# MARQUEST MUTUAL FUNDS INC.
# Explorer Series Fund

UNAUDITED INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2026

INTERIM FINANCIAL STATEMENTS 2026

MARQUEST ASSET MANAGEMENT INC.

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**UNAUDITED INTERIM FINANCIAL STATEMENTS**

**STATEMENTS OF FINANCIAL POSITION (CDN $)**

As at

| | June 30, 2026 ($) | December 31, 2025 ($) |
|---|---|---|
| **Assets** | | |
| **Current Assets** | | |
| Cash | 822,912 | 227,173 |
| Investments at fair value through profit and loss | 8,942,187 | 11,055,177 |
| Accrued dividend receivable | 291 | 570 |
| Accrued interest receivable | 1,000 | 1,000 |
| Refundable taxes receivable (Note 5) | 14,247 | 14,247 |
| Prepaid fees | - | 1,814 |
| Total Assets | 9,780,637 | 11,299,981 |
| **Liabilities** | | |
| **Current Liabilities** | | |
| Management fees payable | 690 | 1,202 |
| Other payables and accrued expenses | 122,436 | 129,276 |
| Total Liabilities | 123,126 | 130,478 |
| **Net Assets Attributable to Holders of Redeemable Shares (Note 3)** | 9,657,511 | 11,169,503 |
| **Net Assets Attributable to Holders of Redeemable Shares per Series** | | |
| Series A-Rollover | 7,877,305 | 9,407,359 |
| Series A-Regular | - | 1,634 |
| Series F | 1,780,206 | 1,760,510 |
| **Total units outstanding** | | |
| **Net Assets Attributable to Holders of Redeemable Shares per Share (Note 3)** | | |
| Series A-Rollover | 1.06 | 1.15 |
| Series A-Regular | - | 1.21 |
| Series F | 1.14 | 1.23 |

Approved on behalf of the Board of Directors of Marquest Mutual Funds Inc.

| | |
|---|---|
| "Ellen Sun" | "Andrew A. McKay" |
| Ellen Sun | Andrew A. McKay |
| Director | Director |

*The accompanying notes form an integral part of the financial statements*

**UNAUDITED INTERIM FINANCIAL STATEMENTS**

**STATEMENTS OF COMPREHENSIVE INCOME (CDN $)**

For the six-month periods ended June 30

| | 2026 ($) | 2025 ($) |
|---|---|---|
| **Income** | | |
| Dividends | 20,449 | 17,741 |
| Interest for distribution purposes | 2,523 | 4,795 |
| Other income | 62 | - |
| Net foreign exchange (loss) on cash | (7) | (15) |
| Net realized gain (loss) on sale of investments | 2,056,933 | (267,481) |
| Net change in unrealized (depreciation) appreciation on investments | (2,174,782) | 2,222,009 |
| **Total Income** | (94,822) | 1,977,049 |
| **Expenses (Note 4)** | | |
| Management fees | 111,543 | 62,013 |
| Operating fees | 84,288 | 110,207 |
| Transaction costs (Note 6) | 19,750 | 19,592 |
| Legal fees | 21,324 | 23,117 |
| Audit fees | 23,126 | 21,128 |
| Independent Review Committee fees | 16,364 | 16,371 |
| Custodian fees | 12,884 | 14,521 |
| Unitholder reporting costs | 10,762 | 7,443 |
| Interest charges | - | 40 |
| **Total Expenses** | 300,041 | 274,432 |
| **Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares from Operations** | (394,863) | 1,702,617 |
| **Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares from Operations per Series** | | |
| Series A-Rollover | (234,195) | 1,447,705 |
| Series A-Regular | (66) | 213 |
| Series F | (160,602) | 254,699 |
| **Increase in Net Assets Attributable to Holders of Redeemable Shares from Operations per Share (Note 3)** | | |
| Series A-Rollover | (0.03) | 0.16 |
| Series A-Regular | (0.04) | 0.16 |
| Series F | (0.08) | 0.17 |

*The accompanying notes form an integral part of the financial statements*

**UNAUDITED INTERIM FINANCIAL STATEMENTS**

**STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES (CDN $)**

For the six-month periods ended June 30

| | 2026 ($) | 2025 ($) | 2026 ($) | 2025 ($) |
|---|---|---|---|---|
| | Series A-Rollover | | Series A-Regular | |
| **Net Assets Attributable to Holders of Redeemable Shares, Beginning of Period** | 9,407,359 | 4,813,832 | 1,634 | 742 |
| **Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares from Operations** | (234,195) | 1,447,705 | (66) | 213 |
| **Redeemable Share Transactions (Note 3)** | | | | |
| Issuance of shares | - | 2 | - | - |
| Issuance of shares - rollover | 3,888,976 | 4,435,532 | - | - |
| Redemption of shares | (5,184,835) | (4,692,936) | (1,568) | - |
| Net (decrease) from redeemable share transactions | (1,295,859) | (257,402) | (1,568) | - |
| **Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares** | (1,530,054) | 1,190,303 | (1,634) | 213 |
| **Net Assets Attributable to Holders of Redeemable Shares, End of Period** | 7,877,305 | 6,004,135 | - | 955 |

| | 2026 ($) | 2025 ($) | 2026 ($) | 2025 ($) |
|---|---|---|---|---|
| | Series F | | Total | |
| **Net Assets Attributable to Holders of Redeemable Shares, Beginning of Period** | 1,760,510 | 1,129,470 | 11,169,503 | 5,944,044 |
| **Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares from Operations** | (160,602) | 254,699 | (394,863) | 1,702,617 |
| **Redeemable Share Transactions (Note 3)** | | | | |
| Issuance of shares | 340,833 | 1,500 | 340,833 | 1,502 |
| Issuance of shares - rollover | 308,363 | 650,880 | 4,197,339 | 5,086,412 |
| Capitalized distributions | - | - | - | - |
| Redemption of shares | (468,898) | (1,004,927) | (5,655,301) | (5,697,863) |
| Net increase (decrease) from redeemable share transactions | 180,298 | (352,547) | (1,117,129) | (609,949) |
| **Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares** | 19,696 | (97,848) | (1,511,992) | 1,092,668 |
| **Net Assets Attributable to Holders of Redeemable Shares, End of Period** | 1,780,206 | 1,031,622 | 9,657,511 | 7,036,712 |

*The accompanying notes form an integral part of the financial statements*

## STATEMENTS OF CASH FLOW (CDN $)

For the six-month periods ended June 30

| | 2026 ($) | 2025 ($) |
|---|---|---|
| **Cash Flows from Operating Activities** | | |
| Increase (Decrease) in net assets attributable to holders of redeemable shares from operations | (394,863) | 1,702,617 |
| Adjustments for: | | |
| Net foreign exchange loss on cash | 7 | 15 |
| Net realized loss (gain) on sale of investments | (2,056,933) | 267,481 |
| Net change in unrealized (appreciation) on investments | 2,174,782 | (2,222,009) |
| Purchases of investments* | (1,264,617) | (805,170) |
| Proceeds from sale and maturity of investments | 6,487,409 | 4,145,243 |
| Accrued dividend receivable | 279 | 650 |
| Prepaid fees | 1,814 | - |
| Management fees payable | (512) | 181 |
| Other payables and accrued expenses | (6,840) | 24,865 |
| **Net Cash from Operating Activities** | 4,940,526 | 3,113,873 |
| **Cash Flows used in Financing Activities** | | |
| Issuance of shares* | 1,310,521 | 2,646,815 |
| Redemption of shares | (5,655,301) | (5,697,863) |
| **Net Cash used in Financing Activities** | (4,344,780) | (3,051,048) |
| **Increase in Cash during the period** | 595,746 | 62,825 |
| Net foreign exchange (loss) on cash | (7) | (15) |
| **Cash at Beginning of period** | 227,173 | 478,008 |
| **Cash at End of period** | 822,912 | 540,818 |
| **Supplementary disclosures on cash flow from operating activities:** | | |
| Dividends received | 20,728 | 18,391 |
| Interest received | 2,523 | 4,795 |
| Interest paid | - | (40) |

**Excludes in-kind transactions of $3,227,651 and $2,441,099 for the periods ended June 30, 2026 and 2025*

*The accompanying notes form an integral part of the financial statements*

**MARQUEST MUTUAL FUNDS INC. - EXPLORER SERIES FUND**

**UNAUDITED INTERIM FINANCIAL STATEMENTS**

**SCHEDULE OF INVESTMENT PORTFOLIO (CDN $)**
**As at June 30 2026**

| | Number of Shares, Units or Warrants | Expiry Date | Exercise Price $ | Average Cost $ | Fair Value $ |
|---|---|---|---|---|---|
| **EQUITIES (90.24%)** | | | | | |
| **Precious Metals (47.42%)** | | | | | |
| Agnico Eagle Mines Ltd. | 1,660 | | | 352,675 | 365,798 |
| B2Gold Corp. | 75,212 | | | 466,483 | 400,128 |
| Barrick Mining Corp. | 8,300 | | | 370,606 | 432,845 |
| Eldorado Gold Corp. | 9,230 | | | 229,107 | 407,412 |
| Gold Mountain Mining Corp. | 13,244,000 | | | - | - |
| IAMGOLD Corp. | 22,500 | | | 288,569 | 506,475 |
| Juggernaut Exploration Ltd. | 300,000 | | | 360,000 | 318,000 |
| Kinross Gold Corp. | 11,720 | | | 372,144 | 393,558 |
| Pan American Silver Corp. | 3,320 | | | 143,842 | 211,086 |
| Sitka Gold Corp. | 500,000 | | | 180,000 | 500,000 |
| Trident Resources Corp. | 161,250 | | | 301,053 | 646,612 |
| Wheaton Precious Metals Corp. | 2,490 | | | 347,126 | 397,255 |
| | | | | 3,411,605 | 4,579,169 |
| **Base Metals (33.03%)** | | | | | |
| Capstone Copper Corp. | 26,760 | | | 273,841 | 348,683 |
| Class 1 Nickel & Technologies Ltd. | 600,000 | | | 30,000 | 96,000 |
| First Quantum Minerals Ltd. | 13,876 | | | 413,327 | 537,556 |
| Fortune Minerals Ltd. | 2,000,000 | | | 140,000 | 300,000 |
| Hudbay Minerals Inc. | 16,700 | | | 370,402 | 559,283 |
| Ivanhoe Mines Ltd. | 36,700 | | | 462,647 | 407,737 |
| Lundin Mining Corp. | 18,000 | | | 448,355 | 622,080 |
| Saga Metals Corp. | 636,500 | | | 407,360 | 318,250 |
| | | | | 2,545,932 | 3,189,589 |
| **Uranium (7.65%)** | | | | | |
| Americas Uranium Corp. | 19,569 | | | 6,066 | 6,653 |
| Cameco Corp. | 2,680 | | | 327,608 | 387,421 |
| CanAlaska Uranium Ltd. | 300,000 | | | 180,000 | 133,500 |
| NexGen Energy Ltd. | 15,870 | | | 186,701 | 211,388 |
| | | | | 700,375 | 738,962 |
| **Lithium (1.86%)** | | | | | |
| Metal Energy Corp. | 250,000 | | | 125,000 | 180,000 |
| | | | | 125,000 | 180,000 |
| **Graphite (0.28%)** | | | | | |
| Canada Carbon Inc. | 4,000,400 | | | 60,006 | 20,002 |
| Jinhua Capital Corp. | 300,000 | | | 30,000 | 7,500 |
| | | | | 90,006 | 27,502 |
| **TOTAL EQUITIES** | | | | 6,872,918 | 8,715,222 |
| **WARRANTS (2.35%)** | | | | | |
| **Precious Metals (1.04%)** | | | | | |
| Blue Star Gold Corp. | 800,000 | 12-08-2026 | 0.20 | 28,000 | 10,768 |
| Brixton Metals Corp. | 550,000 | 22-11-2026 | 1.20 | - | 71 |
| Bullion Gold Discoveries Corp. | 1,400,000 | 01-10-2026 | 0.10 | - | 3,166 |
| Canadian Gold Resources Ltd. | 700,000 | 18-11-2026 | 0.40 | 1 | - |
| Clarity Metals Corp. | 2,150,000 | 21-11-2028 | 0.12 | - | 9,005 |
| Equity Metals Corp. | 310,000 | 16-08-2026 | 0.20 | 13,950 | 16,348 |
| Falcon Gold Corp. | 1,500,000 | 20-11-2026 | 0.24 | - | 60 |
| Forge Resources Corp. | 150,000 | 16-09-2028 | 0.70 | - | 1,652 |
| Gold Strike Resources Corp. | 328,571 | 12-06-2027 | 0.84 | - | 4,453 |
| Golden Goose Resources Corp. | 850,000 | 12-11-2026 | 0.25 | - | 12,732 |
| LaFleur Minerals Inc. | 2,175,000 | 20-12-2026 | 0.55 | 65,250 | - |
| Lomiko Metals Inc. | 187,500 | 19-01-2027 | 1.10 | - | - |
| Lomiko Metals Inc. | 375,000 | 12-11-2027 | 0.20 | - | 70 |
| Opawica Explorations Inc. | 1,000,000 | 20-12-2026 | 0.40 | - | - |
| Opus One Gold Corp. | 2,000,000 | 20-12-2027 | 0.10 | - | 6,493 |
| Q-Gold Resources Ltd. | 1,100,000 | 13-12-2026 | 0.20 | 27,500 | 31,836 |
| Silverco Mining Ltd. | 7,500 | 23-12-2026 | 25.00 | - | 1,082 |
| Sun Summit Minerals Corp. | 1,000,000 | 24-07-2026 | 0.25 | 1 | - |
| Sun Summit Minerals Corp. | 1,350,000 | 20-12-2026 | 0.15 | 20,250 | 2,745 |
| Tower Resources Ltd. | 3,400,000 | 03-07-2026 | 0.18 | 3 | - |
| | | | | 154,955 | 100,481 |

**SCHEDULE OF INVESTMENT PORTFOLIO (CDN $)**
**As at June 30 2026**

| | Number of Shares, Units or Warrants | Expiry Date | Exercise Price $ | Average Cost $ | Fair Value $ |
|---|---|---|---|---|---|
| **Lithium (0.91%)** | | | | | |
| Consolidated Lithium Metals Inc. | 8,000,000 | 30-10-2026 | 0.05 | 8 | 87,975 |
| | | | | 8 | 87,975 |
| **Base Metals (0.24%)** | | | | | |
| Cupani Metals Corp. | 2,000,000 | 21-07-2027 | 0.30 | - | 645 |
| Decade Resources Ltd. | 6,000,000 | 03-12-2026 | 0.08 | - | 15,390 |
| Formation Metals Inc. | 1,200,000 | 18-07-2027 | 0.60 | - | 256 |
| Giga Metals Corp. | 1,500,000 | 30-07-2028 | 0.11 | - | 7,055 |
| Metal Critic Minerals Inc. | 750,000 | 16-07-2026 | 0.45 | 1 | - |
| Murchison Minerals Ltd. | 312,500 | 03-12-2026 | 1.00 | - | - |
| Niobay Metals Inc. | 3,150,000 | 27-07-2026 | 0.12 | 3 | 9 |
| Prospect Ridge Resources Corp. | 1,100,000 | 24-07-2026 | 0.30 | 1 | - |
| Sparton Resources Inc. | 2,500,000 | 07-11-2026 | 0.08 | - | - |
| St-Georges Eco-Mining Corp. | 500,000 | 01-11-2027 | 0.29 | - | - |
| St-Georges Eco-Mining Corp. | 1,600,000 | 18-11-2027 | 0.29 | - | - |
| St-Georges Eco-Mining Corp. | 5,000,000 | 23-11-2028 | 0.18 | - | - |
| Vanadiumcorp Resource Inc. | 500,000 | 21-05-2027 | 0.45 | - | 4 |
| | | | | 5 | 23,359 |
| **Commodity Chemicals (0.11%)** | | | | | |
| First Atlas Resources Corp. | 2,700,000 | 23-10-2027 | 0.12 | - | 10,323 |
| | | | | - | 10,323 |
| **Rare Earths (0.05%)** | | | | | |
| Argyle Resources Corp. | 80,000 | 07-07-2027 | 3.40 | - | - |
| Defense Unit Corp. | 350,000 | 21-05-2028 | 0.20 | - | 4,398 |
| Primary Hydrogen Corp. | 50,000 | 27-06-2027 | 5.50 | - | 3 |
| | | | | - | 4,401 |
| **Uranium (0.00%)** | | | | | |
| Azincourt Energy Corp. | 2,000,000 | 21-12-2026 | 0.30 | - | 16 |
| Greenridge Exploration Inc. | 650,000 | 19-12-2027 | 1.15 | - | 1 |
| Mustang Energy Corp. | 3,000,000 | 09-07-2028 | 0.21 | - | 236 |
| Standard Uranium Ltd. | 1,000,000 | 10-12-2026 | 0.15 | - | 173 |
| | | | | - | 426 |
| **Graphite (0.00%)** | | | | | |
| Canada Carbon Inc. | 3,333,000 | 28-04-2028 | 0.40 | 3 | - |
| First Can Graph | 250,000 | 25-07-2026 | 1.00 | - | - |
| | | | | 3 | - |
| **TOTAL WARRANTS** | | | | 154,971 | 226,965 |
| **Total cost and fair value of investments (92.59%)** | | | | 7,027,889 | 8,942,187 |
| **Less: Transaction costs included in average cost (Note 4)** | | | | (1,892) | - |
| **TOTAL INVESTMENTS** | | | | 7,025,997 | 8,942,187 |
| **Other Assets Less Liabilities (7.41%)** | | | | 715,324 | 715,324 |
| **Net assets attributable to holders of redeemable units** | | | | 7,741,321 | 9,657,511 |

**PORTFOLIO CONCENTRATION (CDN $)**

| Portfolio by Category | % of Net Assets Attributable to Holders of Redeemable Units June 30, 2026 | December 31, 2025 |
|---|---|---|
| Precious Metals | 48.46% | 56.83% |
| Base Metals | 33.27% | 32.73% |
| Uranium | 7.65% | 7.03% |
| Lithium | 2.77% | 1.39% |
| Graphite | 0.28% | 0.74% |
| Commodity Chemicals | 0.11% | 0.00% |
| Rare Earths | 0.05% | 0.26% |
| Other Assets Less Liabilities | 7.41% | 1.02% |
| Total | 100.00% | 100.00% |

Notes to Unaudited Interim Financial Statements (expressed in Canadian dollars)

**1. THE FUNDS**

Marquest Mutual Funds Inc. (the "Corporation") is an open-ended mutual fund corporation incorporated by articles of incorporation under the laws of Ontario on September 24, 2004. In addition to ten common shares issued upon incorporation, the Corporation has one Class of mutual fund shares – Explorer Series Fund ("the Fund") with three series. The Fund's registered office is located at 161 Bay Street, Suite 2460, Toronto, Ontario, M5J 2S1. The Fund invests in Canadian securities, Canadian fixed income securities, Canadian short-term debt securities and derivatives. All the Fund's equity investments are listed and traded on stock exchange markets in Canada.

The investment objective of the Explorer Series Fund is to provide long-term growth by investing primarily in equity securities of Canadian mineral exploration and mining companies.

Marquest Asset Management Inc. is the manager (the "Manager") of the Fund. The Fund's investment activities and administration are managed by the Manager. The Fund's custodian is RBC Investor Services Trust.

The Fund's commencement dates of operations are as follows:

| Name of Fund | Series A-Rollover | Series A-Regular | Series F |
|---|---|---|---|
| Explorer Series Fund | 15-Jan-05 | 27-Nov-07 | 27-Nov-07 |

**2. MATERIAL ACCOUNTING POLICY INFORMATION**

a) Basis of Presentation

These interim financial statements have been prepared in compliance with IFRS Accounting Standards and in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS 34") as published by the International Accounting Standards Board ("IASB") and as required by Canadian securities legislation and the Canadian Accounting Standards Board.

The Fund qualifies as an investment entity as it meets the following definition of an investment entity outlined in IFRS 10, Consolidated Financial Statements (IFRS 10):

- Obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services.
- Commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both.
- Measures and evaluates the performance of substantially all of its investments on a fair value through profit or loss.

These financial statements were authorized for issue by the Board of Directors of Marquest Mutual Funds Inc. on August 27 2026.

These financial statements present the financial information of the Class as a separate reporting entity. The Manager believes that the risk of such cross-class liability is remote.

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise indicated.

These interim financial statements are condensed interim financial statements prepared in accordance with IAS 34, Interim Financial Reporting, and should be read in conjunction with the Fund's annual financial statements for the year ended December 31, 2025.

(b) Significant Accounting Judgments, Estimates and Assumptions

The preparation of these financial statements requires the Manager to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting periods. Actual outcomes could differ from these estimates. Significant estimates include the valuation of investments and warrants, and significant judgments include the classification and measurement of investments and classification of the Fund as an investment entity. The impacts of such estimates may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and
future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates

The Fund holds financial instruments that are not quoted in active markets. Fair values may be determined using reputable pricing vendors or indicated prices from market makers/brokers. Broker quotes obtained from pricing sources may be indicative and not executable or binding. Securities not listed upon a recognized public stock exchange, or securities for which a last sale or closing price is unavailable or securities for which market quotations are, in the Manager's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their estimated fair value, determined by using appropriate and accepted industry valuation techniques including valuation models. Specifically, the Fund utilizes the Black-Scholes model for standard warrant valuations and Monte Carlo simulations for instruments with acceleration clauses. The estimated fair value of a security determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. The estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty) and volatility. Changes in assumption about these factors could affect the reported fair value of financial instruments and the level where the instruments are disclosed in the fair value hierarchy. To assess the significance, the Fund performs sensitivity analysis of these estimates to the fair value of the Fund's holdings (see Note 9).

**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

(b) Significant Accounting Judgments, Estimates and Assumptions (continued)

Classification and measurement of investments

The Manager has assessed the business models of the Fund and has determined that the Fund's portfolio of financial assets and financial liabilities is managed, and performance is evaluated on a fair value basis in accordance with the Fund's risk management and investment strategies; therefore, classification and measurement of investments is fair value through profit and loss (FVTPL).

(c) Functional and Presentation Currency

These financial statements are presented in Canadian dollars (CAD), which is the Fund's functional currency. The Fund's subscriptions and redemptions are denominated in Canadian dollars (CAD).

Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the prevailing rate of exchange on each valuation date. Purchases and sales of investments, income and expenses are translated at the rate of exchange prevailing on the respective dates of such transactions. The effects of exchange rate fluctuations on investments and foreign currency transactions are included in the "Net foreign exchange gain (loss)" in the Statements of Comprehensive Income.

(d) Basis of Measurement

These financial statements have been prepared on a historical cost basis, except for investments, which are measured at fair value in the Statements of Financial Position.

(e) Financial Instruments

Recognition and derecognition

All financial instruments are recognized at fair value upon initial recognition when the Fund becomes a party to the contractual requirements of the financial instruments. A financial asset is derecognized when the right to receive cash flows from the asset has expired or if the Fund has substantially transferred all risk and rewards of ownership. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired.

Classification and measurement
In classifying and measuring financial instruments held by the Fund, the Manager is required to assess the Fund's business model, the manner in which all financial assets and financial liabilities are managed and performance evaluated as a group on a fair value basis and the contractual cash flow characteristics of these financial instruments. The Fund's portfolio of financial assets is managed and evaluated on a fair value basis. Consequently, the Fund classifies and measure all investments and derivatives at FVTPL.

All other assets and liabilities are subsequently measured at amortized cost in accordance with IFRS 9, Financial Instruments (IFRS 9).

The Fund classifies each financial instrument into one of the three fair value hierarchy. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

Level 1 - for unadjusted quoted prices in active markets for identical assets or liabilities
Level 2 - for inputs, other than quoted prices included in Level 1, that are observable for the assets or liabilities, either directly (i.e. derived from prices); or indirectly (i.e. derived from prices); and
Level 3 – for inputs that are based on unobservable market data.

If inputs of different levels are used to measure an asset or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or changes in circumstances giving rise to the transfer.

All fair value measurements are recurring. For financial instruments whose fair values approximate their carrying values, given their short-term nature, the carrying values of financial instruments measured at amortized costs approximate their fair values. Financial instruments are classified as Level 1 when the related security or derivative is actively traded, and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The models used to determine fair value measurements included in the financial statements of the Fund's including Level 3 measurements, if any, are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The Manager considers and reviews the appropriateness of the valuation models, the valuation results, as well as any adjustments to the prices or estimates used by these models. At each financial reporting date, the Manager reviews and approves all Level 3 fair value measurements.

The breakdown into the three-level hierarchy is provided in Note 9.

**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

(e) Financial Instruments (continued)

Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Fixed income securities are valued at the bid price on the reporting date. Investments in underlying funds are valued at the net asset value per share of each underlying fund reported by the underlying funds manager as of the close of regular trading on the Toronto Stock Exchange. Unlisted warrants are valued using the Black-Scholes valuation model or Monte Carlo simulations (for warrants with acceleration clauses). The model factors in the time value of money and the volatility inputs significant to such valuation. For purposes of determining Transactional Net Asset Value, as defined in Note 10, unlisted warrants are valued at their intrinsic value.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other models commonly used by market participants, which make the maximum use of observable inputs. Refer to Note 9 for further information about the Fund's fair value measurements.

(f) Redeemable Participating Shares

Redeemable participating shares are redeemable at the shareholder’s option and are classified as financial liabilities. They are measured at the redeemable amount.

The value at which shares are issued or redeemed is the net asset value per share. Net asset value per share for each series is calculated at the end of each day on which the Fund is open for business (“valuation day”) by dividing the net asset value (“Transactional NAV” as defined in Note 10) of each series by its outstanding shares. The net asset value of each series is computed by calculating the value of the series’ proportionate share of the Fund’s assets less the series’ proportionate share of the Fund’s common liabilities and less series-specific liabilities. Expenses directly attributable to a series are charged to that series, while common Fund expenses are allocated to each series in a reasonable manner as determined by the Manager. Other income and realized and unrealized gains and losses are allocated to each series of the Fund based on that series’ pro rata share of total net asset value of that Fund. Amounts received on the issuance of shares and amounts paid on the redemption of shares are included on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Shares. Distributions on redeemable shares are presented as an expense within the Statements of Changes in Net Assets Attributable to Holders of Redeemable Shares.

(g) Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Shares from Operations per Share

Increase (decrease) in net assets attributable to holders of redeemable shares from operations per share is based on the increase (decrease) in net assets attributable to holders of redeemable shares from operations attributable to each series of the Fund divided by the weighted average number of shares of that series outstanding during the period.

(h) Income Recognition

Dividend Income

Dividend income is recognized in the Statements of Comprehensive Income on the date on which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date on which the shareholders approve the payment of a dividend gross of withholding tax.

Interest for distribution purposes

Interest for distribution purposes as disclosed in the Statement of Comprehensive income on the cash balance is recognized on an accrual basis and represents the interest received by the Fund accounted for on an accrual basis.

Realized and unrealized gains and losses

Realized gains and losses on sale of investments, and unrealized appreciation and depreciation on investments, are calculated on an average cost basis.

(i) Distributions to Shareholders

Distributions are recorded by the Fund on the business day immediately following the record date.

Notes to Unaudited Interim Financial Statements (expressed in Canadian dollars)

**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

(j) Transaction Costs

Transaction costs are expensed and are included in "Transaction costs" in the Statements of Comprehensive Income. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers, and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties.

(k) New standards, amendments and interpretations effective after July 1, 2026 and that have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2026, and have not been early adopted in preparing these financial statements.

The Fund's assessment of the impact of these new standards and amendments is set out below:

i) IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after January 1, 2027)

The IASB issued the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals;
- the requirement to determine the most useful structured summary for presenting expenses in the statement of profit or loss;
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Fund is currently still assessing the effect of the forthcoming standard and amendments.

No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Fund.

The accounting policies and methods of computation applied in the preparation of the interim financial statements are consistent with those applied in the Fund's most recent annual financial statements, except for any new standards, amendments or interpretations adopted during the period.

**3. REDEEMABLE PARTICIPATING SHARES**

The Fund is authorized to issue an unlimited number of shares as follows:

| Name of Fund | Series available |
|---|---|
| Explorer Series Fund | A-Rollover, A-Regular, F |

Series A-Rollover is used by the Fund when there is a rollover of Limited Partnership units. Dealers cannot directly purchase this series. There is no Initial sales charge.

Series A-Regular have an initial sales charge of up to 5% which may be charged by the broker or dealer, no fees or commission is charged by the Fund.

Series F is used by the Fund when there is a rollover of Limited Partnership units. There is an initial sales charge of up to 2%, which may be charged by the broker or dealer, no fees, or commission is charged by the Fund.

During the six-month periods ended June 30, 2026 and 2025, the following shares were issued (including transfers from other series) and redeemed (including transfers to other series):

| June 30, 2026 | Outstanding beginning of period | Shares issued | Shares rollover | Shares redeemed | Outstanding end of period |
|---|---|---|---|---|---|
| Explorer Series Fund | | | | | |
| Series A-Rollover | 8,199,604 | - | 3,415,277 | (4,198,547) | 7,416,334 |
| Series A-Regular | 1,350 | - | | (1,350) | - |
| Series F | 1,437,194 | 228,249 | 252,550 | (358,174) | 1,559,819 |

| June 30, 2025 | Outstanding beginning of period | Shares issued | Shares rollover | Shares redeemed | Outstanding end of period |
|---|---|---|---|---|---|
| Explorer Series Fund | | | | | |
| Series A-Rollover | 9,211,379 | 4 | 7,584,698 | (7,866,907) | 8,929,174 |
| Series A-Regular | 1,345 | - | - | - | 1,345 |
| Series F | 2,044,911 | 2,582 | 1,048,623 | (1,652,528) | 1,443,588 |

* In the Explorer Series Fund, no Series A-Rollover shares were transferred to Series F for the six-month period ended June 30, 2026 (2025: 0)

Notes to Unaudited Interim Financial Statements (expressed in Canadian dollars)

**3. REDEEMABLE PARTICIPATING SHARES (continued)**

The weighted average number of units outstanding during the period used to calculate the increase (decrease) in NAV from operations per Unit is as follows:

| For the period ended | June 30, 2026 | June 30, 2025 |
|---|---|---|
| Weighted average number of units Series A-Regular | 1,332 | 837 |
| Weighted average number of units Series A-Rollover | 7,414,835 | 5,202,692 |
| Weighted average number of units Series F | 1,571,383 | 911,739 |

**4. EXPENSES AND RELATED PARTY TRANSACTIONS**

The following summarizes the annual management fee for the Fund. Management fees for each applicable series are calculated daily and are based on the Fund's ending total NAV per series; cumulative daily totals are then paid on a weekly basis.

| | Series A/Rollover and Regular | Series F |
|---|---|---|
| Explorer Series Fund | 2.0% | 1.0% |

The Fund is dependent on the Manager for administration and management of all matters relating to their operations.

The Fund bears all of its own expenses relating to its operation and the carrying on of its business. These items include legal and audit fees, interest, and administrative costs relating to the issue and redemption of shares as well as the cost of financial and other reports and compliance with all applicable laws, regulations and policies. Commissions paid on security transactions are shown as "Transaction costs" in the Statements of Comprehensive income.

For the six-month period ended June 30, 2026, the Management fee was $111,543 (2025 - $62,013).

The Manager has at its discretion, the ability to absorb certain expenses associated with the Fund. No fees were absorbed during the six-month periods ended June 30, 2026 and 2025.

Included in each of the Fund's expenses in the Statements of Comprehensive Income is the corresponding component of sales tax. The Harmonized Sales Tax (HST) combines the GST rate of 5% with the Provincial Sales Tax of certain provinces. Each Fund's HST rate is calculated using the proportionate investment holding by the unitholder's provincial residency as at September 30 of the prior year. HST rates are determined for expenses attributable to a Fund's individual class/series, where applicable.

From time to time, the Manager may earn fees and commissions on securities transactions in which the Fund participates. The fees and commissions are based on standard agreements at market prices. For the six-month period ended June 30, 2026, $0 (2025 – $0) was received by the Manager in related fees and commissions under the standing instructions given by the Independent Review Committee ("IRC").

In accordance with National Instrument 81-107, *Independent Review Committee for Investment Funds*, the Fund Manager has established an IRC for the Fund. The mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest, which the Manager is subject to when managing the Fund. The IRC reports annually to shareholders of the Fund on its activities, and the annual report is available on or after December 31 in each year. The Manager charges compensation paid to the IRC members and the costs of the ongoing administration of the IRC to the Fund. These amounts are recorded in the Interim Statements of Comprehensive Income. For the six-month period ended June 30, 2026, IRC member fee charged to the Fund was $16,364 (2025 - $16,371).

**5. TAXATION AND DISTRIBUTIONS**

(a) Taxation of Open-End Mutual Fund Corporations

Under the *Income Tax Act* (Canada), the Corporation qualifies as a mutual fund corporation and computes its net income (loss) and net capital gains (losses) for income tax purposes as a single entity. A mutual fund corporation is subject to a special 38 1/3% tax on taxable dividends received from corporations resident in Canada and to tax at normal corporate rates on other income and net taxable realized capital gains for the year. The special 38 1/3% tax is refundable on payments of taxable dividends to shareholders at the rate of $1 for each $2.61 of such dividend paid. The refundable dividend taxes asset on hand recognized by the Fund reflects the anticipation of the Manager to declare a taxable dividend to the Fund's shareholders in due course. All the tax on net taxable realized capital gains is refundable when the gains are distributed to shareholders as capital gains dividends or through redemption of shares at the request of shareholders.

While the Corporation is taxed as a single legal entity, the individual mutual fund share series recognize, for accounting purposes, the impact of current and future taxes based on the net income (loss) and increase (decrease) in net assets from realized and unrealized gains (losses), respectively, of each series. The mutual fund share series offsets the future tax liability for refundable taxes payable with the refund expected upon payment of capital gains or ordinary dividends or upon redemption of shares. As a result, the future tax liability for refundable taxes payable is eliminated. The mutual fund share series with negative taxable income does not recognize a tax asset for unused tax losses as future utilization is not probable and a full valuation allowance has been recorded. Further, unused tax losses of one mutual fund share series may be used to offset taxable income of another series. Therefore, where a mutual fund share series has positive net taxable income, the current tax liability has been offset with the utilization of unused tax losses from other series to the extent possible. Any residual taxable income would be refundable upon payment of capital gains or ordinary dividends by the Corporation.

(b) Distributions

The Corporation declared dividends on December 4, 2025, payable on December 15, 2025, in the following amounts to shareholders of record on December 12, 2025: Explorer Series Fund Series A Rollover - $0.00374 per share, Series A Regular - $0.00395 per share, and Series F - $0.00399 per share. There was no dividend declared during the period ending June 30, 2026.

Notes to Unaudited Interim Financial Statements (expressed in Canadian dollars)

### 6. BROKERAGE COMMISSIONS ON SECURITIES TRANSACTIONS

The Fund has incurred brokerage commissions, a portion of which may have been received by the Fund's investment advisers in the form of investment or research services. For the six-month period ended June 30, 2026, the total soft dollar benefits received for the Explorer Series Fund was $19,750 (2025 – $11,755).

### 7. FUND MERGERS

The acquisition method of accounting was adopted for the merger of mutual funds whereby the continuing fund is the acquiring fund and the terminated fund is the acquired fund. This identification was based on aspects of the continuing fund such as investment objectives and portfolio composition.

Effective as of the close of business, as set out below, the continuing funds acquired the portfolio assets of the corresponding terminated funds in exchange for shares in the continuing fund. The value of the shares of the continuing fund issued in connection with these mergers was equal to the fair value of the investments transferred from the respective terminated fund.

| Terminating Fund | Merger Date | Continuing Fund | Series | Net Assets Acquired $ | Shares Issued | Exchange Ratio % |
|---|---|---|---|---|---|---|
| Marquest Mining Québec 2025-I Super Flow-Through LP - Class A | 22-May-2026 | Explorer Series Fund | A-Rollover | 3,888,976 | 3,415,277 | 58.01 |
| Marquest Mining Québec 2025-I Super Flow-Through LP - Class F | 22-May-2026 | Explorer Series Fund | F | 308,363 | 252,549 | 57.27 |

As a result of the mergers, in accordance with the *Income Tax Act* (Canada), all unrealized losses and certain elected unrealized gains of the terminating funds' portfolios were realized on the merger date. The financial statements of the continuing funds do not include the operating results of the terminated funds prior to the merger date.

### 8. CAPITAL MANAGEMENT DISCLOSURES

Shares issued and outstanding represent the capital of the Fund. The Fund has no restrictions or specific capital requirements and is authorized to issue an unlimited number of redeemable, transferable shares of each Series available. Restrictions and specific requirements on capital for each fund Series are only applicable for minimum subscriptions. The Statements of Changes in Net Assets Attributable to Holders of Redeemable Shares and note 3 outline the relevant changes in each of the Fund's shares for the year. In accordance with the Fund's investment objectives, portfolio management of the Fund's capital will encompass appropriate investing of subscriptions and the maintenance of sufficient liquidity levels for capital redemptions.

### 9. FINANCIAL INSTRUMENTS

(a) Fair Value

Financial instruments of the Fund include investments at fair value. There are no significant differences between the carrying values of these financial instruments and their fair values due to their short-term nature. Investments are carried at their fair values as described below.

I. Securities listed upon a recognized public stock exchange are valued at their close price on the valuation date. In circumstances where the close price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.
II. Securities not listed upon a recognized public stock exchange, or securities for which a close price, last sale or bid price are unavailable or securities for which market quotations are, in the Manager's opinion, inaccurate, unreliable or not reflective of all available material information, are valued at their estimated fair value, determined by using appropriate and accepted industry valuation techniques including valuation models. The estimated fair value of a security determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the estimated fair value of a security may be determined using valuation techniques that are not supported by observable market data.
III. Securities that are restricted or limited by law (including by investment letter, escrow provisions or other representation, undertaking or agreement) will be subject to temporary trading restrictions and cannot be sold until the applicable holding period expires. The fair value of those securities for the duration of the holding period shall be the reported market value of the same class of shares of that security which is not subject to a restriction based on reported quotations in common use less an appropriate discount.

Notes to Unaudited Interim Financial Statements (expressed in Canadian dollars)

**9. FINANCIAL INSTRUMENTS (continued)**

(a) Fair Value (continued)

The following tables present the Fund's financial instruments measured at fair value classified by the fair value hierarchy set out in IFRS 13, *Fair Value Measurements* as of June 30, 2026 and December 31, 2025:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **June 30, 2026** | $ | $ | $ | $ |
| Canadian equities | 8,687,720 | - | 27,502 | 8,715,222 |
| Canadian warrants | - | - | 226,965 | 226,965 |
| | 8,687,720 | - | 254,467 | 8,942,187 |

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **December 31, 2025** | $ | $ | $ | $ |
| Canadian equities | 9,960,465 | - | 82,116 | 10,042,581 |
| Canadian warrants | - | - | 1,012,596 | 1,012,596 |
| Total | 9,960,465 | - | 1,094,712 | 11,055,177 |

During the sixth-month period ended June 30, 2026, $0 (December 31, 2025 – $0) was transferred between Level 2 to Level 1 for the Explorer Series Fund, $0 (December 31, 2025 - $0) was transferred between Level 1 and Level 2, and $0 (December 31, 2025 - $$74,616) was transferred between Level 2 and Level3 for the Explorer Series Fund and $0 (December 31, 2025 – $0) was transferred from Level 3 to Level 2 for the Explorer Series Fund.

Realized and unrealized gains and losses related to Level 3 securities are included in the Statements of Comprehensive Income under "Net realized gain (loss) on the sale of investments" and "Net change in unrealized appreciation/depreciation on investments" respectively. Transfers in and out of Level 3 are due to the changes in the observability of market data, such as a recent new transaction or due to the passage of time, respectively. The following table summarizes the changes in Level 3 securities for the six-month period ended June 30, 2026 and twelve-month period ended December 31, 2025:

| | June 30, 2026<br>$ | December 31, 2025<br>$ |
|---|---|---|
| Beginning of year | 1,094,712 | 293,454 |
| Sales | (5,114) | (46,230) |
| Transfers into Level 3 | - | 42,706 |
| Transfers out of Level 3 | - | - |
| Net realized gain (loss) on sale of investments | (9,499) | (1,008,613) |
| Net change in unrealized appreciation on investments | (825,632) | 1,813,395 |
| End of year | 254,467 | 1,094,712 |

The Fund holds Level 3 securities in which there is uncertainty in estimating the fair value stemming from current financial issues and lack of market quotations. Level 3 requires significant unobservable data such as volatility and discount rates in its determination of fair value. The Explorer Series Fund holds halted equity investments classified as Level 3.

The fair value of the level 3 securities during the period are calculated using a key number of valuation techniques and unobservable inputs, which may include financial analysis of the company's financial statements, financial disclosures and overall prevailing market and economic conditions.

The assumptions used in the fair valuation of the warrants are as follows:

- **Volatility**: We use an average volatility assumption of approximately 50% across the portfolio, with the assumption calibrated for each individual security based on its relative volatility.
- **Expected Life**: We assume an expected life of 1 year for in-the-money warrants and 3 years for out-of-the-money warrants.
- **Liquidity Discount**: A 20% liquidity discount is applied to in-the-money warrants, and a 30% liquidity discount is applied to out-of-the-money warrants.

Below is a summary of the valuation techniques and significant unobservable inputs used in the fair value measurement of level 3 financial instruments. The significant unobservable inputs used in the valuation of Level 3 Financial instruments can vary considerably over time depending on company specific factors and economic or market conditions. Below illustrates the potential impact on the Fund if the significant unobservable inputs used in the valuation techniques had increased or decreased by 10%. Securities where the reasonable possible shift in the significant unobservable inputs did not result in a material impact on the Fund are indicated below as n/a.

Notes to Unaudited Interim Financial Statements (expressed in Canadian dollars)

**9. FINANCIAL INSTRUMENTS (continued)**

(a) Fair Value (continued)

| Security | Valuation technique | Significant unobservable input | Carrying Value as at June 30, 2026 $ | Change in Valuation $ |
|---|---|---|---|---|
| Equities | Market Information | | 27,502 | n/a |
| Warrants | Black-Scholes Model | Liquidity Discount and Volatility | 226,965 | 11,434 |
| | Monte Carlo Simulation | Liquidity Discount and Volatility | - | - |
| | | | 254,467 | |

| Security | Valuation technique | Significant unobservable input | Carrying Value as at December 31, 2025 $ | Change in Valuation $ |
|---|---|---|---|---|
| Equities | Market Information | | 82,116 | n/a |
| Warrants | Black-Scholes Model | Liquidity Discount and Volatility | 625,865 | 19,368 |
| | Monte Carlo Simulation | Liquidity Discount and Volatility | 386,731 | 31,774 |
| | | | 1,094,712 | |

(b) Risk Management and Disclosures

Significant market disruptions, such as those caused by pandemics (e.g., COVID-19 pandemic), natural or environmental disasters, war (e.g. certain geographic conflicts), acts of terrorism, or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the Fund's investments and Fund's performance.

The Fund's investment activities expose them to a variety of financial risks. The Schedule of Investment Portfolios presents the securities held by the Fund as at June 30, 2026, and groups the securities by asset type, geographic region and/or market segment. Significant risks that are relevant to the Fund are discussed below. The sensitivity analyses shown in the notes below may differ from actual trading, and the differences could be material.

The Manager seeks to minimize potential adverse effects of these risks on the Fund's performance by employing professional, experienced portfolio advisers, by daily monitoring of the Fund's positions and market events, by diversifying the investment portfolios within the constraints of the investment objectives. To assist in managing risks, the Manager also uses internal guidelines that identify the target exposure for each type of risk, maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategies and securities regulations.

(c) Market Risk

*Foreign exchange risk*

Foreign exchange risk is the risk that the value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The fund is not significantly exposed to foreign exchange risk as it primarily invests in Canadian securities; however, minimal exposure may arise from cash balances or income received in foreign currencies.

*Interest rate risk*

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Fund exposure is not material.

Notes to Unaudited Interim Financial Statements (expressed in Canadian dollars)

**9. FINANCIAL INSTRUMENTS (continued)**

(c) Market Risk (continued)

*Other price risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign exchange risk). The investments of the Fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the Fund is equivalent to the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits, and the Fund's market price risk is managed through diversification of the investment portfolio.

The Fund is indirectly exposed to price risk of the underlying funds/securities.

The most significant exposure to other price risk arises from the Fund's investments in equity securities. As of June 30, 2026 and December 31, 2025, had the prices of the securities raised or lowered by 10%, with all other variables held constant, net assets attributable to holders of redeemable shares would have increased or decreased respectively as follows:

| **June 30, 2026** | **Fair value of Investments in equity securities $** | **% of net assets attributable to holders of redeemable shares %** | **Potential impact on net assets attributable to holders of redeemable shares $** |
|---|---|---|---|
| Explorer Series Fund | 8,715,222 | 90.2 | 871,522 |

| **December 31, 2025** | **Fair value of Investments in equity securities $** | **% of net assets attributable to holders of redeemable shares %** | **Potential impact on net assets attributable to holders of redeemable shares $** |
|---|---|---|---|
| Explorer Series Fund | 11,055,177 | 99.0 | 1,105,518 |

(d) Liquidity Risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Fund may invest in securities, which are not actively traded on a stock exchange. The fair values of these securities may not be indicative of what the Fund could realize on the immediate sale as it may take a significant amount of time to liquidate positions without causing a significant negative impact on the fair value. There can be no assurance that an active trading market for these securities will exist at all times, or that the prices at which these securities trade accurately reflect their values. Additionally for net asset value purposes, in accordance with securities regulation, the Fund must maintain at least 85% of their assets in liquid investments (i.e. investments that are traded in an active market including management fees payable, other payable and accrued expenses and payable on redemption of redeemable shares. These financial liabilities are all current and are due within 30 days. Redeemable shares are redeemable on demand at the shareholder's option.

Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and can be readily disposed of. On a weekly basis, quantitative monitoring measures are used to screen the Fund's portfolio for securities that may be considered for potential reclassification as illiquid. In addition, the Fund aims to retain sufficient cash to maintain liquidity. Accordingly, the Fund's liquidity risk is considered minimal.

(e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge accrued interest receivable and refundable tax receivable an obligation or commitment that it has entered into with the Fund. The Fund's exposure to credit risk includes cash, accrued dividends receivable. The Fund reduces its credit risk associated with cash by maintaining its primary bank accounts at large international financial institutions. All transactions in listed securities are settled for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation. The Fund does not have a significant exposure to credit risk.

(f) Concentration Risk

Portfolio concentration risk is the risk of loss in the total value of the portfolio investments of the Fund due to an over-concentration of investments in a particular instrument, sector or country. A summary of the portfolio's concentration risk by industry sector as at June 30, 2026 and December 31, 2025 is shown in Fund's Schedule of Investment Portfolio.

Notes to Unaudited Interim Financial Statements (expressed in Canadian dollars)

**10. IFRS NET ASSETS VERSUS TRANSACTIONAL NET ASSET VALUE**

The Fund's accounting policies for measuring the fair value of their investments are identical to those used in measuring their net asset value for transactions with unitholder in accordance with Part 14 of National Instrument 81-106 Investment Funds for Continuous Disclosure ("NI 81-106"), except when the Fund holds unlisted warrants, as described above. A comparison of the net assets per unit in accordance with IFRS ("IFRS Net Assets") and the net asset value calculated in accordance with NI 81-106 ("Transactional Net Asset Value") is presented in the tables below.

| | June 30, 2026 | | |
|---|---|---|---|
| | **Series A/Rollover** | **Series A/Regular** | **Series F** |
| Transactional Net Asset Value | 7,784,877 | - | 1,759,319 |
| IFRS Net Assets | 7,877,305 | - | 1,780,206 |
| | | | |
| Transactional Net Asset Value per Share | 1.05 | - | 1.13 |
| IFRS Net Assets per Share | 1.06 | - | 1.14 |

| | December 31, 2025 | | |
|---|---|---|---|
| | **Series A/Rollover** | **Series A/Regular** | **Series F** |
| Transactional Net Asset Value | 9,095,656 | 1,580 | 1,702,179 |
| IFRS Net Assets | 9,407,359 | 1,634 | 1,760,510 |
| | | | |
| Transactional Net Asset Value per Share | 1.11 | 1.17 | 1.18 |
| IFRS Net Assets per Share | 1.15 | 1.21 | 1.23 |

**11. SUBSEQUENT EVENTS**

Management has evaluated all subsequent events through the date the financial statements were authorized for issuance and determined that there were no additional items requiring adjustment or disclosure.

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