



Ninepoint Gold Bullion Fund

(formerly, Sprott Gold Bullion Fund)

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

DECEMBER 31

2018

The annual management report of fund performance is an analysis and explanation that is designed to complement and supplement an investment fund's financial statements. This report contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-888-362-7172, by visiting our website at www.ninepoint.com or SEDAR at www.sedar.com or by writing to us at: Ninepoint Partners LP, Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2700, P.O. Box 27, Toronto, Ontario M5J 2J1. Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

Ninepoint Gold Bullion Fund

December 31, 2018

(formerly, Sprott Gold Bullion Fund)

Management Discussion of Fund Performance

Investment Objective and Strategies

The investment objective of the Ninepoint Gold Bullion Fund (formerly, Sprott Gold Bullion Fund) (the “Fund”) is to seek to provide a secure, convenient alternative for investors seeking to hold gold.

As part of its investment strategy, the Fund:

- invests primarily in unencumbered, fully allocated gold bullion and/or permitted gold certificates, the underlying interest of which is gold;
- has obtained exemptive relief to permit the Fund to invest up to 100% of its net asset value, taken at the market value at the time of purchase, in gold and/or permitted gold certificates;
- may invest a portion of its assets in cash, money market instruments and/or treasury bills; and
- may use derivatives, such as currency forward contracts, for hedging purposes only.

Risk

The risks of investing in the Fund are described in the Fund’s simplified prospectus. Direct purchases of gold by the Fund may generate higher transaction and custody costs than other types of investments, which may impact the performance of the Fund. The Fund is suitable for those investors who want exposure to the capital appreciation potential of gold and who want to maintain a high level of liquidity in their investments with a medium to high tolerance for risk and volatility and have a medium to long-term investment horizon. There were no significant changes to the investment objective and strategies that affected the Fund’s overall level of risk during the reporting period.

Results of Operations and Recent Developments

The Fund, Series A, returned 5.5% in 2018, versus spot gold, which gained 6.8% in Canadian dollar terms. In U.S. dollar terms, the spot price decreased 1.6%. The spot price of gold as at December 31, 2018 was \$1,282.45 an ounce in U.S. dollar terms compared to a price of \$1,303.05 an ounce as at December 31, 2017.

In the U.S., positive economic momentum from 2017 carried over into 2018. As a result, the U.S. Federal Reserve Board continued to raise the federal funds rate, which further strengthened the dollar. The U.S. dollar gained against several major currencies during 2018. In U.S. dollar terms, gold declined by 1.6%.

At the beginning of the year, economic conditions continued to improve. Investor and business enthusiasm towards tax cuts in the U.S. translated to higher capital expenditures and inventory building. This optimism about the economy put downward pressure on the gold price.

Despite loose monetary policy, low unemployment and a buoyant global economy, inflation remained contained in the G7 countries mid-period. Negative or near-zero real rates have historically been supportive of gold prices. In the absence of inflation and negative real rates, gold performance was muted.

After a period of historically low volatility in 2017 and much of 2018, volatility returned to equity markets in the fourth quarter. This heightened equity volatility eventually spilled into the fixed income market and credit spreads widened. A combination of short-covering of gold futures and improved investor sentiment towards the metal helped fuel positive returns for gold in the fourth quarter.

The Fund’s total net asset value decreased 7.2% during the period, from \$131.4 million as at December 31, 2017 to \$122.0 million as at December 31, 2018. This change was predominantly due to net redemptions of \$15.5 million, offset by unrealized investment gains of \$4.9 million. The management expense ratio increased slightly compared to the prior period.

Ninepoint Gold Bullion Fund

December 31, 2018

(formerly, Sprott Gold Bullion Fund)

Related Party Transactions

MANAGEMENT FEES

The Fund pays a management fee to the Manager an annual rate of 0.80% for Series A units and 0.50% for Series F units and as negotiated by the unitholders for Series I. The management fee is calculated and accrued daily based on the daily net asset value of the applicable series of the Fund, and is paid monthly. For the year ended December 31, 2018, the Fund incurred management fees of \$928,053 (including taxes). The breakdown of the services received in consideration of the management fees, as a percentage of management fees, is as follows:

	Portfolio Advisory	Trailing Commission
Ninepoint Gold Bullion Fund – Series A	63%	37%
Ninepoint Gold Bullion Fund – Series F	100%	–

Out of the management fees that the Manager received from the Fund, the Manager paid trailer commissions of \$15,444 during the year ended December 31, 2018 to SP Wealth, an affiliate of the Manager.

OPERATING EXPENSES

The Fund pays its own operating expenses, which include, but are not limited to, audit, legal, custodial, trustee, filing and administrative expenses as well as unitholder reporting costs. The Manager pays certain of these expenses on behalf of the Fund and then is reimbursed by the Fund. At its sole discretion, the Manager may waive or absorb a portion of the operating expenses of certain Funds. Amounts waived or absorbed by the Manager are reported in the Statements of Comprehensive Income. Waivers or absorptions are at the Manager's discretion and can be terminated at any time without notice. The Manager did not absorb any expenses during the year ended December 31, 2018.

OTHER RELATED PARTY TRANSACTIONS

The Fund relied on the approval, positive recommendation or standing instruction from the Fund's Independent Review Committee with respect to any related party transactions.

Ninepoint Gold Bullion Fund

December 31, 2018

(formerly, Sprott Gold Bullion Fund)

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the years ended December 31 shown, unless otherwise indicated.

The Fund's Net Assets per Unit¹

	Dec 31, 2018	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015	Dec 31, 2014
Series A	\$	\$	\$	\$	\$
Net assets, beginning of period	12.90	12.35	11.84	11.24	10.58
Increase (decrease) from operations:					
Total revenue	-	-	-	-	-
Total expenses	(0.16)	(0.16)	(0.15)	(0.15)	(0.15)
Realized gains for the period	0.26	0.24	0.44	0.08	0.04
Unrealized gains (losses) for the period	0.56	0.53	0.17	0.73	0.85
Total increase (decrease) from operations²	0.66	0.61	0.46	0.66	0.74
Distributions:					
Total annual distributions³	-	-	-	-	-
Net assets, end of period	13.60	12.90	12.35	11.84	11.24

	Dec 31, 2018	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015	Dec 31, 2014
Series F	\$	\$	\$	\$	\$
Net assets, beginning of period	13.27	12.66	12.10	11.44	10.74
Increase (decrease) from operations:					
Total revenue	-	-	-	-	-
Total expenses	(0.12)	(0.12)	(0.11)	(0.12)	(0.12)
Realized gains for the period	0.26	0.24	0.48	0.08	0.04
Unrealized gains (losses) for the period	0.45	0.48	(0.03)	0.72	0.89
Total increase (decrease) from operations²	0.59	0.60	0.34	0.68	0.81
Distributions:					
Total annual distributions³	-	-	-	-	-
Net assets, end of period	14.04	13.27	12.66	12.10	11.44

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015	Dec 31, 2014
Series I	\$	\$	\$	\$
Net assets, beginning of period	10.11	9.61	9.03	8.43
Increase (decrease) from operations:				
Total revenue	-	-	-	-
Total expenses	(0.03)	(0.03)	(0.04)	(0.04)
Realized gains for the period	0.16	0.23	0.06	0.03
Unrealized gains (losses) for the period	0.31	0.54	0.41	0.38
Total increase (decrease) from operations²	0.44	0.74	0.43	0.37
Distributions:				
Total annual distributions³	-	-	-	-
Net assets, end of period	-⁴	10.11	9.61	9.03

1 This information is derived from the Fund's audited annual financial statements.

2 The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. Net assets and distributions are based on the actual number of units outstanding at the relevant time. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

3 Distributions were reinvested in additional units of the Fund.

4 All outstanding Series I units were fully redeemed during 2017.

Ninepoint Gold Bullion Fund

December 31, 2018

(formerly, Sprott Gold Bullion Fund)

Ratios and Supplemental Data

Series A	Dec 31, 2018	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015	Dec 31, 2014
Total net asset value (000s) ¹	\$64,092	\$70,699	\$77,863	\$67,682	\$71,391
Number of units outstanding ¹	4,711,243	5,481,741	6,307,093	5,714,655	6,354,305
Management expense ratio ²	1.23%	1.21%	1.13%	1.27%	1.32%
Trading expense ratio ³	—	—	—	—	—
Portfolio turnover rate ⁴	2.13%	6.11%	9.14%	5.67%	1.14%
Net asset value per unit ¹	\$13.60	\$12.90	\$12.35	\$11.84	\$11.24

Series F	Dec 31, 2018	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015	Dec 31, 2014
Total net asset value (000s) ¹	\$57,882	\$60,703	\$54,314	\$42,216	\$43,769
Number of units outstanding ¹	4,122,474	4,575,841	4,291,464	3,488,345	3,825,169
Management expense ratio ²	0.89%	0.87%	0.79%	0.94%	0.99%
Trading expense ratio ³	—	—	—	—	—
Portfolio turnover rate ⁴	2.13%	6.11%	9.14%	5.67%	1.14%
Net asset value per unit ¹	\$14.04	\$13.27	\$12.66	\$12.10	\$11.44

Series I	Dec 31, 2018	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015	Dec 31, 2014
Total net asset value (000s) ¹	—	—	\$550	\$35,014	\$22,259
Number of units outstanding ¹	—	—	54,355	3,645,319	2,464,538
Management expense ratio ²	—	—	0.31%	0.39%	0.43%
Trading expense ratio ³	—	—	—	—	—
Portfolio turnover rate ⁴	—	—	9.14%	5.67%	1.14%
Net asset value per unit ¹	—	—	\$10.11	\$9.61	\$9.03

1 The information is provided as at December 31 for the years shown.

2 Management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of the daily average net asset value during the period.

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 period. Since there are no direct trading costs associated with physical bullion trades, the trading expense ratio is nil.

4 The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser trades 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 the 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 the Fund.

Ninepoint Gold Bullion Fund

December 31, 2018

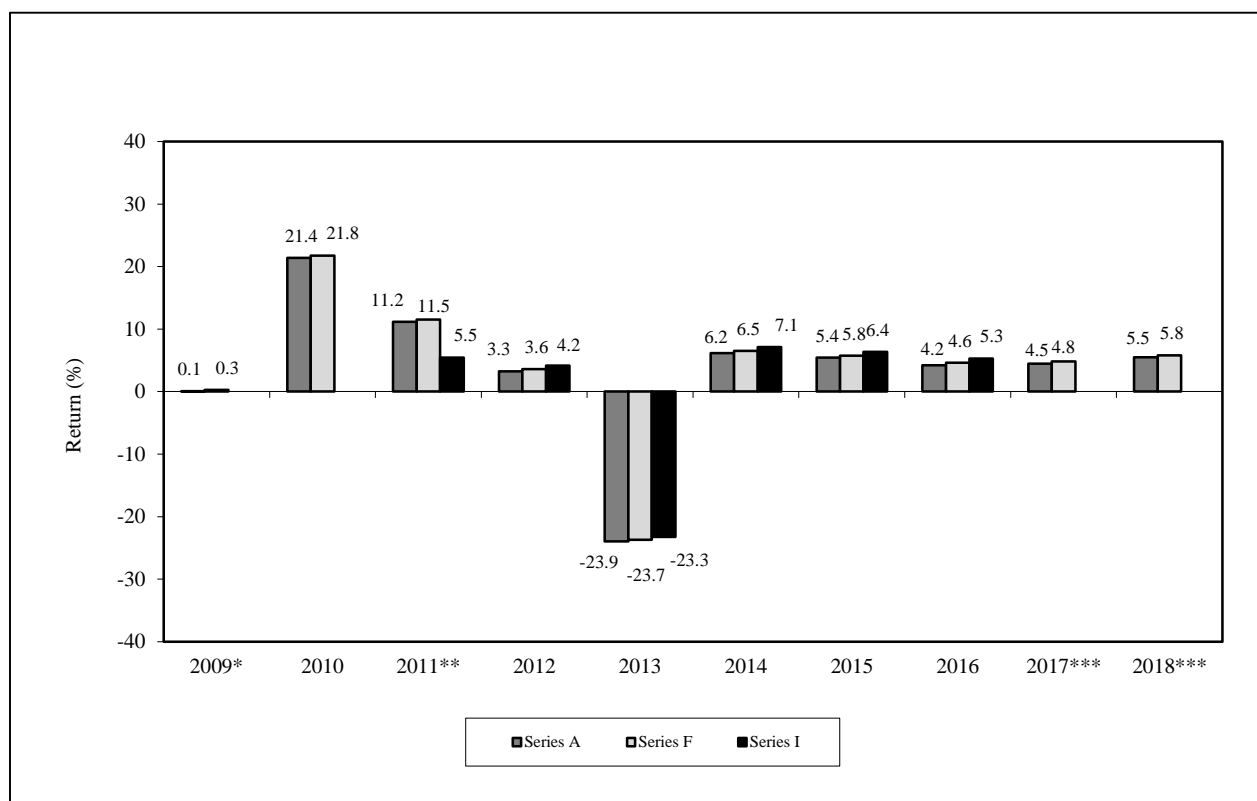
(formerly, *Sprott Gold Bullion Fund*)

Past Performance

The indicated rates of return are the historical total returns including changes in unit values and assume reinvestment of all distributions in additional units of the relevant Series of the Fund. These returns do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that may reduce returns. Please note that past performance is not indicative of future performance. All rates of returns are calculated based on the Net Asset Value of the particular Series of the Fund.

Year-by-Year Returns

The following chart indicates the performance of each Series of the Fund for the years ended December 31 shown, unless otherwise noted. The chart shows, in percentage terms, how much an investment made on the first day of each period would have grown or decreased by the last day of each period.



* Return from March 17, 2009 (launch date) to December 31, 2009 for Series A and Series F (not annualized).

** Return from June 6, 2011 to December 31, 2011 for Series I (not annualized).

*** There were no Series I units outstanding as at the year-end.

Annual Compound Returns

The following table illustrates the annual compound total return for each Series of units of the Fund for the periods shown. As a basis of performance comparison, the annual compound return of the Fund is compared to that of the return on spot gold. Since the Fund has expenses related to its gold holdings, the performance of the Fund is not expected to equal the performance of spot gold.

	1-Year	3-Year	5-Year	Since Inception*
Ninepoint Gold Bullion Fund – Series A	5.5%	4.7%	5.2%	3.2%
Ninepoint Gold Bullion Fund – Series F	5.8%	5.1%	5.5%	3.6%
Spot Gold Return (CAD)	6.8%	6.0%	6.4%	4.3%

* Since launch date of March 17, 2009 for Series A and Series F. Returns for Series I are not shown as there were no units outstanding as at December 31, 2018.

Ninepoint Gold Bullion Fund

December 31, 2018

(formerly, Sprott Gold Bullion Fund)

Summary of Investment Portfolio

As at December 31, 2018

All Holdings

	% of Net Asset Value
Gold Bullion	100.0
Bank Indebtedness	(0.1)
Other Net Assets	0.1
Total Net Asset Value	100.0

This summary of investment portfolio may change due to the ongoing portfolio transactions of the Fund. Quarterly updates of the Fund's investment portfolio are available on the Internet at www.ninepoint.com.

Corporate Information

Corporate Address

Ninepoint Partners LP
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2700, P.O. Box 27
Toronto, Ontario M5J 2J1
T 416.362.7172
TOLL-FREE 1.888.362.7172
F 416.628.2397
E invest@ninepoint.com
For additional information visit our website:
www.ninepoint.com
Call our mutual fund information line for daily closing prices:
416.362.7172 or 1.888.362.7172

Auditors

KPMG LLP
Bay Adelaide Centre
333 Bay Street
Suite 4600
Toronto, Ontario M5H 2S5

Legal Counsel

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Suite 3400
Toronto, Ontario M5H 4E3