canadian Imperial Bank of Commerce beneficially owned, directly or indirectly, in aggregate, by all members of the IRC at December 31, 2008 was approximately 0.0001%.

As at December 31, 2008, no member of the IRC beneficially owned, directly or indirectly, any class of voting or equity securities of Citigroup, Inc.

Compensation and Indemnities

The members of the IRC are entitled to be compensated by the Partnerships and to be indemnified by the Partnerships in appropriate circumstances. The aggregate compensation by the Partnerships to the IRC for the period January 1, 2008 to December 31, 2008 was \$5,697.16. This amount was allocated pro rata among the Norrep Flow-Through Limited Partnerships.

No indemnities were paid to the IRC by the Partnerships during the period.

The initial compensation of the Independent Review Committee was set by the manager. The IRC reviews and determines its own compensation on an annual basis. In deciding what the appropriate level of compensation is, the IRC considers the work load of the IRC and contribution made by each of its members, the complexity and difficulty of the tasks undertaken by the IRC, and the value brought by the IRC to the Partnerships, including cost savings.

Conflict of Interest Matters

National Instrument 81-107 requires the IRC to review all conflict of interest matters identified and referred to the IRC by the Manager and to give its approval or recommendation, depending on the nature of the conflict of interest matter. In certain cases, the IRC may also issue standing instructions to the Manager in conjunction with the approval or recommendation that allow the Manager to act in the particular conflict of interest matter on a continuing basis. Where standing instructions have been issued, the IRC must review and renew the standing instruction on an annual basis.

Below is a brief summary of the approvals, recommendations and standing instructions relied on by the Manager during the period beginning January 1, 2008 to December 31, 2008 (the "Period").

Approvals with Standing Instructions

During the Period, the Manager followed the approval and standing instructions made by the IRC to allow certain Partnerships to purchase securities from, or sell securities to, another fund managed by the Manager (referred to as inter-fund trades). The standing instruction requires the Manager to comply with the inter-fund trade provisions of National Instrument 81-107 and to report on a specified basis to the IRC.

Recommendations with Standing Instructions

During the period, the manager followed the recommendations and standing instructions made by the IRC with respect to the conflict of interest matters addressed by the following policies and procedures of the Manager:

1. Fees and Expenses
2. Trade Allocations
3. Portfolio Pricing Issues
4. Best Execution Issues
5. Proxy Voting
6. Sub-managers and Sub-advisors
7. Outsourcing to Third Party Service Providers
8. Personal Trading

In each case, the standing instructions required the manager to comply with its related policy and procedures and to report periodically to the IRC.

Compliance

During the period of January 1, 2008 to December 31, 2008, the IRC is not aware of any instance in which the Manager acted in a conflict of interest matter referred to the IRC for which the IRC did not give a positive recommendation. The Manager has the obligation to notify the IRC of any such instance.

Norrep Flow-Through Limited Partnerships

Norrep Performance 2006 Flow-Through Limited Partnership
Norrep Performance 2007 Flow-Through Limited Partnership
Norrep Performance 2008 Flow-Through Limited Partnership

Dated March 30, 2009

INDEPENDENT REVIEW COMMITTEE

(Signed) "*James B. Rooney*"
James B. Rooney, Q.C. (Chair)

(Signed) "*Michael P. Robinson*"
Michael P. Robinson, C.M.

(Signed) "*Ian T. Brown*"
Ian T. Brown, BSc, P.Geol, ICD.D