

Tundra Capital Management Fund

Société d'Investissement à Capital Variable ("SICAV") incorporated under Luxembourg law

Organisme de Placement Collectif en Valeurs Mobilières ("OPCVM")

Unaudited Semi-Annual Report
30 June 2018

Luxembourg Trade and Companies Register (R.C.S.) no. B 139.254

Subscriptions may only be accepted on the basis of the latest prospectus which is only valid if accompanied by the last available annual report and, if applicable, the last available half-yearly report if the latter was published after the last annual report.

Tundra Capital Management Fund

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Tundra Capital Management Fund

Organization

Registered Office:

12, rue Eugène Ruppert, L-2453 Luxembourg

Date of Constitution:

10 June 2008

Board of Directors of the Fund:

Chairman:

- Patrick VANDER EECKEN, Conducting Officer
Pure Capital

Directors:

- Jean-François RUEL, Administrator
Tundra Finance inc.
- René LOPEZ, Chairman, (until 29 January 2018)
Arcelor Mittal Montreal, Canada
- Cyrille NOVAK, Administrator, (since 29 January 2018)

Management Company:

Pure Capital S.A.
2, rue d'Arlon, L-8399 Windhof

Investment Manager(s):

Pure Capital S.A.
2, rue d'Arlon, L-8399 Windhof

Hedging Manager:

Pure Capital S.A.
2, rue d'Arlon, L-8399 Windhof

Investment advisor(s):

Tundra Finance Inc.
94-A, avenue Laurier Ouest, CA-H2T 2N4 Montreal, Canada

Domiciliary and Corporate agent, Administrative Agent, Paying Agent, Registrar and Transfer Agent:

Banque Degroof Petercam Luxembourg S.A.
12, rue Eugène Ruppert, L-2453 Luxembourg

Tundra Capital Management Fund

Organization

Depository:

Banque Degroof Petercam Luxembourg S.A.
12, rue Eugène Ruppert, L-2453 Luxembourg

Cabinet de Révision agréé:

KPMG Luxembourg, Société coopérative
39, avenue John F. Kennedy, L-1855 Luxembourg

Tundra Capital Management Fund

General information of the fund

TUNDRA CAPITAL MANAGEMENT FUND (the «SICAV») was established under the denomination of “MZ Finance Investment Fund” as an Investment Company with Variable Capital («SICAV») on 10 June 2008 for an unlimited period and organized under the Luxembourg Law of 13 February 2007 relating to specialised investment funds as a “Société d’Investissement à Capital Variable - Fonds d’Investissement Spécialisé”.

The corporate purpose of the SICAV has been changed from a Société d’Investissement à Capital Variable - Specialized Investment Fund governed by the amended law of 13 February 2007 on specialised investment funds into a Société d’Investissement à Capital Variable governed by the Part I Luxembourg law of 17 December 2010 relating to undertakings for collective investment (the “Law of 2010”) by decision of the shareholders at an extraordinary general meeting held on 19 March 2012.

As from 19 March 2012, the SICAV is organised under the Law of 2010.

The SICAV is registered at the “Registre de Commerce et des Sociétés” with the District Court of Luxembourg under the number B 139.254.

The Articles of incorporation of the SICAV were published in the “Mémorial C, Recueil des Sociétés et Associations” (the “Mémorial”) of 10 July 2008 and have been filed with the Chancery of the District Court of Luxembourg. They have been modified on 19 March 2012 and have been published in the Mémorial of 4 April 2012. Any interested person may inspect these documents at the Luxembourg Trade and Company Register website www.rcsl.lu; against payment of the Luxembourg Trade and Company Register fees. Copies of the updated Articles of incorporation are available, free of charge and on request, at the registered office of the SICAV.

Annual and semi-annual reports may be obtained, free of charge, at the registered office of the SICAV. The net asset value, the subscription price and the redemption price are available at the registered office of the Depositary Bank.

Tundra Capital Management Fund

Statement of Net Assets as at 30 June 2018

Gold Fund		
	NOTES	VALUE (IN CAD)
Assets		
Investments in Securities	1a	7,516,675.78
Cash at Banks		731,281.86
Interest Receivable on Cash Account		309.55
Dividends Receivable on Shares		577.89
Total Assets		8,248,845.08
Liabilities		
Taxes and Expenses Payable	3	59,745.46
Overdraft Interest Payable		6.60
Amounts Payable on Redemptions		80,664.92
Unrealised Loss on Forward Foreign Exchange Contracts	7	10,074.05
Total Liabilities		150,491.03
Total Net Assets		8,098,354.05
Number of Shares Outstanding (at the end of the period)		
- A All Investors - \$CAN Shares		12,268.386
- I Institutional - USD Shares		1,784.026
Net Asset Value per Share (at the end of the period)		
- A All Investors - \$CAN Shares		526.71
- I Institutional - USD Shares		691.60

The accompanying notes form an integral part of these Financial Statements.

Tundra Capital Management Fund

Statement of Operations and Changes in Net Assets

from 1 January 2018 to 30 June 2018

Gold Fund		
	NOTES	VALUE (IN CAD)
Income		
Dividends, Net of Taxes	1g	3,810.70
Interest on Cash Accounts	1g	1,541.36
Total Income		5,352.06
Expenses		
Performance Fees	4	87.29
Management Fees	4	134,327.95
Depository Fees		7,663.15
Subscription Tax	5	1,622.40
Administration Fees		33,855.77
Miscellaneous Fees		29,607.53
Transactions Fees		59,795.77
Overdraft Interest		126.47
Taxes Paid to Foreign Authorities		1,525.13
Total Expenses		268,611.46
Net Profit / (Loss)		-263,259.40
Net Realised Profit / (Loss)		
- on Investments	1c	-897,036.14
- on Currencies		-456.44
- on Forward Foreign Exchange Contracts		61,010.34
Net Realised Profit / (Loss)		-1,099,741.64
Change in Net Unrealised Appreciation / (Depreciation)		
- on Investments	1f	401,697.13
- on Currencies		179.89
- on Forward Foreign Exchange Contracts		37,299.96
Result of Operations		-660,564.66
- Subscriptions		575,565.90
- Redemptions		-1,247,164.04
Net Changes in Net Assets		-1,332,162.80
Total Net Assets at the Beginning of the Period		9,430,516.85
Total Net Assets at the End of the Period		8,098,354.05

The accompanying notes form an integral part of these Financial Statements.

Tundra Capital Management Fund

Schedule of Investments as at 30 June 2018

Gold Fund					
Investment	Quantity	CCY	Cost (in CAD)	Market Value (in CAD)	% Total Net Assets
Transferable securities admitted to an official stock exchange or traded in an other regulated market					
Quoted or negotiated equities					
ALAMOS GOLD -A- INC.	51,100	CAD	399,048.89	380,695.00	4.70%
ALGOLD RESOURCES LTD	1,363,000	CAD	306,544.44	109,040.00	1.35%
ALIO GOLD INC.	50,000	CAD	105,575.00	94,000.00	1.16%
ARGONAUT GOLD INC.	100,000	CAD	252,585.61	216,000.00	2.67%
B2GOLD CORP.	50,000	CAD	137,934.75	171,500.00	2.12%
BARRICK GOLD CORP.	17,000	CAD	319,495.76	287,130.00	3.55%
COPPER MOUNTAIN MINING CORP.	200,000	CAD	258,100.00	244,000.00	3.01%
DETOUR GOLD CORP.	20,000	CAD	277,413.00	238,800.00	2.95%
DUNDEE PRECIOUS METALS INC. NEW	83,600	CAD	402,488.02	277,552.00	3.43%
ENDEAVOUR SILVER CORP.	71,500	CAD	517,024.57	287,430.00	3.55%
EQUINOX GOLD CORP	120,800	CAD	123,216.00	120,800.00	1.49%
FORTUNA SILVER MINES INC.	55,000	CAD	400,992.31	408,650.00	5.05%
GARIBALDI RESOURCES	39,200	CAD	121,520.00	115,248.00	1.42%
GOLDCORP INC.	12,000	CAD	190,407.60	211,920.00	2.62%
GOLDEN STAR RESOURCES LTD	323,500	CAD	296,599.34	287,915.00	3.56%
GRAN COLOMBIA GOLD CORP.	50,000	CAD	113,000.00	138,500.00	1.71%
GREAT PANTHER SILVER LTD	250,000	CAD	472,253.17	387,500.00	4.78%
GUYANA GOLDFIELDS INC.	50,000	CAD	237,815.00	249,000.00	3.07%
IAMGOLD CORP.	63,000	CAD	324,304.61	478,800.00	5.91%
JAGUAR MINING INC.	800,000	CAD	440,295.00	284,000.00	3.51%
KIRKLAND LAKE GOLD LTD	8,000	CAD	158,507.20	217,360.00	2.68%
LEAGOLD MINING CORP	76,900	CAD	205,796.10	195,326.00	2.41%
NEMASKA LITHIUM INC	200,000	CAD	176,000.00	162,000.00	2.00%
NEW GOLD INC.	44,000	CAD	124,520.00	117,480.00	1.45%
ORLA MINING LTD -REG-	355,000	CAD	586,824.52	450,850.00	5.57%
SEMAFO INC.	40,000	CAD	167,929.23	150,400.00	1.86%
TERANGA GOLD CORP. NEW	55,000	CAD	269,041.67	257,950.00	3.19%
TOREX GOLD RESOURCES INC.	12,000	CAD	148,945.20	137,640.00	1.70%
VISION LITHIUM INC	1,387,000	CAD	554,565.63	471,580.00	5.82%
YAMANA GOLD INC.	60,000	CAD	225,600.00	231,000.00	2.85%
Total CANADIAN DOLLAR			8,314,342.62	7,380,066.00	91.13%
MCEWEN MINING INC.	50,000	USD	133,730.00	136,609.78	1.69%
Total U.S. DOLLAR			133,730.00	136,609.78	1.69%
Total Quoted or negotiated equities			8,448,072.62	7,516,675.78	92.82%
Total Transferable securities admitted to an official stock exchange or traded in an other regulated market			8,448,072.62	7,516,675.78	92.82%
Total Portfolio			8,448,072.62	7,516,675.78	92.82%

The accompanying notes form an integral part of these Financial Statements.

Tundra Capital Management Fund

Geographic Allocation as at 30 June 2018

Gold Fund	% TOTAL NET ASSETS
CANADA	91.13 %
UNITED STATES OF AMERICA	1.69 %
Total Portfolio	92.82 %

These allocations of assets were established on basis of data (gross) used by the Administration Agent and do not reflect inevitably the geographic analysis which directed the assets selection.

Tundra Capital Management Fund

Economic Allocation as at 30 June 2018

Gold Fund	% TOTAL NET ASSETS
PRECIOUS METALS & STONES	42.46 %
INTERMEDIATE INDUSTRY PRODUCTS	26.03 %
FINANCIAL SERVICES - HOLDINGS	6.17 %
CAPITAL GOODS (MISCELLANEOUS)	5.91 %
OIL & DERIVED	3.55 %
MISCELLANEOUS	3.07 %
NONFERROUS METALS	3.01 %
BUILDING MATERIALS	2.62 %
Total Portfolio	92.82 %

These allocations of assets were established on basis of data (gross) used by the Administration Agent and do not reflect inevitably the economic analysis which directed the assets selection.

Tundra Capital Management Fund

Currency Allocation as at 30 June 2018

Gold Fund	% TOTAL NET ASSETS
CANADIAN DOLLAR	91.13 %
U.S. DOLLAR	1.69 %
Total Portfolio	92.82 %

These allocations of assets were established on basis of data (gross) used by the Administration Agent and do not reflect inevitably the currency analysis which directed the assets selection.

Tundra Capital Management Fund

Changes in the number of shares

Gold Fund		
Shares - Start of period	- A All Investors - \$CAN Shares	13,195.495
	- I Institutional - USD Shares	1,984.026
Shares issued - During period	- A All Investors - \$CAN Shares	1,085.000
	- I Institutional - USD Shares	0.000
Shares redeemed - During period	- A All Investors - \$CAN Shares	2,012.109
	- I Institutional - USD Shares	200.000
Shares - End of period	- A All Investors - \$CAN Shares	12,268.386
	- I Institutional - USD Shares	1,784.026

Tundra Capital Management Fund

Change in Capital, Total Net Assets and Net Asset Value per Share

SUB-FUND	VALUATION DATE	TOTAL NET ASSETS	SHARE CLASS	SHARES ISSUED AND OUTSTANDING	SHARE PRICE	CCY
Gold Fund (in CAD)	31.12.2015	5,175,399.04	- A All Investors - \$CAN Shares	13,943.336	371.17	CAD
	31.12.2016	11,418,193.50	- A All Investors - \$CAN Shares	14,192.914	569.30	CAD
			- I Institutional - USD Shares	3,367.026	739.29	USD
	31.12.2017	9,430,516.85	- A All Investors - \$CAN Shares	13,195.495	573.30	CAD
			- I Institutional - USD Shares	1,984.026	750.48	USD
	30.06.2018	8,098,354.05	- A All Investors - \$CAN Shares	12,268.386	526.71	CAD
			- I Institutional - USD Shares	1,784.026	691.60	USD

Tundra Capital Management Fund

Notes to the financial statements as at 30 June 2018

NOTE 1 - ACCOUNTING PRINCIPLES

The financial statements of Tundra Capital Management Fund have been prepared in accordance with the accounting principles generally accepted in Luxembourg, including the following significant policies.

a) Valuation of investments

The Net Asset Value per Share of each Class of Shares in respect of each Sub-Fund shall be determined in the Reference Currency of that Class of Shares or Sub-Fund.

The value of any cash on hand or on deposit, bills and demand notes payable and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.

The value of each security or other asset which is quoted or dealt in on a stock exchange is based on its last available closing price as at 30 June 2018 in Luxembourg on the stock exchange which is normally the principal market for such security.

The value of each security or other asset dealt in on any other regulated market that operates regularly, is recognized and is open to the public (a "Regulated Market") is based on its last available closing price as at 30 June 2018 in Luxembourg.

In the event that any assets are not listed nor dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange or on any other Regulated Market as aforesaid, the price as determined pursuant to the two above sub-paragraphs is not representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith.

Units or shares of undertakings for collective investment will be valued at their last determined and available net asset value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Board of Directors on a fair and equitable basis.

The liquidating value of futures, spot, forward or options contracts not traded on stock exchanges nor on other Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, spot, forward or options contracts traded on stock exchanges or on other Regulated Markets shall be based upon the last available settlement prices of these contracts on stock exchanges and Regulated Markets on which the particular futures, spot, forward or options contracts are traded by the Fund; provided that if a futures, spot, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable. Swaps will be valued at their market value.

Money market instruments with a remaining maturity of 90 days or less may be valued by the amortized cost method, which approximates market value.

All other securities and other assets which are not listed on a stock exchange or which are illiquid will be valued prudently by the Board of Directors of the SICAV.

Tundra Capital Management Fund

Notes to the financial statements as at 30 June 2018

b) Valuation of forward exchange contracts

The unrealised gain or loss of outstanding forward exchange contracts is valued on the basis of the forward exchange rates prevailing on Valuation Day.

c) Net realised profit / (loss) on sale of investments

The net realised profit or loss on sale of investments is determined on the basis of the average cost of investments sold. The net realised profit or loss on variation of exchange rates is recorded in the account "Net realised Profit/ (Loss) on currencies" during the sale transaction.

d) Conversion of foreign currencies

The SICAV maintains its accounting records in CAD. Cash deposits, other net assets and the market value of investments expressed in currencies other than CAD are converted into CAD at the exchange rate prevailing at the closing date of the annual accounts (note 2).

Income and expenses in currencies other than CAD are converted into CAD at the exchange rates prevailing on the date of payment.

Resulting realised and unrealised foreign exchange gains and losses are included in the statement of operations.

e) Acquisition cost of investments

The cost of investments expressed in currencies other than CAD are converted into CAD at the exchange rate prevailing on purchase date.

f) Change in unrealised appreciation or depreciation

In accordance with current practices, unrealised appreciation or depreciation on investments at the end of the Financial Period are accounted for in the statement of operations.

g) Income, expenses and accruals

Interest income is accrued on a day-to-day basis and dividends are accrued on an ex-dividend basis. Interest and dividend are stated net of irrecoverable withholding taxes, if any.

When the SICAV incurs any expenses, which relate to a particular portfolio or to any action taken in connection with a particular portfolio, such expenses shall be allocated to the relevant portfolio.

Expenses of the SICAV, which cannot be considered as being attributable to a particular portfolio, shall be allocated to all the portfolios pro rata to the net asset value of each portfolio.

h) Purchases and sales of investments

The details of purchases and sales of investments may be obtained at the registered office of the Fund, free of charge.

Tundra Capital Management Fund

Notes to the financial statements as at 30 June 2018

NOTE 2 - EXCHANGE RATES

1 CAD = 0.76020 USD

NOTE 3 - TAXES AND EXPENSES PAYABLE

Advisory fees	53,742.62	CAD
Management fees	13,389.70	CAD
Depositary fees	3,825.62	CAD
Subscription tax	1,831.83	CAD
Miscellaneous fees	-13,044.31	CAD
Total	59,745.46	CAD

NOTE 4 - MANAGEMENT AND PERFORMANCE FEES

The Management Company is entitled to receive from TUNDRA CAPITAL MANAGEMENT GOLD FUND (the "Sub-Fund") for its own account a remuneration consisting in a fee at the annual rate of 0.18% with a minimum of EUR 17,500 per year. Such fee is calculated on the average net assets of the Sub-Fund during the quarter under review and payable quarterly.

Hedging fees (if any) are included in and covered by the management fees.

In addition, the Management Company is entitled to receive from the Sub-Fund, for the management and advisory services a remuneration consisting in a fee at the annual rate calculated on the average net assets of each Class of the Sub-Fund during the quarter under review and payable quarterly.

The rates of fees taken as a whole by the Management Company (included its own remunerations) are the following:

Class A All Investors - \$CAN Shares	Up to 2.575% per annum
Class I Institutional - USD Shares	Up to 2.775% per annum

In addition, all Classes of Shares of the Sub-Fund, shall pay to the Management Company a yearly performance fee. The yearly performance fee represents 20% of the outperformance of the relevant Class. There is outperformance of the Net Asset Value per Share of the Class if there is a Net Asset Value increase as of the Valuation Day compared to the Net Asset Value per Share of the Class of the beginning of the year (the Initial Subscription Price per Share for the first year) and if this increase is greater than 10% (Hurdle rate). If there is an underperformance for a given year, this underperformance will not be taken into consideration on the following year.

The amount of the performance fee will be accrued at each Net Asset Value calculation, based on the outstanding Shares of the Class on the Valuation Day the Net Asset Value is calculated.

The amount of the provision is paid to the Management Company at the end of each year. A performance fee of CAD 87.29 was charged by the Fund in relation with the period ended 30 June 2018.

Tundra Capital Management Fund

Notes to the financial statements as at 30 June 2018

The Investment Manager is entitled to receive from the Sub-Fund for its own account a remuneration consisting in a fee at the annual rate of 0.075% with a minimum of EUR 17,500 per year. Such fee is calculated on the average net assets of the Sub-Fund during the quarter under review and payable quarterly.

The remuneration of the Investment Advisor is comprised in the management global fees. The Investment Advisor is paid directly by the Management Company.

NOTE 5 - SUBSCRIPTION TAX

The SICAV is not liable to any Luxembourg tax on profits or income, nor are distributions paid by the SICAV liable to any Luxembourg withholding tax. No stamp duty or other tax is payable in Luxembourg on the issue of SICAV's shares. No Luxembourg tax is payable on the realised capital appreciation of the assets of the SICAV.

The Sub-Funds are liable to a tax of 0.05% per annum of its net asset value (taxe d'abonnement), such tax being payable quarterly on the basis of the value of the aggregate net assets of the relevant Sub-Fund at the end of the relevant calendar quarter.

The value of assets represented by investments in other Luxembourg UCIs which have already been subject to the "taxe d'abonnement" is exempted.

NOTE 6 - SUBSCRIPTION AND REDEMPTION FEE

For all Sub-Funds, the subscription price corresponds to the Net Asset Value per Share on the relevant Valuation Day, which may be increased by a sales charge of a maximum of 3% of the Net Asset Value per Share and which shall revert to the sales agents.

The redemption price shall be the Net Asset Value per Share on the relevant Valuation Day. No redemption fee shall be levied.

NOTE 7 - FORWARD FOREIGN EXCHANGE CONTRACTS

All forward foreign exchange contracts hereunder were dealt with Banque Degroof Petercam Luxembourg S.A..

Sub-fund Tundra Capital Management Fund Gold Fund:

MATURITY	CCY PURCHASED	PURCHASED	CCY SOLD	SOLD	UNREALISED GAIN OR LOSS (IN CAD)	COMMITMENT (IN CAD)
31/08/2018	USD	50,000.00	CAD	66,685.00	-478.41	65,772.34
28/09/2018	USD	1,300,000.00	CAD	1,726,335.00	-5,828.86	1,710,080.87
31/08/2018	CAD	64,687.50	USD	50,000.00	-1,551.07	65,772.34
31/07/2018	CAD	57,429.00	USD	45,000.00	-2,215.71	59,195.11
				Total	-10,074.05	1,900,820.66

Tundra Capital Management Fund

Notes to the financial statements as at 30 June 2018

NOTE 8 - EVENT(S) DURING THE YEAR

The Directors acknowledge the resignation of Mr. René LOPEZ with effect as of 29 January 2018.

The Directors resolve to co-opt Mr. Cyrille NOVAK as new Director of the SICAV, in replacement of Mr. René LOPEZ, with effect as of 29 January 2018.

Tundra Capital Management Fund

Other information as at 30 June 2018

Overall risk determination

Each Sub-Fund shall ensure that its global exposure relating to financial derivative instruments does not exceed the total net value of its portfolio. Global exposure is a measure designed to limit the leverage generated by each Sub-Fund through the use of financial derivative instruments. In order to calculate global exposure, each Sub-Fund will use the commitment approach, thereby aggregating the market value of the equivalent position of underlying assets.

When using the commitment approach the maximum leverage generated by the use of financial derivative instruments is 100%.