

TUNDRA CAPITAL MANAGEMENT FUND

"Société d'Investissement à Capital Variable" ("SICAV")
with multiple sub-funds
incorporated under Luxembourg law

Audited Annual Report
As at December 31st, 2017

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:

June 10th, 2008

Board of Directors:

Chairman:

- Mr. Patrick Vander Eecken, Conducting Officer,
Pure Capital S.A.

Directors: (*)

- Mr. Jean-François Ruel, Administrator,
Tundra Finance Inc., Montreal, Canada
- Mr. René Lopez, Chairman,
Arcelor Mittal Montreal, Canada
- Mr. Benjamin Gunst (from April 28th, 2017 until July 24th, 2017)

Management Company:

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

Investment Manager:

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

Hedging Manager (for the sub fund Gold Fund):

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

Investment Advisor:

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

Depository, Domiciliary and Corporate Agent, Administrative Agent, Paying Agent and Registrar Agent:

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

(*) Cf Note 9

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 June 10th, 2008 for an unlimited period and organized under the Luxembourg Law of February 13th, 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 February 13th, 2007 on specialised investment funds into a Société d’Investissement à Capital Variable governed by the Part I Luxembourg law of December 17th, 2010 relating to undertakings for collective investment (the “Law of 2010”) by decision of the shareholders at an extraordinary general meeting held on March 19th, 2012.

As from March 19th, 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 July 10th, 2008 and have been filed with the Chancery of the District Court of Luxembourg. They have been modified on March 19th, 2012 and have been published in the Mémorial of April 4th, 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

Board of Directors' Report

Macro Economic Overview

The world stock markets did well in 2017. In fact, the Morgan Stanley World Index (MXWO) generated +20% gain during the year. A synchronized economic growth was the main reason of the performance of the world stock markets.

Gold and Silver Markets & Canadian Gold Companies 2017 Overview

The Price of Gold has increased by 13% in 2017.

The main reason for such performance in 2017 was the weakness of the USD who lost 12% during the same year.

The TSX gold index (STGOLD INDEX) has seen a 2,80% drop in 2017.

TUNDRA CAPITAL MANAGEMENT FUND

The fund is classified UCIT's IV since the first quarter of 2012 (was S.I.F. before).

TUNDRA GOLD FUND

The Tundra Gold Fund has gained 0,7% (class A) in 2017.

The 3 main reasons why the fund generated positive performance in 2017 were:

- 1- Gold finished the year with 13% appreciation in 2017.
- 2- USD lost 12% during 2017.
- 3- Great stocks diversification in the Tundra Gold Fund.

Outlook

We expect a solid performance for the precious metals (mainly gold and silver) in 2018.

The combination of a huge budget deficits among developed countries and an unprecedented increase of the monetary supply in USA and Europe leads to higher volatility in the financial markets and higher prices for the precious metals in 2018 and beyond.

With inflation back in the US, we now have the perfect conditions for gold to continue its progression. Typically, in order to protect their assets when inflation is picking up, investors buy precious metals as well as other commodities such base metals (copper, zinc, lithium, cobalt, etc...).

Also, in the USA, the federal debt has reached 103% of GDP at the end of 2017. This lead interest rates to go up. For example, the 10y bond yield went up from 2% in September 2017 to 2,45% at the end of the year. Such rate increase brings investors to reconsider their investment strategy going forward. Based on historical high valuations for the S&P 500, we can expect more volatility in the markets in 2018.

Such conclusion supports our existing investment scenario of having between 5% and 10% of gold related investments in a well balance portfolio.

Stocks of precious metal producers are still trading at an historical low level (see chart in APPENDIX). We believe current valuations are great entry point for gold stock investments.

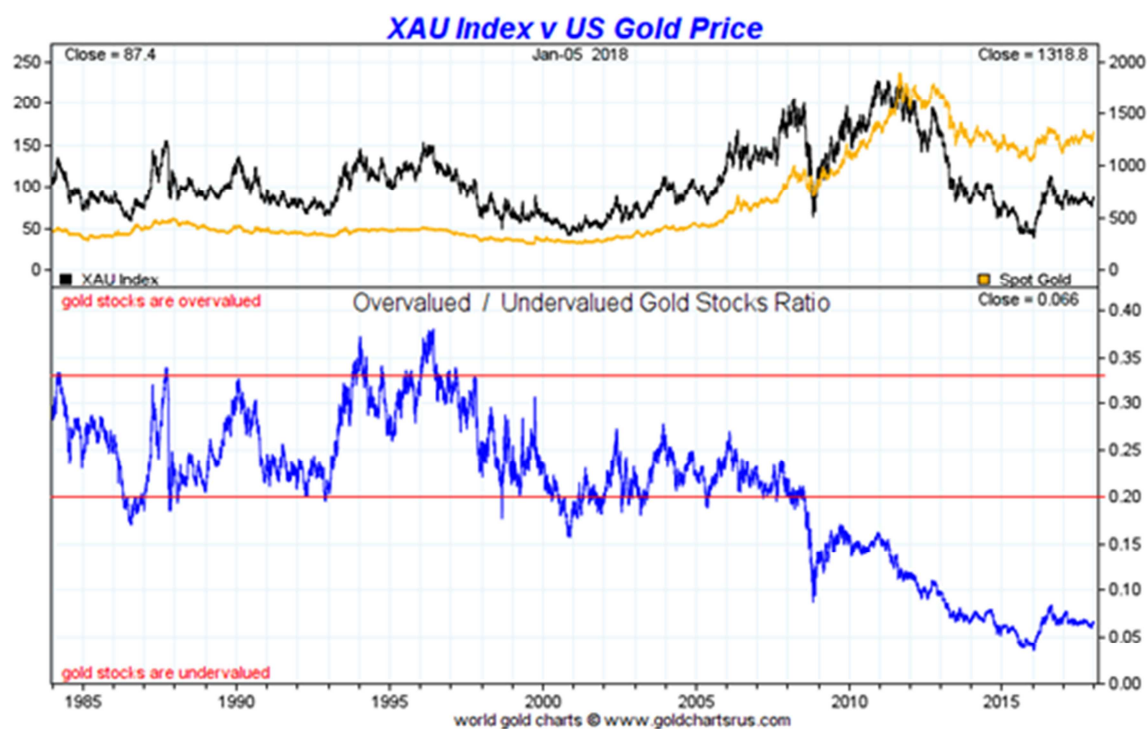
TUNDRA CAPITAL MANAGEMENT FUND

Board of Directors' Report

TUNDRA WEALTH PRESERVATION & TUNDRA OPPORTUNITIES FUNDS

Decision was taken by PURE CAPITAL (Manco) to close these 2 funds in June 2017 after been impacted by large withdrawals.

APPENDIX



TUNDRA CAPITAL MANAGEMENT FUND

Board of Directors' Report

Valuation of Amseco Exploration Inc. in the Sub-Funds Tundra Capital Management Gold Fund

Amseco Exploration Inc. listing has been suspended from the Toronto Stock Exchange with effect as from February 11th, 2014. The company contemplated to acquire, through a reverse take-over, all rights, title and interests held by Agromine Investment Limited and Mangrove Capital Ltd. in Manenga Mining Potash SA, a Congolese entity that holds the Manenga permit in the Republic of Congo. The last available price before suspension was CAD 0,045.

Initially, the Board of Directors decided to maintain the valuation based on the last available price and to wait for further information on the above mentioned deal. Completion of the operation was subject to a number of conditions, including, but not limited to the satisfaction of all applicable listing requirements and the approval of the Stock Exchange, a satisfactory due diligence review by Amseco Exploration Inc. and the completion or waiver of sponsorship to finance the acquisition.

Due to the economic environment and the evolution of the gold prices, the company encountered difficulties in obtaining a financing. Consequently, the Investment Advisor informed the Board of Directors and the Management Company that, due to the failure of the transaction, he expected an important price decrease when the trading in shares of the company would resume. The company had been compared to other mining companies with the same difficulties and considered as "empty shell", meaning listed companies with few or none commercial activities and/or operations; on this basis, the Investment Advisor assessed to CAD 1.000.000 the average value of these companies which gave a value per share of CAD 0,01; this represented the estimated price a private investor would pay for this kind of company. Based on the recommendations issued by the Investment Advisor and as agreed with the Management Company, the Board of Directors instructed the Administrative Agent to value this security at CAD 0,01 from November 5th, 2014 on.

The security has continued to be follow-up by the Investment Advisor and the Administrative Agent, together with Management Company. However, the company has not succeeded in obtaining any financing in 2016 or in selling any assets.

The Board of Directors, together with the Management Company, and based on the recommendations of the Investment Advisor, instructed the Administrative Agent to value this security at 0, from February 3rd, 2016 on.

In April 2016, an announcement confirmed the failing of the reserve takeover due to the impossibility to raise funds. The company was seeking funds to pay its short-term debts and was contemplating to implement a restructuring.

In December 2017, no updated information had been published or made available. The Board of Directors of the Fund confirmed its decision to value this stock at 0.- on December 22nd December 2016.

Luxembourg, February 22nd, 2018

To the Shareholders of :
TUNDRA CAPITAL MANAGEMENT FUND
12, rue Eugène Ruppert
L-2453 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of TUNDRA CAPITAL MANAGEMENT FUND and each of its sub-funds ("the Fund"), which comprise the statement of net assets and the schedule of investments as at December 31st, 2017 and the statement of operations and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of TUNDRA CAPITAL MANAGEMENT FUND and each of its sub-funds as at December 31st, 2017, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs are further described in the « Responsibilities of "Réviseur d'Entreprises agréé" for the audit of the financial statements » section of our report. We are also independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of "Réviseur d'Entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

REPORT OF THE REVISEUR D'ENTREPRISES AGREE (Continued)

Responsibilities of Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "Réviseur d'Entreprises agréé" for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of "Réviseur d'Entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of "Réviseur d'Entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of "Réviseur d'Entreprises agréé". However, future events or conditions may cause the Fund to cease to continue as a going concern.



REPORT OF THE REVISEUR D'ENTREPRISES AGREE (Continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Luxembourg, April 10th, 2018

KPMG Luxembourg
Société coopérative
Cabinet de révision agréé

A handwritten signature in blue ink, appearing to read 'Patrice Perichon'.

Patrice Perichon
Partner

TUNDRA CAPITAL MANAGEMENT FUND

Combined Statement of Net Assets as at December 31st, 2017

	Notes	Combined (IN CAD)
Assets		
Investments in securities	1a	9.231.508,00
Cash at banks		346.845,62
Interest receivable on cash account		261,92
Dividends receivable on shares		1.754,07
Total Assets		9.580.369,61
Liabilities		
Taxes and expenses payable	3	102.478,75
Unrealised loss on forward exchange contracts	7	47.374,01
Total Liabilities		149.852,76
Net assets at the end of the year		9.430.516,85

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

TUNDRA CAPITAL MANAGEMENT FUND

Combined Statement of Operations and Changes in Net Assets

from January 1st, 2017 to December 31st, 2017

	Notes	Combined (IN CAD)
Income		
Dividends, net of taxes	1g	38.048,40
Interest on bonds, net of taxes	1g	189.250,52
Interest on cash accounts	1g	5.462,97
Total Income		232.761,89
Expenses		
Performance fees	4	708,84
Management fees	4	570.795,03
Depositary fees		37.076,04
Subscription tax	5	5.133,55
Administration fees		133.231,65
Miscellaneous fees		150.317,53
Transactions fees		209.758,97
Overdraft interest		3.407,94
Taxes paid to foreign authorities		3.847,34
Total Expenses		1.114.276,89
Net profit / (loss)		-881.515,00
Net Realised Profit / (Loss)		
- on investments	1c	-1.669.034,93
- on currencies	1c	-54.808,61
- on forward exchange contracts		-119.955,45
Net realised profit / (loss)		-2.725.313,99
Change in Net Unrealised Appreciation / (Depreciation)		
- on investments	1f	2.596.283,11
- on forward exchange contracts	1f	-43.467,10
Result of operations		-172.497,98
subscriptions		5.570.901,18
redemptions		-29.089.666,69
Boni of liquidation	8	-29.813,65
Net changes in net assets for the year		-23.721.077,14
Net assets at the beginning of the year		33.151.593,99
Net assets at the end of the year		9.430.516,85

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

TUNDRA CAPITAL MANAGEMENT FUND

Statement of Net Assets as at December 31st, 2017

	Notes	Tundra Capital Management Gold Fund (in CAD)
Assets		
Investments in securities	1a	9.231.508,00
Cash at banks		346.845,62
Interest receivable on cash account		261,92
Dividends receivable on shares		1.754,07
Total Assets		9.580.369,61
Liabilities		
Taxes and expenses payable	3	102.478,75
Unrealised loss on forward exchange contracts	7	47.374,01
Total Liabilities		149.852,76
Net assets at the end of the year		9.430.516,85
Number of Shares Outstanding (at the end of the Financial Year)		
- Class A All Investors - \$CAN Shares		13.195,495
- Class I Institutional – USD Shares		1.984,026
Net Asset Value per Share (at the end of the Financial Year)		
- Class A All Investors - \$CAN Shares		573,30
- Class I Institutional – USD Shares		750,48

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

TUNDRA CAPITAL MANAGEMENT FUND

Statement of Operations and Changes in Net Assets

from January 1st, 2017 to December 31st, 2017

	Notes	Tundra Capital Management Gold Fund (in CAD)	Tundra Capital Management Wealth Preservation Fund (*) (in CAD)	Tundra Capital Management Opportunities Fund (*) (in CAD)
Income				
Dividends, net of taxes	1g	14.228,04	2.757,00	21.063,36
Interest on bonds, net of taxes	1g	0,00	189.250,52	0,00
Interest on cash accounts	1g	2.005,39	2.919,31	538,27
Total Income		16.233,43	194.926,83	21.601,63
Expenses				
Performance fees	4	708,84	0,00	0,00
Management fees	4	315.922,58	190.371,73	64.500,72
Depositary fees		15.444,17	11.509,87	10.122,00
Subscription tax	5	4.115,81	895,35	122,39
Administration fees		61.883,86	37.758,33	33.589,46
Miscellaneous fees		50.717,77	68.516,73	31.083,03
Transactions fees		119.569,39	40.974,84	49.214,74
Overdraft interest		689,79	2.686,27	31,88
Taxes paid to foreign authorities		2.889,12	0,00	958,22
Total Expenses		571.941,33	352.713,12	189.622,44
Net profit / (loss)		-555.707,90	-157.786,29	-168.020,81
Net Realised Profit / (Loss)				
- on investments	1c	-1.358.123,98	178.996,02	-489.906,97
- on currencies	1c	-4.089,12	-49.668,58	-1.050,91
- on forward exchange contracts		-119.955,45	0,00	0,00
Net realised profit / (loss)		-2.037.876,45	-28.458,85	-658.978,69
Change in Net Unrealised Appreciation / (Depreciation)				
- on investments	1f	1.985.888,50	111.451,76	498.942,85
- on forward exchange contracts	1f	-43.467,10	0,00	0,00
Result of operations		-95.455,05	82.992,91	-160.035,84
subscriptions		1.425.206,38	2.378.718,80	1.766.976,00
redemptions		-3.317.427,98	-22.086.561,72	-3.685.676,99
Boni of liquidation	8	0,00	-7.402,19	-22.411,46
Net changes in net assets for the year		-1.987.676,65	-19.632.252,20	-2.101.148,29
Net assets at the beginning of the year		11.418.193,50	19.632.252,20	2.101.148,29
Net assets at the end of the year		9.430.516,85	0,00	0,00

(*) Cf. note 8

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

TUNDRA CAPITAL MANAGEMENT FUND

Schedule of Investments as at December 31st, 2017

Sub-Fund TUNDRA CAPITAL MANAGEMENT GOLD FUND					
Investment	Quantity / Nominal	CCY	Cost (in CAD)	Market Value (in CAD)	% Total Net Assets
Transferable Securities admitted to an Official Stock Exchange or dealt in on Another Regulated Market					
Shares & Related Securities					
ABE RESOURCES INC.	1.003.080	CAD	363.840,50	732.248,40	7,76%
AGNICO EAGLE MINES LTD	6.200	CAD	362.520,90	359.848,00	3,82%
ALACER GOLD CORP.	90.000	CAD	184.500,00	200.700,00	2,13%
ALAMOS GOLD -A- INC.	38.100	CAD	329.064,00	312.039,00	3,31%
ALGOLD RESOURCES LTD	2.140.500	CAD	481.407,46	267.562,50	2,84%
ARGONAUT GOLD INC.	130.000	CAD	328.361,29	312.000,00	3,31%
AURICO METALS INC.	60	CAD	70,68	107,40	0,00%
B2GOLD CORP.	50.000	CAD	137.934,75	194.000,00	2,06%
BARRICK GOLD CORP.	17.000	CAD	371.566,00	309.060,00	3,28%
DETOUR GOLD CORP.	20.000	CAD	277.413,00	295.600,00	3,13%
DUNDEE PRECIOUS METALS INC. NEW	100.000	CAD	481.445,00	300.000,00	3,18%
ELDORADO GOLD CORP.	175.000	CAD	605.720,00	318.500,00	3,38%
ENDEAVOUR SILVER CORP.	71.500	CAD	517.024,57	215.930,00	2,29%
FORTUNA SILVER MINES INC.	65.000	CAD	473.900,00	426.400,00	4,52%
GOLDCORP INC.	12.000	CAD	190.407,60	192.360,00	2,04%
GOLDEN STAR RESOURCES LTD	332.500	CAD	304.850,94	369.075,00	3,91%
GREAT PANTHER SILVER LTD	315.000	CAD	595.039,00	513.450,00	5,44%
IAMGOLD CORP.	70.000	CAD	360.338,46	513.100,00	5,44%
JAGUAR MINING INC.	800.000	CAD	440.295,00	276.000,00	2,93%
KINROSS GOLD CORP.	100.000	CAD	462.190,00	542.000,00	5,75%
KLONDEX MINES LTD	130.000	CAD	608.678,00	423.800,00	4,49%
ORLA MINING LTD -REG-	452.965	CAD	759.315,44	806.277,70	8,55%
SEMAFO INC.	80.000	CAD	335.858,46	285.600,00	3,03%
TERANGA GOLD CORP. NEW	75.000	CAD	366.875,00	224.250,00	2,38%
TOREX GOLD RESOURCES INC.	20.000	CAD	475.674,00	238.600,00	2,53%
WESDOME GOLD MINES LTD	100.000	CAD	209.000,00	211.000,00	2,24%
YAMANA GOLD INC.	100.000	CAD	337.990,00	392.000,00	4,16%
Total CANADIAN DOLLAR			10.361.280,05	9.231.508,00	97,89%
Total Shares & Related Securities			10.361.280,05	9.231.508,00	97,89%
Total Transferable Securities admitted to an Official Stock Exchange or dealt in on Another Regulated Market			10.361.280,05	9.231.508,00	97,89%
Other Transferable Securities					
AMSECO EXPLORATION LTD	4.445.000	CAD	203.321,92	0,00	0,00%
Total CANADIAN DOLLAR			203.321,92	0,00	0,00%
Total Other Transferable Securities			203.321,92	0,00	0,00%
Total Portfolio			10.564.601,97	9.231.508,00	97,89%

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

TUNDRA CAPITAL MANAGEMENT FUND

Geographic Allocation as at December 31st, 2017

TUNDRA CAPITAL MANAGEMENT GOLD FUND	% TOTAL NET ASSETS
CANADA	97,89%
Total Portfolio	97,89%

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

TUNDRA CAPITAL MANAGEMENT FUND

Economic Allocation as at December 31st, 2017

TUNDRA CAPITAL MANAGEMENT GOLD FUND	% TOTAL NET ASSETS
PRECIOUS METALS & STONES	40,83%
INTERMEDIATE INDUSTRY PRODUCTS	35,30%
FINANCIAL SERVICES - HOLDINGS	6,24%
NONFERROUS METALS	5,75%
CAPITAL GOODS (MISCELLANEOUS)	5,44%
OIL & DERIVED	2,29%
BUILDING MATERIALS	2,04%
Total Portfolio	97,89%

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

TUNDRA CAPITAL MANAGEMENT FUND

Allocation by currency as at December 31st, 2017

TUNDRA CAPITAL MANAGEMENT GOLD FUND	% TOTAL NET ASSETS
CANADIAN DOLLAR	97,89%
Total Portfolio	97,89%

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

TUNDRA CAPITAL MANAGEMENT FUND

Change in the Number of Shares

	TUNDRA CAPITAL MANAGEMENT GOLD FUND	TUNDRA CAPITAL MANAGEMENT WEALTH PRESERVATION FUND (*)	TUNDRA CAPITAL MANAGEMENT OPPORTUNITIES FUND (*)
Number of shares at the beginning of the Financial Period			
Class A All Investors - \$CAN Shares	14.192,914	-	-
Class I Institutionnal - \$CAN Shares	-	5.265,000	2.889,114
Class I Institutionnal - EUR Shares	-	12.080,000	-
Class I Institutionnal - USD Shares	3.367,026	-	-
Number of shares subscribed			
Class A All Investors - \$CAN Shares	1.471,000	-	-
Class I Institutionnal - \$CAN Shares	-	2.620,000	2.400,000
Class I Institutionnal - EUR Shares	-	-	-
Class I Institutionnal - USD Shares	553,000	-	-
Number of shares redeemed			
Class A All Investors - \$CAN Shares	2.468,419	-	-
Class I Institutionnal - \$CAN Shares	-	7.885,000	5.289,114
Class I Institutionnal - EUR Shares	-	12.080,000	-
Class I Institutionnal - USD Shares	1.936,000	-	-
Number of shares at the end of the Financial Period			
Class A All Investors - \$CAN Shares	13.195,495	-	-
Class I Institutionnal - \$CAN Shares	-	-	-
Class I Institutionnal - EUR Shares	-	-	-
Class I Institutionnal - USD Shares	1.984,026	-	-

(*) Cf. note 8

TUNDRA CAPITAL MANAGEMENT FUND

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

Sub-Fund	Date	Number of Outstanding Shares		Total Net Assets (in CAD)	Net Asset Value per Share	
TUNDRA CAPITAL MANAGEMENT GOLD FUND	31.12.2015	13.943,336	Class A All Investors - \$CAN Shares (*)	5.175.399,04	371,17	CAD
	31.12.2016	14.192,914	Class A All Investors - \$CAN Shares	11.418.193,50	569,30	CAD
		3.367,026	Class I Institutional - USD Shares		739,29	USD
	31.12.2017	13.195,495	Class A All Investors - \$CAN Shares	9.430.516,85	573,30	CAD
		1.984,026	Class I Institutional - USD Shares		750,48	USD
TUNDRA CAPITAL MANAGEMENT WEALTH PRESERVATION FUND	31.12.2015	1.961,000	Class I Institutional - \$CAN Shares	7.520.031,39	958,24	CAD
		4.396,000	Class I Institutional - EUR Shares		850,39	EUR
	31.12.2016	5.265,000	Class I Institutional - \$CAN Shares	19.632.252,20	915,62	CAD
		12.080,000	Class I Institutional - EUR Shares		866,85	EUR
	07.09.2017 (**)	2.890,000	Class I Institutional - \$CAN Shares	4.481.126,41	889,24	CAD
		1.605,000	Class I Institutional - EUR Shares		815,33	EUR
TUNDRA CAPITAL MANAGEMENT OPPORTUNITIES OPPORTUNITIES FUND	31.12.2015	3.687,114	Class I Institutional - \$CAN Shares	2.401.134,77	651,22	CAD
	31.12.2016	2.889,114	Class I Institutional - \$CAN Shares	2.101.148,29	727,26	CAD
	29.08.2017 (**)	2.144,114	Class I Institutional - \$CAN Shares	1.394.736,91	650,50	CAD

(*) Merger of class I Institutional USD Shares and Class R Retail EUR Shares within Class I Institutional - \$CAN Shares and be renamed Class A All Investors - \$CAN Shares.

(**) Last NAV calculation before liquidation of the sub-fund, Cf. note 8.

TUNDRA CAPITAL MANAGEMENT FUND

Notes to the Financial Statements as at December 31st, 2017

Note 1 - Accounting Principles and Methods

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 December 31st, 2017 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 December 31st, 2017 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.

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.

TUNDRA CAPITAL MANAGEMENT FUND

Notes to the Financial Statements as at December 31st, 2017

Note 1 - Accounting Principles and Methods (continued)

c) Net realised profit or 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 net unrealised appreciation or depreciation on investments

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) Investment 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.

Note 2 - Exchange Rates as at December 31st, 2017

1 CAD = 0,79813 USD

Note 3 - Taxes and Expenses Payable

Management Fees (note 4)	71.308,89	CAD
Subscription Tax (note 5)	992,50	CAD
Depositary Fees	4.106,91	CAD
Other fees	26.070,45	CAD
Total	102.478,75	CAD

TUNDRA CAPITAL MANAGEMENT FUND

Notes to the Financial Statements as at December 31st, 2017

Note 4 - Management and Performance Fees

1) TUNDRA CAPITAL MANAGEMENT GOLD FUND:

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 708,84 was paid by the Fund in relation with the period ended December 31st, 2017.

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.

TUNDRA CAPITAL MANAGEMENT FUND

Notes to the Financial Statements as at December 31st, 2017

Note 4 - Management and Performance Fees (continued)

2) TUNDRA CAPITAL MANAGEMENT WEALTH PRESERVATION FUND (Until September 7th, 2017):

The Management Company was entitled to receive from 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.

In addition, the Management Company was 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 without any minimum for the Sub-Fund.

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

Class I Institutional – \$CAN Shares	Up to 1,575% per annum
Class I Institutional – EUR Shares	Up to 1,575% per annum

The Investment Manager was 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 was calculated on the average net assets of the Sub-Fund during the quarter under review and payable quarterly.

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

3) TUNDRA CAPITAL MANAGEMENT OPPORTUNITIES FUND (Until August 29th, 2017):

The Management Company was entitled to receive from 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.

In addition, the Management Company was 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 without any minimum for the Sub-Fund.

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

Class I Institutional – \$CAN Shares	Up to 2,075% per annum
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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 and if this increase is greater than 7%. If there is an underperformance for a given year, this underperformance will not be taken into consideration on the following year.

TUNDRA CAPITAL MANAGEMENT FUND

Notes to the Financial Statements as at December 31st, 2017

Note 4 - Management and Performance Fees (continued)

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 was paid to the Management Company at the end of each year. No performance fee has been charged by the Fund in relation with the period ended December 31st, 2017.

The Investment Manager was 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 was calculated on the average net assets of the Sub-Fund during the quarter under review and payable quarterly.

The remuneration of the Investment Advisor was comprised in the global management fees. The Investment Advisor was 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. However, this tax was reduced to 0,01% per annum for the net assets attributable to the Class I Institutional - \$CAN Shares and Class I Institutional - EUR Shares of TUNDRA CAPITAL MANAGEMENT WEALTH PRESERVATION FUND and to the Class I Institutional - \$CAN Shares of TUNDRA CAPITAL MANAGEMENT OPPORTUNITIES FUND.

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 Fees

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.

TUNDRA CAPITAL MANAGEMENT FUND

Notes to the Financial Statements as at December 31st, 2017

Note 7 - Forward Exchange Contracts

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

TUNDRA CAPITAL MANAGEMENT GOLD FUND:

Maturity	Currency	Nominal Purchased	Currency	Nominal Sold	Unrealised Gain or Loss (in CAD)	Commitment (in CAD)
31/01/2018	USD	60.000,00	CAD	75.345,00	-193,45	75.345,00
31/01/2018	CAD	90.640,02	USD	71.000,00	1.689,96	88.956,95
31/01/2018	CAD	53.855,34	USD	42.000,00	1.236,99	52.622,42
28/02/2018	CAD	76.464,00	USD	60.000,00	1.310,01	75.174,88
29/03/2018	USD	1.454.000,00	CAD	1.867.808,40	-48.665,26	1.867.808,40
29/03/2018	USD	44.000,00	CAD	56.526,80	-1.477,08	56.526,80
29/03/2018	USD	60.000,00	CAD	76.344,00	-1.275,18	76.344,00
				Total	-47.374,01	2.292.778,45

Note 8 - Events during the year

Whereas :

- the value of the net assets of the sub-funds TUNDRA Capital Management Opportunities Fund and TUNDRA Capital Management Wealth Preservation Fund (each a "Sub-Fund", together the "Sub-Funds") has substantially decreased, due to important redemptions. In parallel, the Directors take note that no subscriptions are expected that would improve the Sub-Funds' situation;
- the Directors, in the view of the current amount of the Sub-Funds' assets under management, consider that it is no longer possible to operate the Sub-Funds in an economically efficient manner.

The Directors decide :

- in accordance with the SICAV's articles of association and prospectus, to compulsorily redeem all the outstanding shares of the Sub-Funds at the following dates :
 - at the Net Asset Value as of August 25th, 2017 for the Sub-Fund TUNDRA Capital Management Opportunities Fund (the "Liquidation Date");
 - at the Net Asset Value as of September 7th, 2017 for the Sub-Fund TUNDRA Capital Management Wealth Preservation Fund, (the "Liquidation Date").

On July 24th, 2017, the Directors of the SICAV decided to compulsorily redeem all the outstanding shares of the Sub-Fund TUNDRA Capital Management Opportunities Fund at the Net Asset Value as of August 25th, 2017.

As of August 24th, 2017, the portfolio of the Sub-Fund was not entirely sold. The sales of all remaining liquid securities have been completed with trade date as of August 29th, 2017.

Some fees linked to the liquidation of sub-fund TUNDRA Capital Management Wealth Preservation Fund and sub-fund TUNDRA Capital Management Opportunities Fund have been booked prior to the payment of the final redemptions. Those fees have been overstated. Indeed, out of the CAD 13.138,20 booked for sub-fund TUNDRA Capital Management Wealth Preservation Fund, CAD 7.402,19 will be reimbursed to the final investors. Out of the CAD 38.553,44 booked for sub-fund TUNDRA Capital Management Opportunities Fund, CAD 22.411,46 will be reimbursed to the final investors.

TUNDRA CAPITAL MANAGEMENT FUND

Notes to the Financial Statements as at December 31st, 2017

Note 9 - Subsequent events

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 - Unaudited

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%.

Remuneration

INFORMATION CONCERNING THE REMUNERATION POLICY

European Directive 2014/91/EU amending Directive 2009/65/EC on undertakings for collective investment in transferable securities, which is applicable to the SICAV, came into force on 18 March 2016. It is implemented in national law under the Luxembourg Act of 10 May 2016 implementing Directive 2014/91/EU. Due to these new regulations, the SICAV is required to publish information relating to the remuneration of identified employees within the meaning of the Act in the annual report.

The Management Company has implemented a Remuneration Policy ("the Policy", available on www.purecapital.eu) that is designed as not to encourage taking excessive risks.

The table below represents the allocation of total remuneration of the employees of the Management Company by category of staff:

	Number of Beneficiaries	Total remuneration paid	Fixed remuneration paid	Variable remuneration paid	Amount paid directly by the UCITS itself to the Management Company (including management company fees; performance fees; domiciliation fees and hedging fees)
Total remuneration paid by the Management Company and by the Investment Company during the financial year to executives and senior management	9	1,623,288,29 €	1,246,747,29 €	376,814,00 €	106,688,58 €
Total remuneration paid by the Management Company and by the Investment Company during the financial year to other staff	4	188,229,67 €	176,196,84 €	12,032,83 €	

All figures refer to the 2017 calendar year.