

## ALL-CANADIAN Oil & Gas ETF

### Objective

The ALL-CANADIAN Oil & Gas (COIL) is an actively managed ETF providing targeted exposure to the Canadian Mid-Cap Energy Sector. The ETF's primary objective are to provide quarterly cash distributions and the opportunity for capital appreciation.

### Investor Profile

The ALL-CANADIAN Oil & Gas ETF (COIL) may appeal to investors seeking targeted exposure to Canada's oil and gas sector through an actively managed, research-driven approach. It is designed for investors who understand the dynamics of commodity-linked industries and who are comfortable with a concentrated portfolio. The ETF may also interest investors who value a flexible mandate that can incorporate covered call writing, short positions, leverage, and derivatives within limits to manage risk or express relative-value views. Because the ETF can employ leverage and invest in less liquid mid-cap issuers, it is intended for investors with a higher tolerance for volatility and a long-term investment horizon aligned with the fundamentals of the Canadian energy sector.

### Investment Philosophy

The Manager believes that institutional investors, both domestic and international, tend to focus on the largest and most liquid Canadian oil and gas companies. Historically, these issuers have traded at higher valuation multiples than the mid-cap segment immediately below them. The ETF focuses on this mid-cap tier, while retaining the flexibility to hold large-cap positions when appropriate.

### Why This Strategy

- Focus on publicly listed Canadian oil and gas companies across production, exploration, development, transportation, and related energy-service businesses.
- Emphasis on mid-cap issuers that have historically attracted less institutional attention and may trade at lower valuation multiples than large-cap peers.
- Active management informed by company fundamentals, sector dynamics, and prevailing market conditions.
- Ability to write covered calls on certain holdings, which may provide additional premium income when market conditions allow.
- Flexibility to use short positions or employ leverage to manage risk or express relative-value views.

**Ticker:** COIL (TSX)

**Fund Category:** Liquid Alternative

**Fund Group:** Energy Equity

**Risk Rating:** High Risk

**Management Fee:** 1.00% per annum

**Performance Fee:** 20% of the amount by which the Net Profit exceeds a 4% per annum Performance Hurdle, subject to a High-water Mark.

**Distributions:** Quarterly.

**Registered Plan Eligibility:** Expected to be a qualified investment for RRSPs, RRIFFs, TFSAs, RDSPs, RESPs, and FHSAs.

### Contact Information:

For more information, or to obtain a copy of the **ETF Facts** or **Final Prospectus** at no cost, please visit our website or contact us:

**Website:**

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**Public Filings:** [www.sedarplus.com](http://www.sedarplus.com)

## Portfolio Characteristics

- Concentrated portfolio of approximately 10–20 positions.
- Holdings may include equity, equity-related, and fixed-income securities of Canadian oil and gas companies.
- Eligible long positions must be headquartered in Canada, listed on a Canadian exchange, and have significant operations within the country.
- May hold cash or cash equivalents when market conditions warrant a more defensive posture.
- May invest in liquid and, at times, less liquid mid-cap issuers.

## Portfolio Techniques

- May borrow cash, engage in short selling, and use leverage within regulatory limits.
- Aggregate exposure to borrowing, short selling, and specified derivatives (excluding covered calls) will not exceed approximately 33% of NAV.
- May use derivatives such as options, futures, forwards, and swaps for hedging or non-hedging purposes, consistent with the ETF's investment objectives.
- Covered call writing may be used to generate additional premium income when market conditions allow.

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## Important Alternative Fund Disclosures

The ALL-CANADIAN Oil & Gas ETF is an "alternative mutual fund" as defined in National Instrument 81-102. As an alternative mutual fund, COIL is permitted to use investment strategies that are generally prohibited for conventional mutual funds. These include the ability to:

- Invest more than 10% of its Net Asset Value (NAV) in a single issuer.
- Borrow cash and sell securities short beyond conventional limits.
- Employ leverage up to a maximum aggregate exposure of approximately **33% of NAV** (excluding covered call options).

**Risk Note:** While these strategies are used to meet the ETF's objectives, during certain market conditions they may accelerate the pace at which your investment decreases in value.

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No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. Commissions, trailing commissions, management fees and expenses all may be associated with ETF investments. Please read the prospectus before investing.

ETFs are not guaranteed, their values change frequently and past performance may not be repeated. Important information about the All-Canadian Oil & Gas ETF (the "Fund") is contained in the prospectus. Copies of the prospectus may be obtained from Lightwater Partners (the "Manager") at [www.lightwaterpartners.com](http://www.lightwaterpartners.com) or at [www.sedar.com](http://www.sedar.com).

Certain statements in this document are forward-looking statements, including those identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend", "target", "seek", "will" and similar expressions to the extent they relate to the Fund and the Manager. Forward-looking statements are not historical facts but reflect the current expectations of the Fund and the Manager regarding future results or events. Such forward-looking statements reflect the Fund's and the Manager's current beliefs and are based on information currently available to them. Forward-looking statements are made with assumptions and involve significant risks and uncertainties. Although the forward-looking statements are based upon assumptions that the Fund and the Manager believe to be reasonable, neither the Fund or the Manager can assure investors that actual results will be consistent with these forward-looking statements. As a result, readers are cautioned not to place undue reliance on these statements as a number of factors could cause actual results or events to differ materially from current expectations. Some of these risks, uncertainties and other factors are described in the offering documents for the Fund under the heading "Risk Factors".

These factors – many of which are beyond the Manager's control and the effects of which can be difficult to predict – include (but are not limited to the following): no assurance in achieving investment objectives, loss of investment, volatility concentration risk, reliance on the Manager, borrowing risk, derivative risk, risks of investing in the Oil and Gas sector, prime broker risk, changes in legislation, valuation, significant redemptions, illiquid securities limited liquidity in the units, limited operating history and tax risk.