Financial Statements of

ALL-CANADIAN OIL & GAS ETF

(Expressed in Canadian dollars)

Period from March 23, 2026 (commencement of operations) to June 30, 2026

(Unaudited)

MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements have been prepared by **Lightwater Partners Ltd.** in its capacity as the Trustee of the ETF. The ETF's Trustee is responsible for the information and representations contained in these financial statements.

The Trustee maintains appropriate processes to ensure that relevant and reliable financial information is produced. The unaudited interim financial statements have been prepared in accordance with IFRS Accounting Standards and include certain amounts that are based on estimates and judgements made by the Trustee. The material accounting policy information which the Trustee believes are appropriate for the ETF are described in Note 3 to the unaudited interim financial statements.

On behalf of the Trustee

Jerome Hass, Director, Lightwater Partners Ltd. Date: 31 July 2026

NOTICE TO UNITHOLDERS

The Auditors of the ETF have not reviewed these financial statements.

Lightwater Partners Ltd., the Trustee of the ETF, appoints an independent auditor to audit the ETF's annual financial statements. Applicable securities laws require that if an auditor has not reviewed the ETF's interim financial statements, this must be disclosed in an accompanying notice.

All-Canadian Oil & Gas ETF

Statement of Financial Position
As at June 30, 2026 (Unaudited)

ASSETS		
Current assets		
Cash and cash equivalents	$	623,789
Investments owned, at fair value through profit or loss (note 7)		439,970
Dividends and interest receivable		5,864
		1,069,623
LIABILITIES		
Current liabilities		
Investments sold short, at fair value through profit or loss (note 7)		66,997
Management fees payable		2,811
Accounts payable and accrued liabilities		18,318
Dividends payable on investments sold short		377
		88,503
Net assets attributable to holders of redeemable units	$	981,120
Number of redeemable units outstanding (note 8)		100,000
Net assets attributable to holders of redeemable units per unit	$	9.81

Approved on behalf of the Fund,

Jerome Hass, Director

Andy Maclean, Director

Statement of Comprehensive Loss

Period from March 23, 2026 (commencement of operations) to June 30, 2026 (Unaudited)

Income		
Dividends	$	6,699
Interest income for distribution purposes		3,802
Net realized losses on sale of investments, including foreign exchange adjustments		(4,828)
Net change in unrealized depreciation in fair value of investments		(1,889)
		3,784
Expenses		
Administration fees		4,905
Audit fees		4,845
Independent review committee fees		3,948
Legal fees		3,589
Management fees (note 6)		3,177
Transaction costs (note 9)		943
Custodian fees		610
Dividends paid on investments sold short		377
Security borrowing fees		244
Bank charges		25
Interest		1
		22,664
Decrease in net assets attributable to holders of redeemable units	$	(18,880)
Decrease in net assets attributable to holders of redeemable units per unit (note 14)	$	(0.19)

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units
Period from March 23, 2026 (commencement of operations) to June 30, 2026 (Unaudited)

	Net assets attributable to holders of redeemable units, beginning of period	Proceeds from redeemable units issued	Decrease in net assets from operations attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of period
June 30, 2026	$ –	$ 1,000,000	$ (18,880)	$ 981,120

Statement of Cash Flows

Period from March 23, 2026 (commencement of operations) to June 30, 2026 (Unaudited)

Cash provided by (used in):		
Operating Activities		
Decrease in net assets attributable to holders of redeemable units	$	(18,880)
Adjustments for non-cash items		
Transaction costs		943
Net realized losses on sale of investments, including foreign exchange adjustments		4,828
Net change in unrealized depreciation in fair value of investments		1,889
Change in non-cash balances		
Increase in dividends and interest receivable		(5,864)
Increase in management fees payable		2,811
Increase in accounts payable and accrued liabilities		18,318
Increase in dividends payable on investments sold short		377
Proceeds from sale of investments		102,395
Purchase of investments		(483,028)
Cash used in operating activities		(376,211)
Financing Activities		
Proceeds from issuances of redeemable units		1,000,000
Cash provided by financing activities		1,000,000
Increase in cash and cash equivalents during the period		623,789
Cash and cash equivalents, beginning of period		–
Cash and cash equivalents, end of period	$	623,789
Supplemental information*		
Interest paid	$	1
Interest received		2,887
Dividends received, net of withholding taxes		1,750

*Included as a part of cash flows from operating activities

Schedule of Investment Portfolio
As at June 30, 2026 (Unaudited)

Number of shares/units	Investments owned		Average cost	Fair value	% of net asset value
	Canadian equities				
3,000	Cardinal Energy Ltd.	$	34,731	$ 32,670	3.33
2,500	Gibson Energy Inc.		73,354	71,825	7.32
3,000	Headwater Exploration Inc.		39,795	35,490	3.62
1,000	Keyera Corp.		55,900	56,970	5.81
900	Pembina Pipeline Corp.		57,857	59,058	6.02
3,000	PHX Energy Services Corp.		35,743	31,920	3.25
2,500	Rockpoint Gas Storage Inc.		69,460	73,425	7.48
4,000	Surge Energy Inc.		34,800	36,920	3.76
1,400	Topaz Energy Corp.		43,764	41,692	4.25
			445,404	439,970	44.84
	Total investments owned		445,404	439,970	44.84

Number of shares/units	Investments sold short		Proceeds on short sale	Fair value	% of net asset value
	Canadian equities				
(200)	Imperial Oil Ltd.		(36,790)	(31,852)	(3.25)
(4,500)	Superior Plus Corp.		(33,458)	(35,145)	(3.58)
			(70,248)	(66,997)	(6.83)
	Total investments sold short		(70,248)	(66,997)	(6.83)
	Commissions and other portfolio transaction costs		(293)	–	–
	Net investments owned	**$**	**374,863**	372,973	38.01
	Other assets, net			608,147	61.99
	Net Assets Attributable to Holders of Redeemable Units			**$ 981,120**	**100.00**

1. Organization of the ETF and general information:

The All-Canadian Oil & Gas ETF (the "ETF") is an exchange traded mutual fund trust and is organized under the laws of the Province of Ontario pursuant to Trust Agreement dated February 2, 2026.

The address of the ETF's registered office is 372 Bay Street, Suite 1700, Toronto, Ontario M5H 2W9.

The ETF is offered for sale on a continuous basis by its prospectus in Class E units ("Class E") which trade on the Toronto Stock Exchange ("TSX") under the symbol COIL with a closing market price of $9.81 from the last trade on June 24, 2026. An Investor may buy or sell units of the ETF on the TSX only through a registered broker or dealer in the province or territory where the Investor resides. Investors are able to trade units of the ETF in the same way as other securities traded on the TSX, including by using market orders and limit orders and may incur customary brokerage commissions when buying or selling units. The valuation date ("Valuation Date") of the ETF is each trading day and any other designated date on which the net asset value ("NAV") of the ETF will be calculated.

The ETF is managed by Lightwater Partners Ltd. ("Manager" or "Lightwater"). The Lightwater is incorporated under the laws of Ontario and is registered as Manager, Trustee, Promoter and Portfolio Manager of the ETF with the Ontario Securities Commission.

The ETF's investment objectives are to provide holders of units with quarterly cash distributions and the opportunity for capital appreciation by investing in companies in the Canadian oil and gas industry. The ETF seek to achieve its investment objective by primarily holding a concentrated portfolio of common shares of companies in the Canadian oil & gas industry. The ETF also short stocks or exchange traded funds or ADRs to hedge its long positions. The ETF intends to hold a concentrated portfolio of 10 to 20 long positions. The ETF intends to focus on publicly listed, liquid stocks but it may invest in illiquid assets from time to time. The ETF's positions to include publicly listed mid-cap Canadian stocks, which are less liquid in nature than large-cap publicly-listed stocks. To be eligible for a long investment by the ETF, a company to have (i) its headquarters located in Canada, (ii) be listed on a Canadian stock exchange, and (iii) will have to have significant operations within Canada. The ETF may invest in derivative instruments, such as options, futures, forward contracts and swaps, for both hedging and non-hedging purposes, in a manner which is consistent with the investment objective of the ETF and as permitted by the Canadian Securities Administrators.

2. Basis of presentation:

These interim financial statements have been prepared in compliance with IFRS Accounting Standards applicable to the preparation of financial statements, and International Accounting Standard 34, Interim Financial Reporting (together “IFRS Accounting Standards”). The ETF reports under this basis of accounting, as required by the Canadian Securities Legislation and Canadian Accounting Standards Board.

These financial statements have been prepared on a historical cost basis, except for financial assets and financial liabilities at fair value through profit or loss ("FVTPL"), which are presented at fair value. The policies applied in these financial statements are based on IFRS Accounting Standards issued and outstanding as at 31 July, 2026, which is the date on which the financial statements were authorized for issue by the Manager.

3. Material accounting policy information:

The following is a summary of the material accounting policy information applied by the ETF:

a. Recognition and initial measurement and derecognition:

Financial assets and financial liabilities at FVTPL are initially recognized on the trade date, which is the date the ETF becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated.

Financial assets and financial liabilities at FVTPL are initially measured at fair value, with transaction costs recognized in profit or loss. Financial assets and financial liabilities not at FVTPL are initially measured at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Financial assets are derecognized when, and only when, the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The ETF derecognizes financial liabilities when, and only when, the ETF’s obligations are discharged, cancelled or expired.

3. **Material accounting policy information (continued):**

(b) Classification:

The ETF classifies its investments in equity securities as financial assets and financial liabilities at FVTPL in accordance with IFRS 9, Financial Instruments (“IFRS 9”).

The ETF classifies its investments at FVTPL based on the ETF’s business model for managing those financial assets in accordance with the ETF’s documented investment strategy. The portfolio of investments is managed and performance is evaluated on a fair value basis and the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The ETF is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

All other financial assets and financial liabilities, excluding redeemable units, are measured at amortized cost, and are classified as subsequently measured at amortized cost. A financial asset is classified as subsequently measured at amortized cost only if both of the following criteria are met:

(i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and

(ii) the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

The ETF’s accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value for the purposes of trading ("Net Asset Value") for transactions with unitholders.

(c) 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 in the principal or, in its absence, the most advantageous market to which the ETF has access at that date. The fair value of a liability reflects its non-performance risk.

3. Material accounting policy information (continued):

(c) Fair Value Measurement: (continued):

Investments are valued at fair value as of the close of business on each day upon which a session of the TSX is held (“Valuation Date”) and based on external pricing sources to the extent possible. When available, the ETF measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The ETF measures instruments quoted in an active market at the last sale or close price, where the close price falls within the day's bid-ask spread. In circumstances where the close price is not within the day's bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on specific facts and circumstances.

When the ETF holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

If there is no quoted price in an active market, then the ETF uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The ETF uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Valuation techniques used include the use of comparable recent arm's-length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Written call options:

The premium received upon writing a call option is recorded as a deferred credit. Upon expiry of the option or when the option is exercised by its holder, the premium is recognized as a gain and is included in net realized losses on sale of investments, including foreign exchange adjustments in the statement of comprehensive loss.

Foreign exchange forward contracts:

The ETF may enter into foreign exchange forward contracts for hedging purposes or to establish an exposure to a particular currency. Upon closing of a contract, the gain or loss is included in net realized losses on sale of investments, including foreign exchange adjustments in the statement of comprehensive loss. Outstanding settlement amounts on the close-out of foreign exchange forward contracts are included in receivable for foreign exchange forward contracts or payable for foreign exchange forward contracts in the statement of financial position.

3. **Material accounting policy information (continued):**

(c) Fair Value Measurement: (continued):

Foreign exchange forward contracts (continued):

The fair value of financial assets and financial liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The ETF uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Valuation techniques used include the use of comparable recent arm's-length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Investments in private companies and other assets for which no published market exists are initially valued at cost and adjusted each reporting period, when appropriate, to reflect the most recent value at which such securities have been exchanged in an arm's-length transaction, which approximates a trade effected in a published market.

(d) Financial instruments:

The ETF measures fair values using the following hierarchy that reflects the significance of the input used when assessing the fair value of financial assets and liabilities and is presented below:

i. Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

ii. Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

iii. Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

3. Material accounting policy information (continued):

(e) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the ETF enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the statement of financial position but still allow for the related amounts to be offset in certain circumstances, such as bankruptcy or termination of the contracts.

Income and expenses are presented on a net basis for gains and losses from financial instruments at fair value through profit or loss and foreign exchange gains and losses.

(f) Commissions and other portfolio transactions costs:

Transaction costs are expensed and are included in transaction costs in the statement of comprehensive loss. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commission paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties.

(g) Translation of foreign currency:

The functional and presentation currency of the ETF is the Canadian dollar. The fair value of foreign investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates on each Valuation Date. Purchases and sales of foreign securities denominated in foreign currencies and the related income are translated into Canadian dollars at rates of exchange prevailing on the respective dates of such transactions.

Foreign exchange gains and losses relating to cash and cash equivalents and FVTPL assets are presented in the statement of comprehensive loss within net realized losses on sale of investments, including foreign exchange adjustments.

3. **Material accounting policy information (continued):**

(h) Revenue recognition:

Income from investments is recognized on the accrual basis. Dividend income is recognized at the time a security trades on an ex-dividend basis. For dividends from certain foreign securities, if the ex-dividend date has passed, dividend income is recorded as soon as the ETF is informed of the ex-dividend date. Interest income is based on the number of days the investment is held during the period.

Realized gains/losses on sale of investments and change in unrealized appreciation/ depreciation in fair value of investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero coupon bonds.

(i) Income tax:

The ETF qualifies as a mutual fund trust within the meaning of the Income Tax Act (Canada). The ETF distributes its net income and net realized taxable capital gains, which are taxable in the hands of the unitholders, at least annually.

(j) Classification of redeemable units issued by the ETF:

Under IAS 32, "Financial Instruments: Presentation", the ETF classified its redeemable units as liabilities. The ETF's redeemable units do not meet the criteria in IAS 32 for classification as equity as the ETF has more than one contractual obligation to its unitholders. Investors have the right to require redemption, subject to available liquidity, for cash at a unit price based on the ETF's valuation policies at each redemption date. Unitholders are also entitled to distributions when declared and have the right to receive distributions in cash. Therefore, the ongoing redemption feature is not the only contractual obligation related to units.

3. **Material accounting policy information (continued):**

(k) Net assets attributable to holders of redeemable units per unit:

The net assets attributable to holders of redeemable units per unit is calculated by dividing the net assets attributable to holders of redeemable units of a particular class of redeemable units by the total number of redeemable units of that particular class outstanding at the end of the period.

(l) Decrease in net assets attributable to holders of redeemable units per unit:

Decrease in net assets attributable to holders of redeemable units per unit is based on the decrease in net assets attributable to holders of redeemable units attributed to each class of redeemable units, divided by the weighted average number of redeemable units outstanding of that class during the period.

(m) Cash and cash equivalents:

Cash and cash equivalents consist of cash with bank, overdraft used, money market fund and short-term investments with terms of approximately 90 days or less. Cash and cash equivalents are carried at cost which approximates their fair value.

(n) Cost of investments:

The cost of investments represents the amount paid for each security and is determined on an average cost basis, excluding commissions and other portfolio transaction costs.

(o) Other assets and liabilities:

Other financial assets and liabilities are classified as and measured at amortized cost. Financial liabilities are generally settled within three months of issuance. Other assets and liabilities are short-term in nature, and are carried at amortized cost which approximates fair value.

(p) Dividend expense:

The ETF incurs dividend expenses on short positions in equity securities equal to the dividends due on these securities. Such dividend expense is recognized in profit or loss as dividend paid on investments sold short when shareholders' right to receive payment is established.

4. Future accounting changes:

New standards, amendments and interpretations effective after January 1, 2026

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after January 1, 2026)

The IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. Among other amendments, the IASB clarified the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.

The Manager has assessed the effect of the new amendments and determined that there is no impact on the ETF's financial statements.

New standards, amendments and interpretations effective after January 1, 2027, 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, 2027, and have not been early adopted in preparing these financial statements.

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

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.

4. Future accounting changes (continued):

The Manager 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 ETF.

5. 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 ETF has made in preparing the financial statements:

Classification and measurement of investments:

In classifying and measuring financial instruments held by the ETF, the Manager is required to make significant judgments about whether or not the business of the ETF is to manage its portfolio of investments and evaluate performance on a fair value basis and that the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The most significant judgments made include assessing and determining the appropriate business model that enables the decision that the ETF's investments are classified as FVTPL under IFRS 9.

6. Related party transactions:

(a) Management fees:

The ETF pays an annual management fee of 1.00% plus HST to the Manager calculated and accrued daily at 4:00 p.m. EST (the "Valuation Time") and payable monthly in arrears based on the average NAV of the units.

The Manager may, at its discretion, agree to charge a reduced management fee as compared to the fee it would otherwise be entitled to receive from the ETF with respect to large investments in the ETF by unitholders that hold, on average during any period specified by the Manager from time to time, Units having a specified aggregate value. Such a reduction will be dependent upon a number of factors, including the amount invested, the total assets of the ETF under administration and the expected amount of account activity. In such cases, an amount equal to the difference between the fee otherwise chargeable and the reduced fee plus HST will be distributed in cash, at the discretion of the Manager, to the applicable unitholders as management fee distributions (the "Management Fee Distributions"). The Manager may discontinue this practice at its discretion at any time and without prior notice.

For the period from March 23, 2026 (commencement of operations) to June 30, 2026, the ETF has incurred management fees of $3,177 of which $2,811 is payable as of June 30, 2026.

(b) Performance fees:

The Manager receives a performance fee in respect of the units of the ETF, which is calculated and accrued for each applicable class on each trading day during the relevant performance fee determination period. The ETF pays the Manager a performance fee, plus HST and any other applicable taxes, for each performance fee determination period equal to 20% of the amount by which the net profit of each applicable class of units exceeds the performance hurdle, subject to the high-water mark.

No performance fee is paid in respect of a class unless the adjusted class NAV per unit exceeds the high-water mark for that class and, in such circumstances, a performance fee is paid only on that portion of the net profit that exceeds the performance hurdle. The Manager may make such adjustments to the class NAV per unit and/or the calculation of the performance fee as it determines necessary to reflect the payment of any distributions on units, any unit splits or consolidations, or any other event or matter that, in the opinion of the Manager, would affect the calculation of the performance fee.

For the period from March 23, 2026 (commencement of operations) to June 30, 2026, the ETF did not incur any performance fees.

6. Related party transactions (continued):

(c) Other operating expenses:

The ETF is responsible for the payment of all operating and administrative expenses relating to the operation of the ETF and the carrying on of its activities, including, but not limited to: (a) mailing and printing expenses for periodic reports to Unitholders, (b) fees payable to the Trustee for acting as trustee (except when the Manager is the trustee), (c) fees payable to the Prime Brokers and Registrar and Transfer Agent, as applicable, (d) fees payable to the Custodian for acting as custodian of the assets of the ETF, (e) any reasonable out of pocket expenses incurred by the Manager or its agents in connection with their ongoing obligations to the ETF, (f) IRC committee member fees and expenses in connection with the IRC, (g) expenses related to compliance with National Instrument 81-107 - *Independent Review Committee for Investment Funds* (“NI 81-107”), (h) fees and expenses relating to voting of proxies by a third party, (i) insurance coverage for the members of the IRC, (j) fees payable to the auditors and legal advisors of the ETF, (k) regulatory filing, stock exchange and licensing fees and CDS fees, (l) banking and interest with respect to any borrowing (if applicable), (m) website maintenance costs, (n) any taxes payable by the ETF or to which the ETF may be subject, including income taxes, Sales Taxes and/or withholding taxes, (o) expenditures incurred upon termination of the ETF, (p) brokerage commissions, (q) costs and expenses of complying with all applicable laws, regulations and policies, including expenses and costs incurred in connection with the continuous public filing requirements such as permitted prospectus preparation and filing expenses, (r) extraordinary expenses that the ETF may incur and all amounts paid on account of any indebtedness (if applicable),
(s) any expenses of insurance and costs of all suits or legal proceedings in connection with the ETF or the assets of the ETF or to protect the Unitholders, the Trustee, the Manager, the investment manager, any sub-advisor and the directors, officers, employees or agents of the Trustee, the Manager, the investment manager and any sub-advisor, (t) any expenses of indemnification of the Trustee, the Unitholders, the Manager, the investment manager, any sub-advisor or agents, or their respective directors, officers, employees or agents to the extent permitted under the Declaration of Trust, (u) expenses relating to the preparation, printing and mailing of information to Unitholders and relating to meetings of Unitholders, and
(v) legal, accounting and audit fees and fees and expenses of the Trustee, Custodian and Manager which are incurred in respect of matters not in the normal course of the ETF’s activities. If applicable, the costs of any currency hedging and derivatives will be borne by the ETF. The ETF is also responsible for all commissions and other costs of portfolio transactions and any extraordinary expenses of the ETF which may be incurred from time to time.

6. Related party transactions (continued):

(c) Other operating expenses: (continued)

Costs and expenses payable by the Manager, or an affiliate of the Manager, include the initial organization costs of the ETF and the costs of the preparation and filing of the preliminary prospectus and final prospectus.

Related parties owned 9,890 units of the ETF as at June 30, 2026. The related parties are the Manager, the shareholders of the Manager and individuals related to Lightwater and the shareholders of Lightwater.

The Manager charged management fees of $3,177. The Manager charged a performance fee of $nil. The Manager did not absorb any of the ETF’s expenses in the period from March 23, 2026 (commencement of operations) to June 30, 2026, as reported in the statement of comprehensive loss.

7. Classification of financial instruments:

The following tables summarize the levels within the fair value hierarchy in which the fair value measurements of the ETF’s investments fall as at June 30, 2026:

	Level 1	Level 2	Level 3	Total
Assets				
Common Stocks	$ 439,970	$ –	$ –	$ 439,970
	$ 439,970	$ –	$ –	$ 439,970
Liabilities				
Common Stocks	$ 66,997	$ –	$ –	$ 66,997
	$ 66,997	$ –	$ –	$ 66,997

During the period from March 23, 2026 (commencement of operations) to June 30, 2026, there were no transfers between the fair value hierarchy levels.

8. **Redeemable unit transactions and income reinvestment:**

The ETF is authorized to issue an unlimited number of redeemable, transferable Class E units each of which represents an equal, undivided interest in the net assets of the ETF. Each unit entitles the owner to one vote at meetings of unitholders. Each unit is entitled to participate equally with all other units with respect to all payments made to unitholders, other than management fee distributions, whether by way of income or capital distributions and, on liquidation, to participate equally in the net assets of the ETF remaining after satisfaction of any outstanding liabilities that are attributable to units of that class of the ETF. All units will be fully paid and non-assessable, with no liability for future assessments, when issued and will not be transferable except by operation of law.

The redeemable units issued by the ETF provide an investor with the right to require redemption for cash at a value proportionate to the investor's share in the ETF's net assets at each redemption date. They are classified as liabilities as a result of the ETF's requirement to distribute net income and capital gains to unitholders. The ETF's objectives in managing the redeemable units are to meet the ETF's investment objective, and to manage liquidity risk arising from redemptions. The ETF's management of liquidity risk arising from redeemable units is discussed in note 13.

On any valid trading day, as defined in the ETF's prospectus, unitholders of the ETF may (i) redeem units of the ETF for cash at a redemption price per unit equal to 95% of the closing price for units of the ETF on the TSX on the effective day of the redemption, where the units being redeemed are not equal to a prescribed number of units ("PNU") or a multiple PNU; or (ii) redeem, less any applicable redemption charge as determined by the Manager in its sole discretion from time to time, a PNU or a multiple PNU of the ETF for cash equal to the net asset value of that number of units.

Units of the ETF are issued or redeemed on a daily basis at the net asset value per security that is determined as at 4:00 p.m. (Eastern Time) each business day. Purchase and redemption orders are subject to a 9:00 a.m. (Eastern Time) cut-off time.

The ETF is required to distribute any net income and capital gains that it has earned in the period. Income distributions, if any, are paid in cash and are expected to be paid quarterly in accordance with the distribution frequency as noted in the ETF prospectus. Any remaining net income or net realized capital gains will be distributed as one or more special year end distributions. Such special distributions may be paid in the form of units of the ETF and/or cash. If the special distribution is paid in additional units, the numbers of units held by the unitholders will be automatically consolidated such that the number of units outstanding after such distribution will be equal to the number of units held by such unitholder immediately prior to such distribution. Such distributions increase the adjusted cost base of the unitholder.

8. **Redeemable unit transactions and income reinvestment (continued):**

The following table summarize the changes in the number of units during the period from March 23, 2026 (commencement of operations) to June 30, 2026:

	Redeemable Units, beginning of period	Redeemable Units Issued	Redeemable Units, end of period
June 30, 2026	–	100,000	100,000

9. **Transaction costs:**

Total commissions paid by the ETF to brokers in connection with portfolio transactions for the period from March 23, 2026 (commencement of operations) to June 30, 2026 were $943. In addition to covering brokerage services on security transactions, commissions paid to certain brokers may also cover research services provided to the Manager. This amounted to $0 for the period from March 23, 2026 (commencement of operations) to June 30, 2026.

10. **Income taxes:**

The ETF intends to qualify as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is not subject to tax on its net taxable income for the tax year which ends in December, including net realized capital gains, which is paid or payable to its unitholders as at the end of the tax year. However, such part of the ETF's net income and net realized capital gains as is not so paid or payable, is subject to income tax. It is the intention of the ETF to distribute all of its income and sufficient net realized capital gains so that the ETF will not be subject to income tax. The ETF may be subject to alternative minimum tax, potentially recoverable.

Non-capital losses are available to be carried forward for 20 years as and applied against future taxable income. Capital losses for income tax purposes may be carried forward indefinitely and applied against future capital gains.

11. **Comparison of net asset value (trading NAV) per unit and net asset attributable to holders of redeemable units per unit (IFRS Accounting Standards):**

There is no difference between the Net Asset Value (Trading NAV) per unit and the Net Asset attributable to holders of redeemable units per unit (IFRS Accounting Standards) as there has been no offering costs incurred during the period from March 23, 2026 (commencement of operations) to June 30, 2026.

12. **Auditor fees:**

Fees paid or payable by the ETF to Goodman & Associates LLP and its network firms for audit services for the ETF are $4,845. Fees for other services are $nil.

13. **Financial Risk management:**

The ETF is exposed to various types of risks that are associated with its investment strategies, long/short financial instruments and markets in which it invests. The most important risks include liquidity risk, credit risk, interest rate risk and currency risk. These risks and related risk management practices employed by the ETF are discussed below:

(a) Investments Risk :

The ETF invests in equity securities on both a long and short basis. Short positions represent obligations of the ETF to deliver specified securities. Accordingly, both long and short security positions may result in losses or gains to the ETF as market values of securities fluctuate. To mitigate the risk of loss, long and short positions are marked-to-market daily by the Prime Broker.

Under the Settlement Service Agreement, the ETF is entitled, with the authorization granted to the Manager by the Trustee, to borrow securities and financial instruments against the transfer of collateral in the form of securities, financial instruments or transfer of currency. The borrowings are repayable on a fixed date or on demand and bear interest at various rates.

13. Financial Risk management (continued):

(b) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The investments of the ETF 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 ETF is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the ETF's market price risk is managed through diversification of the equity. The Manager monitors the ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2026, 38.01% of the ETF's net assets attributable to holders of redeemable units were invested in securities traded on public exchanges or securities based on the quoted prices of securities traded on public exchanges. If security prices had increased or decreased by 10% as at the period end, with all other factors remaining constant, net assets attributable to holders of redeemable units could possibly have increased or decreased by approximately $37,297.

In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(c) Liquidity risk:

The ETF is exposed to daily cash redemptions of redeemable units on any Valuation Date (usually daily) with a day prior notice of redemption at the current Trading Net Asset Value per unit at the option of the unitholder. Liquidity risk is managed by investing the majority of the ETF's assets in investments that are traded in an active market and can be readily disposed. In addition, the ETF aims to retain sufficient cash and cash equivalent positions to maintain liquidity.

The ETF's investments are considered readily realizable and highly liquid; therefore, the ETF's liquidity risk is considered minimal. All liabilities are generally paid within 90 days.

13. **Financial Risk management (continued):**

(d) Credit risk:

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the ETF. The ETF's counterparties are generally major brokerage firms and banks. The ETF is exposed to credit risk through the use of custodians for their cash and investments. Bankruptcy or insolvency of the custodians may cause the ETF's rights with respect to its cash and investments held by the custodian to be delayed or limited.

Substantially all of the ETF's cash and investments are held at TD Securities Inc., the Prime Broker. The ETF monitors its risk by monitoring the credit quality and financial position of the Prime Broker.

The ETF has provided the Prime Broker with a general lien over financial assets held in custody as security for the Prime Broker exposures relation to provision of custody services to the ETF.

The ETF's cash is held with TD Bank and TD Securities Inc., which are rated A+ by S&P Global Rating.

As at June 30, 2026, the ETF did not have any material credit risk exposure.

(e) Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments.

Interest rate risk arises when the ETF invests in interest-bearing financial instruments. The ETF is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. There is minimal sensitivity to interest rate fluctuations on any cash and cash equivalents invested at short-term market interest rates.

As at June 30, 2026, the ETF did not hold any long-term debt instruments and did not have any material interest rate risk exposure.

13. Financial Risk management (continued):

(f) Currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk arises from financial instruments (including cash and cash equivalents) that are denominated in a currency other than the Canadian dollar, which represents the functional currency of the ETF. The ETF may enter into foreign exchange forward contracts for hedging purposes to reduce its foreign currency exposure, or to establish exposure to foreign currencies.

As at June 30, 2026, the ETF hold investment only in Canadian market and as a result did not have any material net exposure to foreign currencies.

(g) Capital management:

The ETF considers its net assets to be its capital, the relevant capital movements are disclosed in the statement of changes in net assets attributable to holders of redeemable units. The ETF manages its capital in accordance with the investment objectives and strategy, as disclosed in the ETF's offering documents. The ETF has no externally imposed capital requirements.

(h) Leverage risk:

When the ETF makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities or other portfolio assets, leverage may be introduced into the ETF. Leverage occurs when the ETF's aggregate gross exposure to underlying assets is greater than the amount invested. Leverage may increase volatility, may impair the ETF's liquidity and may cause the ETF to liquidate positions at unfavourable times.

As prescribed by National Instrument 81-102, Investment Funds, the aggregate gross exposure of the ETF, to be calculated as the sum of the following, must not exceed three times the ETF's net asset value: (i) the amount of cash borrowed for investment purposes; (ii) the aggregate market value of physical short sales on equities or other portfolio assets; and (iii) the aggregate notional value of the ETF's specified derivatives positions excluding any specified derivatives used for hedging purposes.

13. Financial Risk management (continued):

(h) Leverage risk (continued):

During the period from March 23, 2026 (commencement of operations) to June 30, 2026, the ETF's lowest and highest aggregate gross exposure was 13.28% and 56.90% of the ETF's NAV respectively. The primary source of leverage was short positions in equity securities. The low and high end of the range are as a result of our investing activities, and timing of subscriptions and/or redemptions. The ETF's strategy is outlined in the simplified prospectus.

The Investment Manager monitors, on a daily basis, that the ETF's aggregate gross exposure is less than three times the ETF's net asset value.

14. Decrease in net assets attributable to holders of redeemable units per unit:

Decrease in net assets attributable to holders of redeemable units per unit for the period from March 23, 2026 (commencement of operations) to June 30, 2026 is calculated as follows:

	Decrease in Net Assets Attributable to Holders of Redeemable Units	Weighted Average of Redeemable Units Outstanding During the Period	Decrease in net assets attributable to holders of redeemable units per unit
June 30, 2026	$ (18,880)	100,000	$ (0.19)

15. Securities lending revenue:

The ETF may lend portfolio securities from time to time in order to earn additional income. The loaned securities will not exceed 50% of the NAV of each of those Funds at any time. The minimum allowable collateral is 102% of the fair value of the loaned securities. The fair value of the loaned securities is determined at the close of any valuation date. The securities on loan are included in the Schedule of Investment Portfolio and in the Statements of Financial Position.

For the period from March 23, 2026 (commencement of operations) to June 30, 2026 the ETF had not participated in any securities lending.