



Ninepoint Bitcoin ETF

Interim Report to Unitholders

June 30
2021

These interim financial statements for the period ended June 30, 2021, were not reviewed by the Fund's auditors.

Ninepoint Bitcoin ETF

Statement of Financial Position

(in U.S. Dollars)

As at June 30 (unaudited)

2021

5

Assets	
Current assets	
Digital assets (note 3, 5, 10)	85,344,387
Cash (note 10)	713,434
Due from broker	231,000
Total assets	86,288,821
Liabilities	
Current liabilities	
Redemptions payable	261,964
Management fees payable (note 11)	68,910
Accrued expenses	45,606
Total liabilities	376,480
Net Assets attributable to holders of redeemable units	85,912,341
Net Assets attributable to holders of redeemable units per series per unit (note 3)	10.48
Net Assets attributable to holders of redeemable units per series per unit SCAD (note 3)	12.99

See accompanying notes which are an integral part of these financial statements

On behalf of the Manager, Ninepoint Partners LP,
by its General Partner, Ninepoint Partners GP Inc.



John Wilson
DIRECTOR



Kirstin McTaggart
DIRECTOR

Ninepoint Bitcoin ETF

Statement of Comprehensive Income (Loss)

(in U.S. Dollars)

For the period from January 27, 2021 to June 30, 2021 (unaudited)

2021

5

	2021
Income	
Interest income for distribution purposes (note 3)	210
Net realized gains (losses) on sales of digital assets	60,616,936
Change in unrealized appreciation (depreciation) in the value of digital assets	9,609,442
Net realized gains (losses) on foreign exchange	130,347
Total income (loss)	70,356,935
Expenses (note 11, 12)	
Management fees	826,830
Custodial fees	479,441
Transaction costs (note 3, 13)	362,505
Audit fees	76,786
Administrative fees	73,019
Unitholder reporting fees	14,304
Legal fees	4,447
Independent Review Committee fees (note 14)	1,943
Interest expense and bank charges	1,388
Filing fees	1,221
Total expenses	1,841,884
Expenses waived or absorbed by the Manager (note 12)	(55,061)
Net expenses	1,786,823
Increase (Decrease) in Net Assets attributable to holders of redeemable units from operations	68,570,112
Weighted average number of redeemable units	15,452,737
Increase (Decrease) in Net Assets attributable to holders of redeemable units from operations per series per unit (note 3)	4.44

See accompanying notes which are an integral part of these financial statements

Ninepoint Bitcoin ETF

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

(in U.S. Dollars)

For the period from January 27, 2021 to June 30, 2021 (unaudited)

	2021
	5
Net Assets attributable to holders of redeemable units, beginning of period	-
Increase (Decrease) in Net Assets attributable to holders of redeemable units from operations	68,570,112
Redeemable unit transactions (note 8)	
Proceeds from redeemable units issued	180,476,481
Agents' fees and issue expenses	(6,216,898)
Redemption of redeemable units	(156,917,354)
	17,342,229
Net increase (decrease) in Net Assets attributable to holders of redeemable units	85,912,341
Net Assets attributable to holders of redeemable units, end of period	85,912,341

See accompanying notes which are an integral part of these financial statements

Ninepoint Bitcoin ETF

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units *continued*

For the period from January 27, 2021 to June 30, 2021 (unaudited)

	2021
Units, beginning of period	-
Redeemable units issued	18,523,866
Redemption of redeemable units	(10,325,000)
Units, end of period	8,198,866

See accompanying notes which are an integral part of these financial statements

Ninepoint Bitcoin ETF

Statement of Cash Flows

(in U.S. Dollars)

For the period from January 27, 2021 to June 30, 2021 (unaudited)

2021

5

Cash flows from operating activities

Increase (Decrease) in Net Assets attributable to holders of redeemable units from operations	68,570,112
Adjustments for:	
Foreign exchange (gains) losses on cash	(144)
Net realized (gains) losses on sales of digital assets	(60,616,936)
Change in unrealized (appreciation) depreciation in the value of digital assets	(9,609,442)
Purchases of digital assets	(172,394,906)
Proceeds from sale of digital assets	157,045,897
Net increase (decrease) in other assets and liabilities	114,516
Net cash provided by (used in) operating activities	(16,890,903)

Cash flows from financing activities

Proceeds from redeemable units issued	180,476,481
Redemption of redeemable units	(156,655,390)
Agents' fees and issue expenses	(6,216,898)
Net cash provided by (used in) financing activities	17,604,193

Foreign exchange gains (losses) on cash	144
Net increase (decrease) in cash	713,290
Cash (Bank indebtedness), end of period	713,434

Supplemental Information

Interest received	210
Interest paid	1,388

See accompanying notes which are an integral part of these financial statements

Ninepoint Bitcoin ETF

Schedule of Investment Portfolio

(in U.S. Dollars)

As at June 30, 2021 (unaudited)

		Average Cost	Fair Value
		\$	\$
	UNITS		
	DIGITAL ASSETS [99.34%]		
	BITCOIN [99.34%]		
	2,454 Bitcoin		
Total bitcoin		75,825,451	85,344,387
Transaction costs (note 3)		(90,507)	
Total digital assets [99.34%]		75,734,944	85,344,387
Cash and other assets less liabilities [0.66%]			567,954
Total Net Assets attributable to holders of redeemable units [100.00%]			85,912,341

See accompanying notes which are an integral part of these financial statements

Ninepoint Bitcoin ETF

Notes to financial statements – Fund specific information June 30, 2021 (unaudited)

(in U.S. Dollars)

Financial Risk Management (note 6)

Investment Objective

The objective of the Fund is to provide Unitholders with exposure to digital currency Bitcoin through an institutional-quality platform that is cost-efficient to Unitholders and to provide a secure, simpler and exchange-traded investment alternative for buying and holding Bitcoin.

The Schedule of Investment Portfolio presents the securities held by the Fund as at June 30, 2021. Significant risks that are relevant to the Fund are discussed here. General information on risks and risk management is described in *Note 6 Financial Risk Management* of the Generic Notes.

Market Risk

a) Other Price Risk

As at June 30, 2021, if the digital assets were to fluctuate by 10%, with all other variables held constant, Net Assets attributable to holders of redeemable units would increase or decrease by the amounts shown in the table below.

June 30, 2021	
Impact	As a % of Net Assets attributable to holders of redeemable units
<small>\$</small>	<small>%</small>
8,534,439	9.93

b) Currency Risk

As at June 30, 2021, the Fund's direct exposure to currency risk and potential impact to the Fund's Net Assets attributable to holders of redeemable units as a result of a 1% change in these currencies relative to the U.S. dollar, with all other variables held constant, are shown in the table below.

June 30, 2021

Currency	Fair Value	% of Net Assets attributable to holders of redeemable units	Impact on Net Assets attributable to holders of redeemable units
	<small>\$</small>	<small>%</small>	<small>\$</small>
Canadian Dollar	6,664	0.01	67

c) Interest Rate Risk

As at June 30, 2021, the Fund did not have a significant exposure to interest rate risk.

Credit Risk

As at June 30, 2021, the Fund did not have a significant exposure to credit risk.

Concentration Risk

As at June 30, 2021, the Fund's concentration risk as a percentage of Net Assets attributable to holders of redeemable units is shown in the table below.

	June 30, 2021
	<small>%</small>
Bitcoin	99.34
Cash and other assets less liabilities	0.66
Total Net Assets attributable to holders of redeemable units	100.00

Ninepoint Bitcoin ETF

Notes to financial statements – Fund specific information June 30, 2021 (unaudited)

(in U.S. Dollars)

Fair Value Measurements *(note 5)*

As at June 30, 2021, the Fund's financial assets and liabilities which are measured at fair value, have been categorized based upon the fair value hierarchy as shown in the table below.

June 30, 2021	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Bitcoin	–	85,344,387	–	85,344,387
Total	–	85,344,387	–	85,344,387

During the period from January 27, 2021 to June 30, 2021, there were no significant transfers between the levels.

Management Fees *(note 11)*

The Fund will pay an annual management fee to the Manager equal to 0.70% of the Fund's Net assets attributable to holders of redeemable units plus applicable taxes.

See accompanying generic notes which are an integral part of these financial statements

Generic Notes to Financial Statements June 30, 2021 (unaudited)

1. Establishment of the Fund

Ninepoint Bitcoin ETF is an open-ended mutual fund trust (the "Fund"). The Fund was established under the laws of the Province of Ontario pursuant to a trust agreement dated January 12, 2021, as amended and restated on May 6, 2021. The Fund was publicly launched on January 27, 2021. Ninepoint Partners LP (the "Manager") is the manager and portfolio advisor of the Fund. Cidel Trust Company acts as the custodian of the Fund. Gemini Trust Company, LLC acts as sub-custodian of the Fund in respect of Fund's holdings of Bitcoin pursuant to a sub-custodian agreement. The address of the Funds' registered office is 200 Bay Street, Toronto, Ontario.

The Statement of Financial Position of the Fund is as at June 30, 2021. The Statement of Comprehensive Income (Loss), Statement of Changes in Net Assets Attributable to Holders of Redeemable Units and Statement of Cash Flows for each Fund are for the period January 27, 2021 to June 30, 2021. The Schedule of Investment Portfolio for the Fund is as at June 30, 2021.

These financial statements were approved for issuance by the Manager on August 26, 2021.

2. Basis of Presentation

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board ("IASB") and include estimates and assumptions made by the Manager that may affect the reported amounts of assets, liabilities, income, expenses and the reported amounts of changes in Net Assets during the reporting period. Actual results could differ from those estimates.

These interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements including IAS 34, Interim Financial Reporting ("IAS 34"). The financial statements have been prepared on a going concern basis.

The financial statements have been prepared on a going concern basis using the historical cost convention. However, the Fund is an investment entity and primarily all financial assets and financial liabilities are measured at fair value in accordance with IFRS.

The financial statements are presented in U.S. dollars, which is the Fund's functional currency.

3. Summary of Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Fund:

CLASSIFICATION AND MEASUREMENT OF DIGITAL ASSETS

Digital assets are cryptocurrencies such as Bitcoin, which are an open-source software-based online system where transactions are recorded in a public ledger (blockchain) using its own unit of account. The Fund invests solely in Bitcoin. The Manager considers it appropriate to classify and measure the Fund's digital assets in accordance with *IAS 2, Inventory* ("IAS 2"). Refer to Note 4 for discussion of judgments made in determining the Fund's accounting policy with respect to digital assets. As such, the digital assets are measured at fair value less cost to sell with changes in fair value of the digital assets recognized in profit or loss.

The Fund's digital asset are valued based on the MVIS CryptoCompare Bitcoin Benchmark Rate Index ("MVIBBR") maintained by MV Index Solutions GmbH ("MVIS"), or a successor or alternative institutional-quality index. MVIS is a wholly-owned subsidiary of Van Eck Associates Corporation, a large, long-standing, and well-regarded financial services firm.

All other financial assets and financial liabilities are classified at amortized cost. They are recognized at fair value upon initial recognition and subsequently measured at amortized cost. The Fund's obligation for Net Assets attributable to holders of redeemable units is presented at the redemption amount.

TRANSACTION COSTS

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

DIGITAL ASSET TRANSACTIONS AND INCOME RECOGNITION

Digital asset transactions are accounted for on the business day the order to buy or sell is executed.

Generic Notes to Financial Statements June 30, 2021 (unaudited)

Digital assets are derecognized when the Fund disposes of the Bitcoin. All unrealized gains (losses) arising from digital assets holdings are recorded as part of “Change in unrealized appreciation (depreciation) in value of digital assets” in the Statements of Comprehensive Income (Loss) until the digital asset holdings are sold, at which time the gains (losses) are realized and reflected in the Statements of Comprehensive Income (Loss) in “Net realized gain (loss) on sale of digital assets”. Realized gains and losses arising from the sale of digital assets and unrealized appreciation and depreciation on digital assets are calculated with reference to the average cost of the related digital assets.

FOREIGN CURRENCY TRANSLATION

The fair values of foreign-currency-denominated assets are translated into U.S. dollars using the prevailing rate of exchange on each valuation date. Income, expenses and investment transactions in foreign currencies are translated into U.S. dollars at the rate of exchange prevailing on the respective dates of such transactions.

The Fund does not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in “Change in unrealized appreciation (depreciation) in the value of digital assets” in the Statement of Comprehensive Income (Loss). Realized foreign exchange gains or losses from sales of digital assets and cash in foreign currencies are included in “Net realized gains (losses) on foreign exchange” in the Statement of Comprehensive Income (Loss).

CASH

Cash is comprised of cash on deposit with financial institutions.

CALCULATION OF NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES PER UNIT

The Net Assets attributable to holders of redeemable units per unit of a series is based on the fair value of the series’ proportionate share of the assets and liabilities of the Fund common to all series, less any liabilities of the Fund attributable only to that series, divided by the total outstanding units of that series. Income, non-series-specific expenses, realized and unrealized gains (losses) on digital assets and transaction costs are allocated to each series of the Fund based on the series’ pro-rata share of Net Assets attributable to holders of redeemable units of the Fund. Expenses directly attributable to a series are charged directly to that series.

INCOME TAXES

The Fund is not taxed on that portion of income and net realized capital gains that is paid or payable to unitholders. No provision for income taxes has been recorded in the Fund as sufficient income and net realized capital gains are paid to unitholders. Non-capital losses may be carried forward for up to 20 years, and can be offset against future taxable income. Capital losses may be carried forward indefinitely to be applied against future capital gains.

The Fund qualifies as mutual fund trusts under the *Income Tax Act* (Canada), and accordingly these Funds may also retain some net capital gains by utilizing the capital gains refund mechanism available to mutual fund trusts without incurring any income taxes.

INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT

“Increase (decrease) in Net Assets attributable to holders of redeemable units from operations per series per unit” in the Statement of Comprehensive Income (Loss) represents the increase (decrease) in Net Assets attributable to holders of redeemable units from operations per series, divided by the weighted average number of units of the series outstanding during the period, which is presented in the Statement of Comprehensive Income (Loss).

STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Funds have determined there are no IFRS standards that are issued but not yet effective that could materially impact the Funds’ financial statements.

4. Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements:

CLASSIFICATION AND MEASUREMENT OF DIGITAL ASSETS AND APPLICATION OF THE FAIR VALUE OPTION

Digital assets and the accounting for digital assets continues to be considered by the International Accounting Standards Board (IASB) and the Manager continues to monitor new comments and interpretations released by IASB and other standard setters from around the world.

Generic Notes to Financial Statements June 30, 2021 (unaudited)

In classifying and measuring digital assets held by the Fund, the Manager is required to make significant judgments in determining the most appropriate classification. The Manager considers it appropriate to classify and measure the Fund's digital assets in accordance with IAS 2.

ASSESSMENT AS AN INVESTMENT ENTITY

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria which define an investment entity are as follows:

- an entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- an entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- an entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Manager has assessed the characteristics of an investment entity as they apply to the Fund, and such assessment requires significant judgments. Based on the assessment, the Manager concluded that the Fund meets the definition of an investment entity.

5. Fair Value Measurements

The Fund uses a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's digital assets. The fair value hierarchy has the following levels:

- Level 1 Unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities that the Funds have the ability to access at the measurement date;
- Level 2 Quoted prices which are not active, or inputs that are observable (either directly or indirectly) for substantially the full term of the asset or liability; and
- Level 3 Prices, inputs or complex modeling techniques that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The fair value hierarchy for the Fund is included in the Notes to financial statements – Fund specific information.

For the period ended from January 27, 2021 to June 30, 2021, all digital assets held by the Fund were classified a Level 2. There were no material transfers between levels during the period.

6. Financial Risk Management

The Fund is exposed to risks that are associated with its investment strategies, digital assets and markets in which it invests. The extent of risk within the Fund is largely contingent upon the Fund's investment policy and guidelines as stated in its prospectus, and the management of such risks is contingent upon the qualification and diligence of the portfolio manager designated to manage the Fund. The Schedule of Investment Portfolio groups securities by asset type, sector or geographic region. Significant risks that are relevant to the Fund are discussed below. Refer to the Notes to Financial Statements – Fund Specific Information of each Fund for specific risk disclosures.

MARKET RISK

The Fund's digital assets are subject to market risk, which is the risk that the fair value of future cash flows of investments will fluctuate because of changes in market variables such as asset prices, currency rates and interest rates.

a) Fluctuation in the Value of Bitcoin

The NAV of the Units will vary according to, among other things, the value of Bitcoin included in the Fund's portfolio. The value of the Bitcoin will be influenced by factors which are not within the control of the Fund or the Manager, including factors that affect the cryptocurrency markets generally such as general economic and political conditions, fluctuations in interest rates and factors unique to Bitcoin.

b) Currency Risk

Currency risk is the risk that arises from the change in price of one currency against another. The Fund may hold cash denominated in currencies other than the U.S. dollar. The securities are converted to the Fund's functional currency in determining fair value, and the fair value is subject to fluctuations relative to the strengthening or weakening of the functional currency.

Generic Notes to Financial Statements June 30, 2021 (unaudited)

LIQUIDITY RISK

Liquidity risk is the risk that the Fund will not be able to generate sufficient cash resources to fulfill its payment obligations. The Fund predominantly invests in Bitcoin that is traded on established, regulated platforms as well in the OTC (over-the-counter) market using regulated counterparties. Consequently, the Fund is able to readily dispose of securities, if necessary, to fund redemptions in the course of operations. The Fund traditionally maintains a cash reserve in anticipation of normal redemption activity.

CONCENTRATION RISK

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographic region, asset type or industry sector. The Fund's investment objective is to provide unitholders exposure to bitcoin and the Fund is not expected to have exposure to any other investments or assets. Other than cash or cash equivalents, the Fund will invest substantially all of its assets in bitcoin. The NAV of the Fund may be more volatile than the value of a more broadly diversified portfolio or investment fund and may fluctuate substantially over short period of time. This may have negative impact on the NAV of the Fund.

RISKS SPECIFIC TO BITCOIN

Volatility in the Price of Bitcoin

Volatility in the price of Bitcoin is the risk that volatility can adversely affect the NAV of the units as the Bitcoin markets are sensitive to new developments, and since volumes are still maturing, any significant changes in market sentiment (by way of sensationalism in the media or otherwise) can induce large swings in volume and subsequent price changes. The sensitivity analysis disclosed is estimated based on the historical correlation between the return of a Fund as compared to the return of the Fund's benchmark. The analysis assumes that all other variables remain unchanged. The historical correlation may not be representative of future correlation and accordingly, the impact on net assets could be materially different. The digital assets of the Fund are subject to normal market fluctuations and the risks inherent in the financial markets. The maximum risk resulting from purchased securities held by the Fund is limited to the fair value of these digital assets. The Manager moderates this risk through in-house expertise and close monitoring of the cryptocurrency markets.

Cryptocurrency Risk

Cryptocurrency risk is the risk that the NAV of the Fund's units may be significantly impacted as it operates as a decentralized, peer-to-peer financial exchange and value storage that is used like money. Bitcoin operates without the oversight of a central authority or the banks and is not backed by any government and indirectly may experience high volatility. As Bitcoin is not legal tender, governments may restrict the use and exchange of it. The Fund may also trade at a significant premium to net asset value. Additionally, Bitcoin platforms may stop operating or permanently shut down due to fraud, technical glitches, hackers or malware.

Manager, Custodian and Sub-Custodian Standard of Care

Each of the Manager, the Custodian and the Sub-Custodian are subject to a contractual standard of care in carrying out its duties concerning the Fund. In the case that the Fund suffers a loss of its Bitcoin and each of the Manager, the Custodian and the Sub-Custodian satisfied its respective standard of care, the Fund will bear the risk of loss with respect to these parties. Under the terms of the Custodian Agreement, the Custodian is required to exercise the standard of care required by NI 81-102. However, the Custodian will not be liable to the Fund for any loss of the Fund's Bitcoin held by the Sub-Custodian unless such loss is directly caused by the Custodian's gross negligence, fraud, willful default, or the breach of its standard of care. In the event of such loss, the Custodian is required to take reasonable steps to enforce such rights as it may have against the Sub-Custodian pursuant to the terms of the Sub-Custodian Agreement and applicable law.

Cyber Security Risk

As the use of technology has become more prevalent in the course of business, investment funds such as the Fund have become potentially more susceptible to operational risks through breaches in cyber security. A breach in cyber security refers to both intentional and unintentional events that may cause the Fund to lose proprietary information or other information subject to privacy laws, suffer data corruption, or lose operational capacity. This in turn could cause the Fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures and/or financial loss. Cyber security breaches may involve unauthorized access to the Fund's digital information systems (e.g. through "hacking" of Bitcoin or malicious software coding), but may also result from outside attacks such as denial-of-service attacks (i.e. efforts to make network services unavailable to intended users). In addition, cyber security breaches of the Fund's third-party service providers (e.g. the Registrar and Transfer Agent, the Custodian and the Sub-Custodian) can also subject the Fund to many of the same risks associated with direct cyber security breaches. Like with operational risk in general, the Fund has established risk management systems designed to reduce the risks associated with cyber security.

Generic Notes to Financial Statements June 30, 2021 (unaudited)

7. Capital Management

The capital of a Fund is represented by the issued and outstanding units and the net assets attributable to participating unitholders. The Manager utilizes the capital of the Fund in accordance with its investment objectives, strategies and restrictions, as outlined in the Fund's prospectus, while maintaining sufficient liquidity to meet normal redemptions. The Fund does not have any externally imposed capital requirements.

By way of unitholder approval, the Fund converted from a closed-ended fund to an exchange-traded fund on May 6, 2021. Units were converted on a 1:1 basis and continued to trade on the Toronto Stock exchange.

8. Redeemable Units

The Fund is permitted to issue an unlimited number of series of redeemable units and an unlimited number of redeemable units of the ETF Series.

Redeemable units of the Fund's ETF Series are redeemable at the option of the unitholders, in accordance with the offering documents of the Fund, on any Valuation Date for cash at a redemption price per ETF Series unit equal to 95% of the closing exchange price of the ETF Series unit on the effective date of redemption, subject to a maximum redemption price of the applicable net asset value per ETF Series security. ETF Series securities may be sold at the market price.

The ETF Series is available to all investors. Investors purchase ETF Series securities on Toronto Stock Exchange or another exchange or marketplace where the ETF Series securities are traded through a registered broker or dealer in the province or territory where the investor resides.

9. Distribution of Income and Capital Gains

The Fund makes annual distributions of net investment income and net realized capital gains to unitholders at the end of the December 15th taxation year. All distributions allocated to unitholders are either paid in cash or reinvested automatically in additional units of the Fund. These amounts are reflected on the Statement of Changes in Net Assets Attributable to Holders of Redeemable Units as part of "Distributions to unitholders" and/or "Units issued from reinvested distributions". The Fund may from time to time pay additional distributions on its Units, including without restriction in connection with a special distribution or in connection with returns of capital.

10. Restricted Cash and Investments

Cash, investments and broker margin include balances with prime brokers held as collateral for securities sold short and other derivatives. This collateral is not available for general use by the Fund. The value of any restricted cash and investments held for the Fund is disclosed in the Notes to Financial Statements – Fund Specific Information, if applicable.

11. Related-Party Transactions

MANAGEMENT FEES

The Fund pays the Manager an annual management fee to cover management expenses. Management fees are unique to the Fund and each series and are subject to applicable taxes. The management fee is calculated and accrued daily and is paid on the last business day of each month based on the daily NAV of the Fund.

12. Operating Expenses and Sales Charges

The Fund pays its own operating expenses, other than marketing costs and costs of dealer compensation programs, which are paid by the Manager. Operating expenses include, but are not limited to, audit, legal, safekeeping, trustee, custodial, fund administration expenses, preparation costs of financial statements and other reports to investors and Independent Review Committee ("IRC") member fees and expenses. Operating expenses are charged to all Funds pro-rata, on the basis of NAV or another measure that provides a fair and reasonable allocation.

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 Statement of Comprehensive Income (Loss). Waivers or absorptions can be terminated at any time without notice.

Generic Notes to Financial Statements June 30, 2021 (unaudited)

13. Sharing Arrangements

In addition to paying for the cost of brokerage services in respect of securities transactions, commissions paid to certain brokers may also cover research services provided to the portfolio manager. Sharing arrangements for each Fund are disclosed in the Notes to financial statements – Fund specific information, if applicable.

14. Independent Review Committee

In accordance with National Instrument 81-107, *Independent Review Committee for Investment Funds*, the Manager has established an IRC for all Funds. The mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager is subject when managing the Funds. The IRC reports annually to unitholders of the Fund on its activities, and the annual report is available on or after March 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 Statement of Comprehensive Income (Loss).

15. Economic Conditions

In January 2020, the World Health Organization declared the outbreak of a novel form of coronavirus (“COVID-19”) a global health emergency and in March 2020, declared it a global pandemic. This has presented many uncertainties as reflected in the subsequent stock market volatility.

Equity markets have reacted with the biggest decline experienced in more than a decade. In response, governments and businesses around the world introduced significant new measures to contain and control the spread of COVID-19. With vaccinations being rolled-out across the world and emergence of COVID-19 variants, the impacts of COVID-19 on global growth and businesses remains unclear and will not be fully understood until more time has passed.

The ultimate extent of COVID-19’s effects on the Fund remains uncertain. As a result, the Manager has and will continually assess the performance of the portfolios and make investment decisions that are aligned with the Fund’s mandates and the best interest of its unitholders.

Corporate Information

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