

2019 Semi-Annual Management Report of Fund Performance

for the period ended June 30, 2019



Precious Metals and Mining Trust



Trusted Partner in Wealth™

Precious Metals and Mining Trust

Management Report of Fund Performance for the period ended June 30, 2019

This semi-annual management report of fund performance contains financial highlights but does not contain the complete semi-annual or annual financial statements of the investment fund. You can get a copy of the semi-annual or annual financial statements at your request, and at no cost, by calling 1-800-563-5181, by writing to us at CI Investments Inc., 2 Queen Street East, Twentieth Floor, Toronto, ON, M5C 3G7 or by visiting our website at www.ci.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

RESULTS OF OPERATIONS

The net asset value of the Trust increased by \$1.5 million to \$28.8 million from December 31, 2018 to June 30, 2019. The Trust paid distributions totalling \$1.1 million while the portfolio's performance increased assets by \$2.6 million. The Trust returned 9.7% after fees and expenses for the six-month period ended June 30, 2019. Over the same time period, the Trust's benchmarks returned 16.2%. The benchmark is the S&P/TSX Composite Total Return Index.

Escalating concerns over the United States-China trade dispute helped to buoy gold prices during the first half of 2019, as the metal was sought by investors as a "safe haven" asset. Later in the period, the rising potential of a conflict between Iran and the United States added to gold's appeal for investors. Low interest rates, including the 10-year U.S. Treasury yield falling below 2.0% and over US\$13 trillion in global sovereign bonds in negative yields, were also a positive driver for the price of gold. The U.S. dollar declined, providing a boost for U.S. dollar-priced gold, which rose to a new six-year high.

The Trust underperformed its benchmark during the period. Geographic allocation, in the form of an overweight exposure to Australia, detracted from the Trust's performance. The largest individual detractor from performance was a holding in Dacian Gold Ltd., a Western Australian gold company. The company's shares performed poorly after it significantly downgraded its 2019 and 2020 production forecasts amid operational issues and lower-than-expected gold grades in both its open pit and underground mine.

Sector allocation contributed to the Trust's performance, with an overweight exposure to intermediate and mid-capitalization gold producers outperforming large-capitalization gold producers. Various mergers and acquisitions within the sector also contributed to Trust performance, notably a holding in Atlantic Gold Corp., which received a premium offer to be acquired by St Barbara Ltd. Another individual contributor to Trust performance was Semafo Inc., which reported strong first-quarter operating performance and exploration success at its Bantou project.

An existing position in Guyana Goldfields Inc. was increased during the period, while Dacian Gold was eliminated from the Trust.

RECENT DEVELOPMENTS

We believe lower interest rates and negative sovereign bond yields should continue to be positive for the price of gold, as should a weaker U.S. dollar. We see opportunities in mid-cap growth and deep-value stocks that are currently mis-priced because of poor liquidity. As capital flows into precious metals equities, we expect liquidity to improve and valuation divergences to converge.

Effective January 4, 2019, the Trust's monthly distribution rate was reduced from \$0.020 to \$0.010.

On July 25, 2019, the Manager announced that effective December 31, 2019 Ernst & Young LLP will replace Deloitte LLP as the auditor to the Trust.

RELATED PARTY TRANSACTIONS

Manager

CI Investments Inc. is the Manager of the Trust and in consideration of management fees of \$0.1 million, provided management services required in the day-to-day operations of the Trust for the period.

Independent Review Committee

The Trust received standing instructions from the Trust's Independent Review Committee (IRC) with respect to the following related party transactions:

- a) trades in securities of CI Financial Corp.; and
- b) purchases or sales of securities of an issuer from or to another investment fund managed by the Manager.

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The applicable standing instructions require, amongst others, that related party transactions be conducted in accordance with the Manager's policies and procedures and applicable law and that the Manager advise the IRC of any material breach of such policies. The standing instructions also require that investment decisions in respect of related party transactions (a) are free from any influence by an entity related to the Manager and without taking into account any consideration relevant to an entity related to the Manager; (b) represent the business judgment of the Manager uninfluenced by considerations other than the best interests of the Trust; (c) are made in compliance with the Manager's policies and procedures; and (d) achieve a fair and reasonable result for the Trust. Transactions made by the Manager under the standing instructions are subsequently reviewed by the IRC on a quarterly basis to monitor compliance.

The Trust relied on the IRC's standing instructions regarding related party transactions during this reporting period.

Except as otherwise noted above, the Trust was not a party to any related party transactions during the period ended June 30, 2019.

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FINANCIAL HIGHLIGHTS

The following table shows selected key financial information about the Trust and is intended to help you understand the Trust's financial performance for the past six periods.

NET ASSETS PER UNIT ^(1, 2, 7)

	Six Months Ended Jun. 30, 2019	Year Ended Dec. 31, 2018	Year Ended Dec. 31, 2017	Year Ended Dec. 31, 2016	Year Ended Dec. 31, 2015	Year Ended Dec. 31, 2014
	\$	\$	\$	\$	\$	\$
Commencement of operations June 20, 2006						
Net assets at the beginning of period ⁽¹⁾	1.48	2.00	2.35	1.70	2.05	2.24
Increase (decrease) from operations:						
Total revenue	-	-	0.01	0.01	0.01	0.01
Total expenses (excluding distributions)	(0.01)	(0.04)	(0.05)	(0.06)	(0.05)	(0.06)
Realized gains (losses) for the period	(0.08)	0.15	(0.47)	(0.34)	(0.47)	(0.08)
Unrealized gains (losses) for the period	0.23	(0.41)	0.40	1.32	0.28	0.31
Total increase (decrease) from operations ⁽²⁾	0.14	(0.30)	(0.11)	0.93	(0.23)	0.18
Distributions:						
From net investment income (excluding dividends)	-	-	-	-	-	-
From dividends	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	(0.12)	(0.24)	(0.24)	(0.19)	(0.12)	(0.37)
Total distributions ^(2,3)	(0.12)	(0.24)	(0.24)	(0.19)	(0.12)	(0.37)
Net assets at the end of the period shown ⁽²⁾	1.56	1.48	2.00	2.35	1.70	2.05
Ratios and Supplemental Data						
Total net assets (\$000's) ⁽²⁾	28,778	27,306	38,480	45,184	36,138	54,587
Number of units outstanding (000's) ⁽²⁾	18,472	18,470	19,269	19,253	21,232	26,694
Portfolio turnover rate (%) ⁽⁵⁾	51.34	89.80	41.38	19.93	42.17	43.78
Trading expense ratio (%) ⁽⁶⁾	0.59	0.34	0.26	0.25	0.28	0.38
Management expense ratio before taxes (%) ⁽⁴⁾	1.79	1.90	n/a	n/a	n/a	n/a
Harmonized sales tax (%) ⁽⁴⁾	0.18	0.17	n/a	n/a	n/a	n/a
Management expense ratio after taxes (%) ⁽⁴⁾	1.97	2.07	2.01	1.93	1.98	1.94
Effective HST rate for the period ⁽⁴⁾	7.38	9.22	n/a	n/a	n/a	n/a
Closing market price (\$)	1.52	1.39	2.04	2.62	1.59	1.87

(1) This information is derived from the Trust's semi-annual and annual financial statements.

(2) Net assets per unit and distributions per unit are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations per unit is based on the weighted average number of units outstanding over the fiscal period.

(3) Distributions were paid in cash or automatically reinvested in additional units of the Trust.

(4) Management expense ratio is calculated based on expenses charged to the Trust (excluding commissions and other portfolio transaction costs) and is expressed as an annualized percentage of daily average net assets for the period. As of July 1, 2010, Ontario combined the federal goods and services tax ("GST" - 5%) with the provincial retail sales tax ("PST" - 8%). The combination resulted in a Harmonized sales tax ("HST") rate of 13%. The Effective HST tax rate is calculated using the attribution percentage for each province based on unitholder residency and can be different from 13%.

(5) The Trust's portfolio turnover rate indicates how actively the Trust's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Trust buying and selling all of the securities in its portfolio once in the course of the fiscal period. The higher a Trust's portfolio turnover rate in a period, the greater the trading costs payable by the Trust in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a higher turnover rate and the performance of a Trust. Portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the period, excluding cash and short-term investments maturing in less than one year, by the average of the monthly fair value of investments during the period.

(6) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value of the Trust during the period.

(7) This information is provided for the period ended June 30, 2019 and the years ended December 31.

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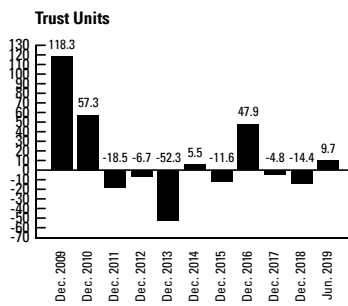
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PAST PERFORMANCE

This section describes how the Trust has performed in the past. Remember, past returns do not indicate how the Trust will perform in the future. The information shown assumes that distributions made by the Trust in the periods shown were reinvested in additional units of the Trust. In addition, the information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance.

Year-by-Year Returns

The following chart shows the Trust's semi-annual and annual performance for each of the periods shown and illustrates how the Trust's performance has changed from period to period. In percentage terms, the chart shows how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period, except where noted.



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SUMMARY OF INVESTMENT PORTFOLIO as at June 30, 2019

Category	% of Net Assets	Category	% of Net Assets	Top 25 Holdings	% of Net Assets
Country allocation		Sector allocation			
Canada	93.9	Materials	93.3	Detour Gold Corp.	8.1
Cash & Equivalents	5.5	Cash & Equivalents	5.5	Guyana Goldfields Inc.	7.3
Cayman Islands	1.3	Private Placements	2.2	TMAC Resources Inc.	7.1
U.S.A.	0.3	Warrants	0.0	Sandstorm Gold Ltd.	6.5
Australia	0.0	Other Net Assets (Liabilities)	(1.0)	SEMAFO Inc.	6.2
Other Net Assets (Liabilities)	(1.0)			Wheaton Precious Metals Corp.	5.8
				Cash & Equivalents	5.5
				Pretium Resources Inc.	5.4
				Alamos Gold Inc.	4.4
				Torex Gold Resources Inc.	4.3
				Dundee Precious Metals Inc.	3.8
				MAG Silver Corp.	3.7
				SSR Mining Inc.	3.5
				Gold Standard Ventures Corp.	3.3
				Agnico-Eagle Mines Ltd.	3.2
				Roxgold Inc.	3.2
				K92 Mining Inc.	3.0
				Superior Gold Inc.	2.7
				Barkerville Gold Mines Ltd.	2.5
				Lundin Mining Corp.	2.4
				GT Gold Corp.	1.5
				Endeavour Mining Corp.	1.3
				Bonterra Resources Inc.	2.3
				Alacer Gold Corp.	1.0
				GoldSource Mines Inc.	0.6
				Total Net Assets (in \$000's)	\$28,778

The summary of investment portfolio may change due to ongoing portfolio transactions of the Trust and updates will be available on a quarterly basis.

A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements about the Trust, its future performance, strategies or prospects, and possible future Trust action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective," and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Trust and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause

actual events or results to differ materially from those expressed or implied in any forward-looking statement made by the Trust. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchanges rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.