



Evolve ETFs

Gold Miners Split Corp.

June 30, 2019

Interim Management Report of Fund Performance

This interim management report of fund performance 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 1-844-370-4884, by writing to us at Evolve Funds, 161 Bay Street, Suite 2700, Toronto, ON, M5J 2S1 or by visiting our website at www.evolveetfs.com or SEDAR at www.sedar.com. You 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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Investment Objective and Strategies

Gold Miners Split Corp. (the "Fund") will invest in a portfolio comprised primarily of common shares of gold mining issuers included in the S&P/TSX Global Gold Index, the NYSE Arca Gold Miners Index and/or the MVIS Global Junior Gold Miners Index (collectively, the "Constituent Indexes") selected by Evolve Funds Group Inc. (the "Manager"). The Manager will only purchase securities for inclusion in the Portfolio listed in Canada, the United States, Australia or Europe. In order to qualify for inclusion in the Portfolio, at the time of investment and at the time of each reconstitution, (i) at least 90% of total assets of the Company must be invested in issuers included in a Constituent Index; (ii) at least 90% of total assets of the Company must be invested in issuers that have a market capitalization of no less than \$350 million; and (iii) at least 60% of total assets of the Company must be invested in issuers that have a market capitalization of no less than \$1 billion. The foregoing does not include cash and/or cash equivalents, and the Company is not restricted in the amount of cash or cash equivalents it can hold at any time. The Company will not make any investment in an issuer that would result in holdings of that issuer comprising more than 8% of the net asset value of the Company at the time of investment. The foregoing criteria will be applied on a "look through" basis, as applicable (for example in the event exchange-traded funds are included in the Portfolio). The Manager expects that at least 15 gold mining issuers will comprise the Portfolio.

The investment objectives for the Preferred Shares are (i) to provide holders of Preferred Shares with cumulative preferential quarterly cash dividends, the amount of which is fixed by the board of directors of the Company in respect of each three-year term of the Company; and (ii) on May 31, 2022 (the "Termination Date") to pay the holders of the Preferred Shares an amount per Preferred Share equal to \$10.00 per Preferred Share (the "Preferred Share Repayment Amount"). The quarterly cash distribution will be \$0.15 per Preferred Share (\$0.60 per annum), representing a yield of 6.0% per annum on the issue price of \$10.00 per Preferred Share until the Termination Date. The Board of Directors will determine the fixed dividend in respect of the Preferred Shares for each successive three-year period beyond the date that is three years from the date of closing of the Offering.

The investment objectives for the Class A Shares are to provide the holders with the opportunity for capital appreciation through exposure to the portfolio by paying such holders, on or about the Termination Date, subject to extension for successive terms of three years as determined by the Board of Directors, such amounts as remain in the Company on the Termination Date after paying the Preferred Share Repayment Amount to the holders of the Preferred Shares. Holders of Class A Shares are entitled to receive dividends as determined by the Board of Directors subject to the prior right of holders of Preferred Shares. At this time, other than for tax purposes, the Board of Directors does not anticipate declaring dividends in respect of the Class A Shares.

The Manager will act as the manager and the investment manager of the Company. The Manager will be responsible for the management and administration of the Company and, as investment manager, will also implement the Company's investment strategies.

Risk

There were no changes to the Fund over the period of this report that materially affected the level of risk associated with an investment in the Fund. Prospective investors should read the Fund's most recent prospectus and consider the description of risks contained therein.

Results of Operations

Since the Fund was launched on May 24, 2019, no performance data can be shown. The Fund's net assets were \$22.583MM as at June 30, 2019.

Portfolio Manager Commentary

Gold prices gyrated during the period on the back of uncertainty created by a number of factors, among them the potential for the US Federal Reserve to cut interest rates; trade tensions between the US and China; and geopolitical risks in the Middle East.

Over the past two months, investors rushed into gold pushing the yellow metal from \$1,200 levels to \$1,400 levels. Prices rose primarily on the back of heightened expectations that the Fed, like many counterparts around the world, would cut rates in acknowledgment of tepid economic stimulus and weak data.

However, when it became evident that a Fed rate cut would not materialize in May, gold prices slipped lower. Typically, lower interest rates reduce the opportunity cost of holding non-yielding gold, prompting investors to sell.(i)

But gold prices moved back into \$1,400 territory in late June, following remarks about weakening business and economic conditions by the Federal Reserve, which raised hopes that a rate cut of at least 25 basis points was almost a certainty at the forthcoming July 30-31 Fed meeting.(ii)

The rise and fall in equities as a result of on-off trade talks with China also put pressure on gold prices throughout the quarter.

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As well, developments regarding Britain's divorce from the EU in the wake of U.K. Prime Minister Theresa May's resignation announcement could also have an impact on gold prices. Gold's direction would be decided by May's replacement, and whether the candidate will continue pushing for Brexit.(iii)

(i) <https://www.cnbc.com/2019/06/26/gold-market-fed-rate-cut-bets-us-china-trade-war-in-focus.html>

(ii) <https://www.cnbc.com/2019/06/26/gold-market-fed-rate-cut-bets-us-china-trade-war-in-focus.html>

(iii) www.investing.com/news/commodities-news/gold-prices-rise-brex-it-sinuous-trade-war-in-focus-1879359

Recent Developments

There are no known changes at this time to the investment strategy of the Fund or the Manager.

Related Party Transactions

Manager complies with its current policy and procedures regarding investments in related issuers and reports periodically to the Investment Review Committee.

Management Fees

The Manager receives an annual management fee equal to 0.70% per annum of the average daily net asset value of the Fund, calculated and payable monthly in arrears, plus any applicable taxes. For the period ended June 30, 2019, the Fund incurred \$25,826 in management fees.

Performance Bonus

The Manager shall be entitled to a performance bonus (the "Performance Bonus"), calculated as of (i) the Termination Date; (ii) the last day of each successive three-year term of the Company, if any; and (iii) the final termination date of the Company, if different from (i) or (ii) (each such calculation date covered by (ii) or (iii), a "Subsequent Calculation Date", and together with the Termination Date, the "Calculation Dates"). The Performance Bonus shall be equal to 15% of the amount by which (i) the NAV per Unit as at the applicable Calculation Date exceeds (ii) the Hurdle NAV (as hereinafter defined). The "Hurdle NAV" shall equal (i) in respect of the Termination Date, \$32.50, being the initial issuance price per Unit of \$25.00 multiplied by an annual non-compounded 10% rate of return; and (ii) in respect of a Subsequent Calculation Date, the greater of (A) the initial issuance price per Unit of \$25.00; and (B) the NAV per Unit as at the prior Calculation Date multiplied by an annual non-compounded 10% rate of return. For greater certainty, any foregoing reference to an annual non-compounded 10% rate of return shall be pro-rated based on any fractional year periods. The Performance Bonus shall accrue daily and be paid as of the applicable Calculation Date.

For the period ended June 30, 2019, the Fund did not accrue performance bonus.

Operating Expenses

The Company will also pay for all expenses incurred in connection with its operation and administration. It is expected that these expenses will include, without limitation, all costs of Portfolio transactions, fees payable to the Manager, debt service costs, custodial fees, legal, audit and valuation fees and expenses, expenses of the directors of the Manager, fees and expenses of the members of the independent review committee appointed under NI 81-107 and expenses related to compliance with NI 81-107, premiums for directors' and officers' insurance coverage for the directors and officers of the Manager and the Company and members of the independent review committee, costs of reporting to shareholders, registrar, transfer and distribution agency costs, printing and mailing costs, listing fees and expenses and other administrative expenses and costs incurred in connection with the continuous public filing requirements of the Company and investor relations, fees and expenses relating to any services provided by third parties, taxes, brokerage commissions, costs and expenses relating to the issue of shares, costs and expenses of preparing financial and other reports, costs and expenses arising as a result of complying with all applicable laws, regulations and policies, extraordinary expenses that the Company may incur and all amounts paid on account of indebtedness of the Company. Such expenses will also include expenses of any action, suit or other proceedings in which or in relation to which the Manager, the agents and/or any of their respective officers, directors, the independent review committee members, employees, consultants or agents is entitled to indemnity by the Company. The Company will also pay for all expenses incurred in connection with its termination on or about the Termination Date, subject to extension for successive terms of three years as determined by the Board of Directors.

The Manager estimates that operating expenses, exclusive of the Management Fee, the Performance Bonus, debt servicing and other costs and brokerage expenses related to Portfolio transactions, will be approximately \$130,000 per annum, plus any applicable taxes (assuming an offering size of approximately \$30 million).

For the period ended June 30, 2019, the Fund incurred \$0 in operating expenses.

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Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help readers understand the Fund's financial performance for the period indicated.

The Fund's Net Assets Per Share¹

	June 30, 2019 (\$)
For the periods ended:	
Class A Shares - Net Assets per Share	
Net Assets per Share, beginning of period ²	13.95
Increase (decrease) from operations:	
Total revenue	0.03
Total expenses	(0.13)
Realized gains (losses)	0.61
Unrealized gains (losses)	4.71
Preferred share distributions	(0.06)
Total increase (decrease) from operations³	5.16
Net Assets per Share, end of period	18.79

- 1 This information is derived from the Fund's unaudited interim financial statements as at June 30, 2019. The Fund began operations on May 24, 2019.
- 2 This amount represents initial offering price, net of Agents' Fees of \$0.75 per Class A shares and \$0.30 per Preferred Share.
- 3 Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of shares outstanding over the period.

The Fund's Ratios/Supplemental Data

	June 30, 2019
For the periods ended:	
Class A Shares - Ratios/Supplemental Data	
Total Net Asset Value (\$) - including Preferred shares	34,598,475
Number of Class A shares outstanding	1,201,555
Management expense ratio ⁴	14.93%
Trading expense ratio ⁵	1.25%
Portfolio turnover rate ⁶	11.15%
Net Asset Value per unit (\$) ⁷	28.79
Net Asset Value per Class A shares (\$)	18.79
Net Asset Value per Preferred shares (\$) ⁸	10.00
Closing market price - Class A shares (\$)	16.75
Closing market price - Preferred shares (\$)	10.40

- 4 Management expense ratio ("MER") includes the total expenses of the Fund for the stated period, including distributions on Preferred Shares and issuance costs, but excluding brokerage commissions on securities transactions, and is expressed as an annualized percentage of the average Net asset Value of the Fund, which includes the outstanding Preferred shares over the period. In May 2019, the Fund realized one-time costs in connection with its issuance of 1,201,555 Class A shares and 1,201,555 Preferred shares. Without issuance costs, the management expense ratio would have been 3.52%.
- 5 The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of average daily net assets during the period.
- 6 The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager 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 period. The higher the Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.
- 7 "Unit" means a notional unit consisting of one Preferred share and one Class A Share. Net Asset value per Unit is determined by the Net asset Value of the Fund, for which the Preferred shares are not treated as liabilities.
- 8 Net Asset Value per Preferred share does not include the accrued Preferred share distribution.

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Past Performance

Since the Fund is a reporting issuer for less than one year, with inception date May 24, 2019, providing performance data for the period is not permitted.

Summary of Investment Portfolio

Top 25 Positions

	Percentage of Net Asset Value (%)
Security	
Barrick Gold Corporation	12.2
Agnico Eagle Mines Limited	11.0
Wheaton Precious Metals Corporation	8.7
Newmont Goldcorp Corporation	8.7
Yamana Gold Inc.	7.5
Royal Gold Inc.	6.9
Alamos Gold Inc., Class 'A'	6.8
Regis Resources Limited	6.5
Gold Fields Limited, ADR	6.3
SSR Mining Inc.	6.2
First Majestic Silver Corporation	6.0
Pan American Silver Corporation	5.9
St Barbara Limited	5.3
Evolution Mining Limited	5.2
Compania de Minas Buenaventura SAA, ADR	4.9
Newcrest Mining Limited	4.4
Franco-Nevada Corporation	4.1
AngloGold Ashanti Limited, ADR	4.0
Osisko Gold Royalties Limited	4.0
Kirkland Lake Gold Limited	3.8
Hecla Mining Company	3.3
New Gold Inc.	3.6
Kinross Gold Corporation	2.9
Continental Gold Inc.	2.7
SEMAFO Inc.	1.5
Total	142.4

Industry Allocation

Portfolio by Category	Percentage of Net Asset Value (%)
Equities	
Materials	149.7
Derivative Assets	0.9
Derivative Liabilities	(2.4)
Cash and Cash Equivalents	5.1
Other Assets, less Liabilities	(53.3)
Total	100.0

The summary of Investment Portfolio may change due to the ongoing portfolio transactions of the Fund. Updates are available quarterly by visiting our website at www.evolveetfs.com.



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