



# Ninepoint Silver Equities Class

Ninepoint Corporate Class Inc.

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INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

JUNE 30

2019

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The interim 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 interim financial statements of the investment fund. You can get a copy of the interim financial statements at your request, and at no cost, by calling 1-888-362-7172, by visiting our website at [www.ninepoint.com](http://www.ninepoint.com) or SEDAR at [www.sedar.com](http://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.

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## Management Discussion of Fund Performance

### Investment Objective and Strategies

The objective of the Ninepoint Silver Equities Class (the “Fund”) is to seek to achieve long-term capital growth by investing primarily in equity securities of companies that are directly or indirectly involved in the exploration, mining, production or distribution of silver. The Fund can also invest in silver and silver certificates.

To achieve the Fund’s investment objective, the sub-advisor will utilize fundamental analysis to seek to identify securities with superior investment opportunities that have the potential for capital appreciation over the long-term. This involves seeking out undervalued companies backed by strong management teams and solid business models that can benefit from macro-economic trends. The Fund may also invest in silver in the form of bullion, coins and storage receipts and certificates relating to such metal when deemed appropriate by the sub-advisor.

The Fund may also:

- temporarily invest in cash or cash equivalent securities as a defensive strategy or for other reasons;
- deviate from the standard investment restrictions as the Fund has obtained exemptive relief to invest up to 20% of its net assets in silver, permitted silver certificates and/or specified derivatives of which the underlying interest is silver;
- engage in securities lending, repurchase and reverse repurchase transactions as permitted by the securities regulations;
- engage in short selling in a manner which is consistent with the investment objectives of the Fund and as permitted by securities regulations; and
- use derivative instruments, such as options, futures, forward contracts and swaps, for both hedging and non-hedging strategies.

### Risks

The risks of investing in the Fund are described in the Fund’s simplified prospectus. This Fund is suitable for investors who want exposure to the capital appreciation potential of silver and equity securities of companies that are involved in the exploration, mining, production or distribution of silver. This Fund is suitable for investors with a high investment risk tolerance and have a 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 year.

### Results of Operations and Recent Developments

The Fund, Series A returned 6.1% in the first half of 2019, while its benchmark, the MSCI ACWI Select Silver Miners IMI Net Return Index, returned 7.5%.

During the six-month period ended June 30, 2019, there was a slowdown in the global economy as well as escalating trade tensions between the U.S. and China, which increased the likelihood of investors purchasing “safe haven” assets like silver and gold. The U.S. Federal Reserve Board paused its interest rate increases and increased the potential for future interest rate cuts in the near term. This shift decreased the holding cost of silver and gold versus assets with a nominal yield, such as government bonds. The European Central Bank also adopted a more accommodative stance.

Higher silver prices during the first half of 2019 contributed to the Fund’s performance. At the individual security level, top contributors included Wheaton Precious Metals Corp. and SilverCrest Mines Inc. Wheaton’s shares benefited from a positive ruling from the Canada Revenue Agency and as a result of rising metal prices. SilverCrest continued to deliver exceptional exploration results, which helped propel its share price higher.

Individual detractors from the Fund’s performance included Pan American Silver Corp. and Fortuna Silver Mines Inc. Pan American’s stock price dropped as investors grappled with its latest acquisition of Tahoe Resources Inc. Fortuna was impacted by capital cost escalation at its Lindero project.

During the period, the Manager increased the Fund’s allocation to companies that offer higher exposure to silver price appreciation.

The Fund’s net asset value increased by 18.4% during the period, from \$86.5 million as at December 31, 2018 to \$102.3 million as at June 30, 2019. This change was predominantly due to unrealized gains on investments of \$7.1 million and net subscriptions of \$9.9 million. The portfolio turnover ratio decreased from the prior period.

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## Related Party Transactions

### MANAGEMENT FEES

The Fund pays a management fee to the Manager, at an annual rate of 2.50% for Series A shares, 2.00% for Series D shares, 1.50% for Series F shares and as negotiated by the shareholders of Series I. The management fee is calculated and accrued daily based on daily net asset value of that series of the Fund, and is paid monthly. For the period ended June 30, 2019, the Fund incurred management fees of \$1,006,217 (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 Commissions
Ninepoint Silver Equities Class – Series A	60%	40%
Ninepoint Silver Equities Class – Series D	75%	25%
Ninepoint Silver Equities Class – Series F	100%	–

Out of the management fees that the Manager received from the Fund, the Manager paid trailer commissions of \$55,846 during the period ended June 30, 2019, to Sightline Wealth Management (formerly, SP Wealth), an affiliate of the manager.

### INCENTIVE FEES

The Fund also pays the Manager an annual incentive fee, equal to a percentage of the average net asset value of the applicable Series of the Fund. Such percentage will be equal to 10% of the difference by which the return in net asset value per share of the applicable Series from launch date to December 31 exceeds the percentage return of the benchmark which is the MSCI ACWI Select Silver Miners IMI Net Return Index, for the same period. If the performance of a Series of the Fund in any year is less than the performance of the Index (the “Deficiency”), then no incentive fee will be payable until the performance of the applicable Series, on a cumulative basis, has exceeded the amount of the Deficiency. For the period ended June 30, 2019, the Fund accrued \$20 of incentive fees.

### OPERATING EXPENSES

The Fund pays its own operating expenses, which include, but are not limited to, audit, legal, custodial, filing and administrative expenses as well as shareholder 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 the Fund. Amounts waived or absorbed by the Manager are reported in the Statements of Comprehensive Income. Waivers or absorptions can be terminated at any time without notice. The Manager did not absorb any expenses during the period ended June 30, 2019.

### 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.

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## 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 period ended June 30, 2019 and each of the previous years ended December 31 shown, unless otherwise indicated.

The Fund's Net Assets per Share<sup>1</sup>

	<b>Jun 30, 2019</b>	Dec 31, 2018	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015	Dec 31, 2014
Series A	\$	\$	\$	\$	\$	\$
Net assets, beginning of period	<b>4.60</b>	5.61	6.41	3.35	4.43	4.68
<b>Increase (decrease) from operations:</b>						
Total revenue	<b>0.02</b>	0.04	0.03	0.03	0.04	0.03
Total expenses	<b>(0.08)</b>	(0.21)	(0.36)	(0.45)	(0.21)	(0.23)
Realized gains (losses) for the period	<b>(0.01)</b>	(0.68)	(0.72)	2.42	(0.85)	(0.13)
Unrealized gains (losses) for the period	<b>0.35</b>	(0.19)	0.23	(0.68)	(0.07)	(0.05)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.28</b>	(1.04)	(0.82)	1.32	(1.09)	(0.38)
<b>Distributions:</b>						
Dividend distributions	–	–	0.02	0.01	0.03	0.02
<b>Total distributions<sup>3</sup></b>	–	–	0.02	0.01	0.03	0.02
<b>Net assets, end of period</b>	<b>4.88</b>	4.60	5.61	6.41	3.35	4.43

	<b>Jun 30, 2019</b>	Dec 31, 2018
Series D	\$	\$
Net assets, beginning of period	<b>8.47</b>	10.00
<b>Increase (decrease) from operations:</b>		
Total revenue	<b>0.04</b>	0.04
Total expenses	<b>(0.12)</b>	(0.17)
Realized gains (losses) for the period	<b>(0.03)</b>	(1.25)
Unrealized gains (losses) for the period	<b>0.59</b>	0.39
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.48</b>	(0.99)
<b>Distributions:</b>		
Dividend distributions	–	–
<b>Total distributions<sup>3</sup></b>	–	–
<b>Net assets, end of period</b>	<b>8.99</b>	8.47

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	<b>Jun 30, 2019</b>	Dec 31, 2018	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015	Dec 31, 2014
Series F	\$	\$	\$	\$	\$	\$
Net assets, beginning of period	<b>4.91</b>	5.94	6.71	3.48	4.56	4.77
<b>Increase (decrease) from operations:</b>						
Total revenue	<b>0.02</b>	0.05	0.03	0.03	0.04	0.03
Total expenses	<b>(0.06)</b>	(0.15)	(0.24)	(0.37)	(0.15)	(0.17)
Realized gains (losses) for the period	<b>(0.01)</b>	(0.73)	(0.76)	2.39	(0.87)	(0.24)
Unrealized gains (losses) for the period	<b>0.45</b>	(0.32)	0.17	0.51	(0.16)	(0.64)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.40</b>	(1.15)	(0.80)	2.56	(1.14)	(1.02)
<b>Distributions:</b>						
Dividend distributions	–	–	0.02	0.01	0.03	0.02
<b>Total distributions<sup>3</sup></b>	–	–	0.02	0.01	0.03	0.02
<b>Net assets, end of period</b>	<b>5.24</b>	4.91	5.94	6.71	3.48	4.56

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

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

3 Distributions were made in cash.

4 Information provided is for the period June 11, 2018 (first issuance) to December 31, 2018 for Series D.

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## Ratios and Supplemental Data

Series A	Jun 30, 2019	Dec 31, 2018	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015	Dec 31, 2014
Total net asset value (000s) <sup>1</sup>	<b>\$54,586</b>	\$52,165	\$60,276	\$59,977	\$11,024	\$12,931
Number of shares outstanding <sup>1</sup>	<b>11,194,662</b>	11,347,604	10,744,359	9,363,501	3,288,133	2,919,026
Management expense ratio <sup>2</sup>	<b>3.07%</b>	2.98%	2.95%	3.36%	3.23%	3.21%
Management expense ratio before waivers or absorptions <sup>5</sup>	<b>3.07%</b>	2.98%	2.95%	3.36%	3.23%	3.41%
Trading expense ratio <sup>3</sup>	<b>0.34%</b>	1.07%	2.29%	2.99%	1.41%	0.99%
Portfolio turnover rate <sup>4</sup>	<b>27.08%</b>	168.54%	328.07%	380.69%	160.65%	102.01%
Net asset value per share <sup>1</sup>	<b>\$4.88</b>	\$4.60	\$5.61	\$6.41	\$3.35	\$4.43

Series D	Jun 30, 2019	Dec 31, 2018
Total net asset value (000s) <sup>1</sup>	<b>\$131</b>	\$102
Number of shares outstanding <sup>1</sup>	<b>14,560</b>	12,104
Management expense ratio <sup>2</sup>	<b>2.65%</b>	2.67%
Management expense ratio before waivers or absorptions <sup>5</sup>	<b>2.65%</b>	2.67%
Trading expense ratio <sup>3</sup>	<b>0.34%</b>	1.07%
Portfolio turnover rate <sup>4</sup>	<b>27.08%</b>	168.54%
Net asset value per share <sup>1</sup>	<b>\$8.99</b>	\$8.47

Series F	Jun 30, 2019	Dec 31, 2018	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015	Dec 31, 2014
Total net asset value (000s) <sup>1</sup>	<b>\$47,610</b>	\$34,195	\$52,636	\$68,142	\$15,078	\$18,680
Number of shares outstanding <sup>1</sup>	<b>9,087,691</b>	6,958,271	8,866,245	10,156,365	4,329,053	4,100,988
Management expense ratio <sup>2</sup>	<b>2.03%</b>	1.98%	1.91%	2.80%	2.21%	2.26%
Management expense ratio before waivers or absorptions <sup>5</sup>	<b>2.03%</b>	1.98%	1.91%	2.80%	2.21%	2.43%
Trading expense ratio <sup>3</sup>	<b>0.34%</b>	1.07%	2.29%	2.99%	1.41%	0.99%
Portfolio turnover rate <sup>4</sup>	<b>27.08%</b>	168.54%	328.07%	380.69%	160.65%	102.01%
Net asset value per share <sup>1</sup>	<b>\$5.24</b>	\$4.91	\$5.94	\$6.71	\$3.48	\$4.56

1 The information is provided as at June 30, 2019 and December 31 of the years shown prior to 2019.

2 Management expense ratio ("MER") is based on total expenses (including incentive fees, if any; excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The MER before incentive fees was 3.00% for Series A and 1.94% for Series F for the year ended December 31, 2016.

3 The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The TER includes dividend expense and securities borrowing expense paid by the Fund in connection with securities sold short.

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

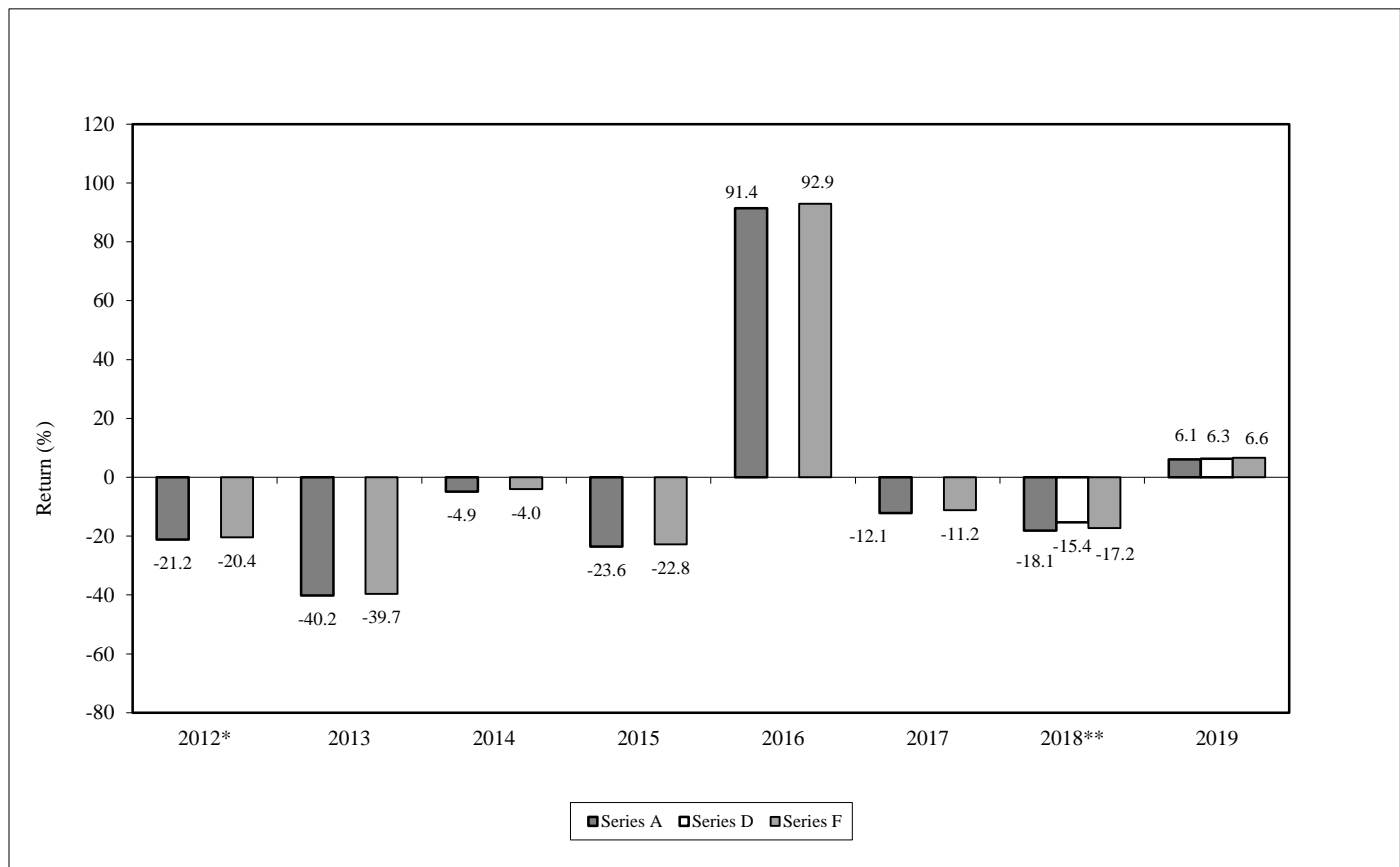
5 The Manager may waive or absorb a portion of the operating expenses of the Fund. Waivers and absorption can be terminated at any time.

## Past Performance

The indicated rates of return are the historical total returns including changes in share values and assume reinvestment of all distributions in additional shares 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 shareholder 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 period ended June 30, 2019 and each of the previous years ended December 31 shown, unless otherwise indicated. 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. Returns are not shown for a Series in any period in which there were zero outstanding shares as at the end of the period.



\* Return from February 28, 2012 (launch date) to December 31, 2012 for Series A and Series F (not annualized).

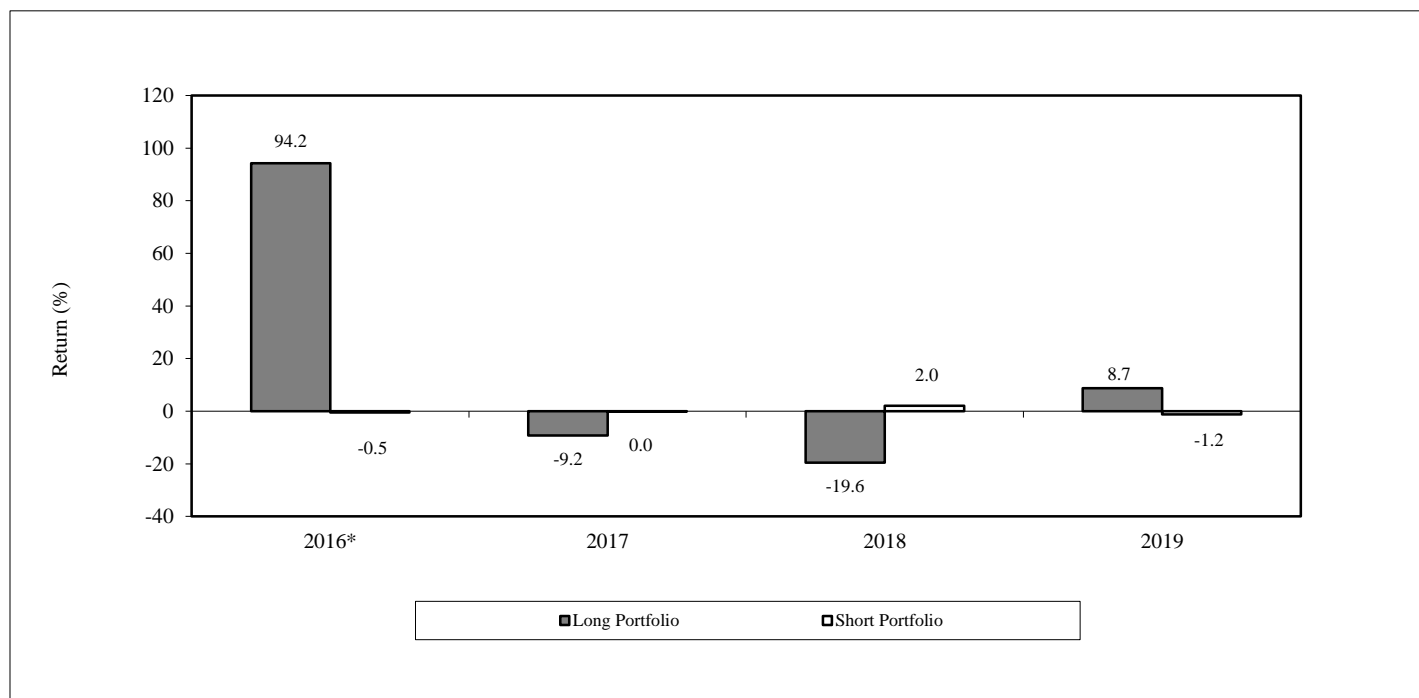
\*\* Return from June 11, 2018 to December 31, 2018 for Series D (not annualized).

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## Long and Short Portfolio Returns

The following table illustrates the contribution to the return of the Fund by the long portfolio and the short portfolio for the period ended June 30, 2019 and each of the years ended December 31 shown, unless otherwise indicated. For the purposes of this disclosure, certain derivatives may be considered to be part of the short portfolio.



\* The Fund did not hold short portfolio positions prior to 2016.



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## Summary of Investment Portfolio

As at June 30, 2019

### Portfolio Allocation

	% of Net Asset Value
Long Positions	
Silver and other metals	97.7
Total Long Positions	97.7
Cash	2.4
Other Net Assets	(0.1)
Total Net Asset Value	100.0

### Top 25 Long Positions

Issuer	% of Net Asset Value
Wheaton Precious Metals Corp.	16.7
SilverCrest Metals Inc.	7.2
Pan American Silver Corp.	6.2
Fresnillo PLC	5.4
First Majestic Silver Corp.	5.3
Fortuna Silver Mines Inc.	5.1
SSR Mining Inc.	4.8
Coeur Mining Inc.	4.5
Industrias Penoles SAB de CV	4.3
Hochschild Mining PLC	4.1
MAG Silver Corp.	3.6
Dundee Precious Metals Inc.	3.4
Compania de Minas Buenaventura S.A.A.	3.2
Silvercorp Metals Inc.	2.6
Seabridge Gold Inc.	2.5
Cash	2.4
Torex Gold Resources Inc.	2.2
Endeavour Silver Corp.	2.0
Hecla Mining Company	1.9
Dolly Varden Silver Corp.	1.8
Argonaut Gold Inc.	1.6
Excellon Resources Inc.	1.5
Gold Resource Corp.	1.3
Sabina Gold & Silver Corp.	0.9
Great Panther Mining Ltd.	0.8
<b>Top 25 long positions as a percentage of net asset value</b>	<b>95.3</b>

The Fund held no short positions as at June 30, 2019.

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](http://www.ninepoint.com).

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## Corporate Information

### Corporate Address

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