

**Annual Report of the Independent Review Committee of the
Venator Group of Alternative Funds (the "Funds")**

March 10, 2023

IRC Annual Report to: Securityholders in the Venator Group of Alternative Funds (the "Funds") as listed at the end of this report

Dear Securityholder,

In accordance with **National Instrument 81-107 *Independent Review Committee for Investment Funds*** ("NI 81-107") or the "Instrument"), (the Manager established an Independent Review Committee (the "Committee" or "IRC") for the Funds on January 23, 2020. The IRC has functioned in accordance with the applicable securities laws and is composed of three individuals, each of whom is independent of the Fund, the Manager and each entity related to the Manager (as defined in the Instrument).

The IRC is pleased to publish its annual report to securityholders, covering the period from January 1, 2022 to December 31, 2022 (the "Reporting Period").

Mandate of the IRC

In accordance with the Instrument, the mandate of the IRC is to consider and provide decisions to the Manager on conflicts of interest to which the Manager may be subject when managing the Funds. The Manager is required under the Instrument to identify potential conflicts of interest inherent in its management of the Funds, develop written policies and procedures guiding its management of those conflicts and request input from the IRC on those written policies and procedures, hereinafter referred to as the Conflict of Interest Matters manual.

When a conflict matter arises, the Manager must refer its proposed course of action in respect of such conflict to the IRC for its review. While certain matters require the IRC's prior approval, in most cases the IRC will provide a decision to the Manager as to whether, in the opinion of the IRC, the Manager's proposed action provides a fair and reasonable result for the Fund. For recurring conflict of interest matters, the IRC can provide the Manager with Standing Instructions ("SIs") that enable the Manager to proceed with certain matters without having to refer them to the IRC each time for approval, providing the Manager deals with the conflicts in accordance with the SIs.

The IRC is empowered to represent the best interest of the Funds in any matter where the Manager has referred a conflict of interest matter to it. In those cases, the IRC has sought to ensure that the Manager's proposed course of action represents a fair and reasonable result for the Fund.

Composition of the IRC

The current members of the IRC, and their principal occupations, are as follows:

Name and Municipality of Residence	Principal Occupation	Term of Office
Chair: Andrew Gordon, Toronto, Ontario	Retired Capital Markets Executive	Initially appointed January 23, 2020 Re-appointment January 23, 2023 for three years
James Merkur, Toronto, Ontario	President, InterCap Inc. CEO Logan Peak Capital Inc., Director	Initially appointed January 23, 2020 Re-appointment January 23, 2023 for two years
William Logie, Toronto, Ontario	Retired Capital Markets Executive	Initially appointed January 23, 2020 Re-appointment January 23, 2023 for one year

Compensation and Indemnification

Review of Compensation

At least annually, the IRC reviews its compensation considering the following:

- the nature and extent of the workload of each member of the IRC, including the commitment of time and energy expected from each member;
- the number of meetings required by the IRC including special meetings to consider conflict issues brought to the committee;
- industry best practices, including industry averages and surveys on IRC compensation; and
- the complexity of the conflict issues brought to the IRC.

The IRC determined that no changes were required in its compensation.

Members' Fees

In aggregate, the IRC members were paid \$17,000 plus applicable taxes, during the Reporting Period.

Indemnities Granted

The Funds and the Manager have provided each IRC Member with a contractual indemnity in keeping with NI 81-107. No payments were paid to the IRC Members pursuant to this indemnity by the Funds or the Manager during the Reporting Period.

Disclosure of IRC Members' Holdings

As at December 31, 2022, the IRC Members did not own, directly or indirectly:

- any units of the Funds;

- no interests in the Manager; and,
- no interests in a company or person that provides services to the Manager or the Fund.

Decisions and Approvals

The IRC did not provide any decisions or approvals during the Reporting Period.

Standing Instructions Approved

The IRC has approved two SIs, which constitute a written approval or decision from the IRC that permits the Manager to proceed with the specific action(s) set out in an SI on an ongoing basis, without having to refer the conflict of interest matter or its proposed action to the IRC, provided that the Manager complies with the terms and conditions of the SIs. The SIs required the Manager to comply with its related policy and procedures and to report periodically to the IRC.

Standing Instruction No. 1: Omnibus

This SI deals with several conflicts of interest matters including:

1. Allocation of Trades
2. Pricing and Valuation
3. Proxy Voting
4. Soft Dollars
5. NAV Errors

Standing Instruction No. 2: Related Party Issues: Inter-fund Trades

Manager's Report on its Standing Instructions

In accordance with the Instrument, the Manager provided a written report to the IRC describing its reliance on SI No 1 and SI No 2 during the Reporting Period. The Manager relied on SI No 1 during the Reporting Period. The Manager did not rely on SI No2 during the Reporting Period

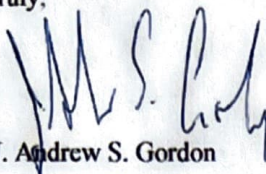
Funds Served by the IRC

Venator Alternative Investment Fund

Venator Founders Alternative Fund

This report is available on the Manager's website at <http://www.vcnator.ca/> or you may request a copy, at no cost to you, by contacting the Manager at (416) 934-7994 or email the Funds at info@vcnator.ca This document and other information about the Fund are available on www.sedar.com

Yours truly,

A handwritten signature in blue ink, appearing to read "J. Andrew S. Gordon".

Chair: J. Andrew S. Gordon

MARCH 9, 2023 *AK*