

ANNUAL FINANCIAL STATEMENTS 2022

**PRECIOUS METALS AND
MINING TRUST**

DECEMBER 31, 2022

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Precious Metals and Mining Trust

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements have been prepared by CI Investments Inc., the Manager of the Precious Metals and Mining Trust (the "Trust"), and approved by the Manager. The Trust's Manager is responsible for the information and representations contained in these financial statements and other sections of this report. CI Investments Inc. maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. The significant accounting policies which management believes are appropriate for the Trust are described in Note 2 to the financial statements.

Toronto, Ontario
March 20, 2023



Darie Urbanky
President
CI Investments Inc.



Yvette Zhang
Chief Financial Officer
CI Investments Inc.

Independent auditor's report

To the Unitholders of
Precious Metals and Mining Trust

Opinion

We have audited the financial statements of **Precious Metals and Mining Trust** [the "Trust"], which comprise the statements of financial position as at December 31, 2022 and 2021, and the statements of comprehensive income, statements of changes in net assets attributable to holders of redeemable units and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ["IFRSs"].

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance. 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.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. 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 that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management 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, management is responsible for assessing the Trust'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 management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards 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 Canadian generally accepted auditing standards, 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report 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 auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Fraser Whale.

Toronto, Canada
March 20, 2023

The signature of Ernst & Young LLP is written in a stylized, cursive script.

Chartered Professional Accountants
Licensed Public Accountants

Precious Metals and Mining Trust

Financial Statements

Statements of Financial Position

as at December 31

(in \$000's except for per unit amounts and units outstanding)

	2022	2021
Assets		
Current assets		
Investments	22,626	30,213
Investments pledged as collateral	-	-
Cash	575	585
Unrealized gain on futures and foreign currency forward contracts	-	-
Fees rebate receivable	3	-
Dividends receivable	4	8
Receivable for distribution from investments	-	-
Interest receivable	2	-
Receivable for investments sold	2	73
Receivable for unit subscriptions	-	-
	23,212	30,879
Liabilities		
Current liabilities		
Bank overdraft	-	-
Unrealized loss on futures and foreign currency forward contracts	-	-
Payable for investments purchased	3	13
Payable for unit redemptions	-	-
Distributions payable to holders of redeemable units	116	128
Management fees payable	98	30
Administration fees payable	87	60
Service fees payable	24	32
Accounts payable and accrued liabilities	-	-
	328	263
Net assets attributable to holders of redeemable units	22,884	30,616

Statements of Financial Position (cont'd)

as at December 31

(in \$000's except for per unit amounts and units outstanding)

	Net assets attributable to holders of redeemable units per Series (Note 5):		Net assets attributable to holders of redeemable units per unit:		Number of redeemable units outstanding:	
	2022	2021	2022	2021	2022	2021
Class A	22,884	30,616	1.97	2.40	11,623,204	12,768,691

The accompanying notes are an integral part of these financial statements.

Precious Metals and Mining Trust

Financial Statements

Statements of Comprehensive Income

for the years ended December 31

(in \$000's except for per unit amounts and number of units)

	2022	2021
Income		
Net gain (loss) on investments and derivatives		
Dividends	249	236
Interest for distribution purposes	22	2
Derivative income (loss)	-	-
Income distributions from investments	-	-
Net realized gain (loss) on sale of investments and derivatives	(351)	4,828
Change in unrealized appreciation (depreciation) in value of investments and derivatives	(3,485)	(4,889)
Total net gain (loss) on investments and derivatives	(3,565)	177
Other income		
Commitment fee income	-	-
Foreign exchange gain (loss) on cash	(21)	(4)
Miscellaneous foreign income	-	-
Total other income	(21)	(4)
Total income	(3,586)	173
Expenses		
Management fees (Note 4)	292	353
Administration fees	1	1
Commissions and other portfolio transaction costs	116	188
Unitholders reporting costs	6	3
TSX listing fees	27	29
Audit fees	4	4
Custody fees	-	1
Transfer agent fees	21	27
Legal fees	-	-
Service fees (Note 4)	104	121
Independent review committee fees	1	1
Interest expense	-	-
Withholding taxes	-	2
Harmonized sales tax	40	48
Other expenses	1	-
Total expenses	613	778
Expenses absorbed by the Manager (Note 4)	-	-
Increase (decrease) in net assets attributable to holders of redeemable units	(4,199)	(605)

Statements of Comprehensive Income (cont'd)

for the years ended December 31

(in \$000's except for per unit amounts and number of units)

	Increase (decrease) in net assets attributable to holders of redeemable units		Increase (decrease) in net assets attributable to holders of redeemable units per unit:		Weighted average number of units:	
	2022	2021	2022	2021	2022	2021
Class A	(4,199)	(605)	(0.34)	(0.04)	12,486,997	13,676,659

The accompanying notes are an integral part of these financial statements.

Precious Metals and Mining Trust

Financial Statements

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units for the years ended December 31 (in \$000's)

	Class A	
	2022	2021
Net assets attributable to holders of redeemable units at the beginning of year	30,616	35,394
Increase (decrease) in net assets attributable to holders of redeemable units	(4,199)	(605)
Distributions to holders of redeemable units		
From net investment income	-	-
From net realized gains	-	-
Return of capital	(1,498)	(1,641)
Total distributions to holders of redeemable units	(1,498)	(1,641)
Redeemable unit transactions		
Proceeds from redeemable units issued	-	-
Purchase of units for cancellation	-	-
Reinvestment of distributions to holders of redeemable units	6	-
Redemption of redeemable units	(2,041)	(2,532)
Net increase (decrease) from redeemable unit transactions	(2,035)	(2,532)
Net increase (decrease) in net assets attributable to holders of redeemable units	(7,732)	(4,778)
Net assets attributable to holders of redeemable units at the end of year	22,884	30,616

The accompanying notes are an integral part of these financial statements.

Precious Metals and Mining Trust

Financial Statements

Statements of Cash Flows

for the years ended December 31 (in \$000's)

	2022	2021
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	(4,199)	(605)
Adjustments for:		
Net realized (gain) loss on sale of investments and derivatives	351	(4,828)
Unrealized foreign exchange (gain) loss on cash	-	-
Commissions and other portfolio transaction costs	116	188
Change in unrealized (appreciation) depreciation in value of investments and derivatives	3,485	4,889
Proceeds from sale and maturity of investments and derivatives	23,410	37,759
Purchase of investments and derivatives	(19,715)	(33,975)
Non-cash distributions from investments	-	-
(Increase) decrease in dividends receivable	4	3
(Increase) decrease in interest receivable	(2)	-
Increase (decrease) in management fees payable	68	(6)
Increase (decrease) in administration fees payable	27	8
Change in other accounts receivable and payable	(11)	(6)
Net cash from (used in) operating activities	3,534	3,427
Cash flows from (used in) financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(1,503)	(1,653)
Proceeds from issuance of redeemable units	-	-
Amounts paid on redemption of redeemable units	(2,041)	(2,532)
Net cash from (used in) financing activities	(3,544)	(4,185)
Unrealized foreign exchange gain (loss) on cash	-	-
Net increase (decrease) in cash	(10)	(758)
Cash (bank overdraft), beginning of year	585	1,343
Cash (bank overdraft), end of year	575	585
Supplementary Information:		
Dividends received, net of withholding tax*	253	237
Interest received, net of withholding tax*	19	2
Dividends paid*	-	-
Interest paid*	-	-
Tax recoverable (paid)	-	-

*Dividends and interest received as well as dividends and interest paid relate to operating activities of the Trust.
The accompanying notes are an integral part of these financial statements.

Precious Metals and Mining Trust

Schedule of Investment Portfolio as at December 31, 2022

	Number of Units/Shares or Par Value	Description	Average Cost (\$)	Fair Value (\$)	% of Net Assets
		GOLD			
	10,080	Agnico Eagle Mines Ltd.	721,347	709,229	
	600,205	Argonaut Gold Inc.	644,226	312,107	
	333,500	Artemis Gold Inc., Warrants, August 27, 2024	-	1,103,885	
	4,276	B2Gold Corp.	18,557	20,566	
	46,000	Barrick Gold Corp.	1,330,392	1,067,660	
AUD	1,278,216	Bellevue Gold Ltd.	1,043,108	1,331,536	
	632,352	Benchmark Metals Inc.	707,088	249,779	
	100,000	Benchmark Metals Inc., Warrants, December 09, 2023	-	-	
	82,767	Cabral Gold Inc.	44,694	11,174	
	89,000	Cabral Gold Inc., Warrants, July 06, 2023	-	445	
USD	149,402	Dakota Gold Corp.	813,524	616,985	
	32,091	Endeavour Mining PLC	1,062,958	929,997	
	38,817	HighGold Mining Inc.	64,930	26,784	
	45,538	Integra Resources Corp.	38,707	38,707	
	184,634	K92 Mining Inc.	1,006,794	1,416,143	
	269,800	Kinross Gold Corp.	2,115,649	1,489,295	
	414,000	Marathon Gold Corp.	455,400	438,840	
	245,000	Marathon Gold Corp., Warrants, September 20, 2024	-	-	
	45,000	Osisko Development Corp., Warrants, March 02, 2027	-	-	
	79,580	Osisko Gold Royalties Ltd.	1,221,247	1,298,746	
AUD	1,555,000	Predictive Discovery Ltd.	331,542	258,032	
	165,330	Rupert Resources Ltd.	862,691	823,343	
	125,316	Sandstorm Gold Ltd.	972,643	892,250	
	119,822	Skeena Resources Ltd.	1,013,504	860,017	
	27,431	SSR Mining Inc.	588,822	581,263	
	71,579	Victoria Gold Corp.	1,028,057	511,790	
	16,221	Wheaton Precious Metals Corp.	883,463	858,091	
			16,969,343	15,846,664	69.25
		DIVERSIFIED METALS & MINING			
	1,557,120	Adventus Mining Corp.	1,018,574	840,845	
	474,000	Alphamin Resources Corp.	652,798	412,380	
	143,014	Americas Gold & Silver Corp.	271,107	110,121	
	2,682,029	Arena Minerals Inc.	1,357,417	1,501,935	
	16,523	Azimut Exploration Inc.	36,280	11,566	
AUD	512,077	Centaurus Metals Ltd.	527,119	528,717	
	954,404	G Mining Ventures Corp.	680,124	658,539	
	184,500	G Mining Ventures Corp., Warrants, September 15, 2024	-	-	
	14,248	Hudbay Minerals Inc.	123,264	97,456	
AUD	850,752	Lachlan Star Ltd.	-	10,196	
AUD	2,765,990	Leo Lithium Ltd.	928,075	1,236,695	
AUD	529,009	Matador Mining Ltd.	204,497	56,083	
			5,799,255	5,464,533	23.88
		STEEL			
	95,500	Champion Iron Ltd.	430,715	644,625	2.82
		COPPER			
	18,300	First Quantum Minerals Ltd.	463,951	517,707	2.26
		SILVER			
	44,960	GoGold Resources Inc.	120,112	97,563	
	1,400	MAG Silver Corp.	33,050	29,610	
			153,162	127,173	0.56

Percentages shown relate investments at fair value to net assets attributable to holders of redeemable units of the Trust.

Precious Metals and Mining Trust

Schedule of Investment Portfolio as at December 31, 2022 (cont'd)

Number of Units/Shares or Par Value	Description	Average Cost (\$)	Fair Value (\$)	% of Net Assets
PRECIOUS METALS & MINERALS				
126,324	Millennial Precious Metals Corp.	63,162	25,265	0.11
Total Investment Portfolio before Commissions and other portfolio transaction costs		23,879,588	22,625,967	98.88
Commissions and other portfolio transaction costs		(65,827)		
Total Investment Portfolio		23,813,761	22,625,967	98.88
Other Net Assets (Liabilities)			257,652	1.12
Net Assets Attributable to Holders of Redeemable Units			22,883,619	100.00

Percentages shown relate investments at fair value to net assets attributable to holders of redeemable units of the Trust.

Precious Metals and Mining Trust

Trust Specific Notes to Financial Statements

Commissions (Note 2)

for the years ended December 31 (in \$000's)

	2022	2021
Brokerage commissions	114	187
Soft dollar commissions [†]	35	65

Redeemable Unit Transactions (Note 5)

for the years ended December 31

	Class A	
	2022	2021
Number of redeemable units at the beginning of year	12,768,691	13,982,641
Redeemable units issued	-	-
Redeemable units purchase for cancellation	-	-
Redeemable units issued for reinvested distributions	2,813	-
Redeemable units redeemed	(1,148,300)	(1,213,950)
Number of redeemable units at the end of year	11,623,204	12,768,691

[†]A portion of brokerage commissions paid was used to cover research and market data services, termed soft dollar commissions. This amount has been estimated by the Manager of the Trust. The accompanying notes are an integral part of these financial statements.

Precious Metals and Mining Trust

Trust Specific Notes to Financial Statements

Loss Carry Forwards (Note 8)

as at December 31 (in \$000's)

	2022
Capital loss carried forward:	35,667
Non-capital losses expiring:	
2028	150
2029	2,196
2032	577
2033	282
2034	2,381
2035	604
2036	710
2037	673
2038	592
2042	51
Total	8,216

The accompanying notes are an integral part of these financial statements.

Precious Metals and Mining Trust

Trust Specific Notes to Financial Statements

Financial Instruments Risks (Note 9)

Concentration Risk

For Concentration Risk as at December 31, 2022, refer to the Schedule of Investment Portfolio.

The table below summarizes the Trust's exposure to concentration risk.

as at December 31, 2021

Categories	Net Assets (%)
Gold	75.55
Diversified Metals & Mining	13.28
Precious Metals & Minerals	4.55
Copper	2.71
Steel	2.29
Other Net Assets (Liabilities)	1.31
Metals & Mining	0.16
Silver	0.15
Total	100.00

Credit Risk

As at December 31, 2022 and 2021, the Trust did not have a significant exposure to credit risk as substantially all of its assets were invested in equities.

Other Price Risk

As at December 31, 2022 and 2021, the Trust was predominantly invested in Canadian equities and therefore was sensitive to changes in general economic conditions in Canada.

As at December 31, 2022, had the fair value of equities in the investment portfolio increased or decreased by 10% (December 31, 2021 - 10%), with all other variables held constant, net assets attributable to holders of redeemable units of the Trust would have increased or decreased, respectively, by approximately \$2,263,000 (December 31, 2021 - \$3,021,000). In practice, the actual results may differ from this analysis and the difference may be material.

Currency Risk

The tables below summarize the Trust's exposure to currency risk.

as at December 31, 2022~

Currency	Financial Instruments			Net Assets (%)
	Exposure (in \$000's)	Derivatives (in \$000's)	Net Exposure (in \$000's)	
Australian Dollar	3,421	-	3,421	14.9
U.S. Dollar	633	-	633	2.8
Total	4,054	-	4,054	17.7

as at December 31, 2021~

Currency	Financial Instruments			Net Assets (%)
	Exposure (in \$000's)	Derivatives (in \$000's)	Net Exposure (in \$000's)	
Australian Dollar	4,197	-	4,197	13.7
U.S. Dollar	1,502	-	1,502	4.9
Total	5,699	-	5,699	18.6

~Includes monetary and non-monetary instruments, if any.

Currency Risk (cont'd)

As at December 31, 2022, had the Canadian dollar strengthened or weakened by 10% (December 31, 2021 - 10%) in relation to all other foreign currencies held in the Trust, with all other variables held constant, net assets attributable to holders of redeemable units of the Trust would have decreased or increased, respectively, by approximately \$405,000 (December 31, 2021 - \$570,000). In practice, the actual results may differ from this analysis and the difference may be material.

Interest Rate Risk

As at December 31, 2022 and 2021, the Trust did not have a significant exposure to interest rate risk as substantially all of its assets were invested in equities.

Fair Value Hierarchy

The tables below summarize the inputs used by the Trust in valuing the Trust's investments and derivatives carried at fair value.

Long Positions at fair value as at December 31, 2022

	Level 1 (in \$000's)	Level 2 (in \$000's)	Level 3 (in \$000's)	Total (in \$000's)
Equities	22,442	184	-	22,626
Total	22,442	184	-	22,626

During the year ended December 31, 2022, investments with a fair value of \$1,104,000 were transferred out of Level 2 into Level 1 as quoted market prices became available for these investments.

There were no transfers between Level 1 and 3 and Level 2 and 3 during the year ended December 31, 2022.

Long Positions at fair value as at December 31, 2021

	Level 1 (in \$000's)	Level 2 (in \$000's)	Level 3 (in \$000's)	Total (in \$000's)
Equities	27,174	3,039	-	30,213
Total	27,174	3,039	-	30,213

There were no transfers between Level 1, 2 and 3 during the year ended December 31, 2021.

The accompanying notes are an integral part of these financial statements.

Precious Metals and Mining Trust

Notes to the Financial Statements

1. THE TRUST

Precious Metals and Mining Trust (the Trust) is an investment trust established under the laws of the Province of Ontario pursuant to an amended and restated Declaration of Trust dated October 24, 2014. The Trust is listed on the Toronto Stock Exchange (TSX), under the symbol MMPUN.

CI Investments Inc. is the manager (the Manager) to the Trust. The Manager is a wholly owned subsidiary of CI Financial Corp. (TSX: CIX; New York Stock Exchange (NYSE): CIXX). Effective October 28, 2022, the CIBC Mellon Trust Company replaced the RBC Investor Services Trust as the custodian (the Custodian) for the Trust.

The Trust's registered office address is 15 York Street, Second Floor, Toronto, Ontario, M5J 0A3.

These financial statements were approved and authorized for issue by the Manager on March 20, 2023.

The Trust's investment objectives are to provide unitholders with (i) long-term capital appreciation; and (ii) monthly cash distributions.

The Statements of Financial Position are as at December 31, 2022 and 2021. The Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and Statements of Cash Flows are for the years ended December 31, 2022 and 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in compliance with *International Financial Reporting Standards* (IFRS) as published by the International Accounting Standards Board.

The following is a summary of the significant account policies of the Trust:

a. Classification and recognition of financial instruments

The Trust classifies and measure its investments (such as fixed-income securities, equity securities, investment fund(s), exchange-traded fund(s) and derivatives) based on both the Trust's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Trust's portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Trust is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The contractual cash flows of the Trust's debt securities are solely principal and interest; however, these securities are neither held for the purpose of collecting contractual cash flows, nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Trust's business model's objective. Consequently, all investments and derivatives are measured at fair value through profit or loss (FVTPL).

The Trust's obligations for net assets attributable to holders of redeemable units are presented at the redemption amount, which approximates their fair value. All other financial assets and liabilities are measured at amortized cost, which approximates their fair value. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the effective rate of interest.

Financial assets and liabilities are offset and the net amount is presented in the Statements of Financial Position when, and only when, the Trust has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. In the normal course of business, the Trust enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position, but still allow for the related amounts to be offset in certain circumstances, such as bankruptcy or termination of the contracts.

b. Fair value of financial investments

At the financial reporting date, listed securities are valued based on the last traded market price for financial assets and financial liabilities where the last traded price falls within the day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the existing market conditions. Unlisted securities are valued based on price quotations received from recognized investment dealers, or failing that, their fair value is determined by the Manager on the basis of the latest reported information available. Unlisted warrants, if any, are valued based on a pricing model that considers factors such as the market value of the underlying security, strike price and terms of the warrant.

c. Cash

Cash comprises of cash on deposit and bank overdraft.

d. Cost of investments

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

e. Investment transactions and income recognition

Investment transactions are recorded on the trade date, which is the date on which the Trust commits to purchase or sell the investment. The "Interest for distribution purposes" shown on the Statements of Comprehensive Income represents the coupon interest received by the Trust and is accounted for on an accrual basis and it also includes Interest earned on cash balances.

Dividends from investments are recognized on the ex-dividend/ex-distribution date.

f. Foreign exchange

The Trust's functional and presentation currency is the Canadian dollar. Foreign currency amounts are translated into the functional currency as follows: fair value of investments, foreign currency forward contracts and other assets and liabilities at the closing rate of exchange on each business day; income and expenses, purchases and sales and settlements of investments at the rate of exchange prevailing on the respective dates of such transactions. Foreign exchange gains (losses) relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are presented within "Net realized gain (loss) on sale of investments and derivatives" and "Change in unrealized appreciation (depreciation) in value of investments and derivatives" in the Statements of Comprehensive Income.

g. Unit valuation

Net asset value (NAV) per unit is calculated at the end of each day on which the TSX is open for business by dividing the total NAV by outstanding units.

As at December 31, 2022 and 2021, there were no differences between the NAV used for transactions with unitholders and the net assets attributable to holders of redeemable units used for reporting purposes under IFRS.

h. Classification of units

The units of the Trust are classified as financial liabilities in accordance with IAS 32, *Financial Instruments: Presentation* (IAS 32), as they do not meet the definition of puttable instruments to be classified as equity in accordance with IAS 32 for financial reporting purposes.

Precious Metals and Mining Trust

Notes to the Financial Statements (cont'd)

i. Commissions and other portfolio transaction costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities, are included in "Commissions and other portfolio transaction costs" in the Statements of Comprehensive Income.

j. Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the Statements of Comprehensive Income is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units by the weighted average number of units outstanding during the year.

k. Withholding taxes

The Trust may, from time to time, incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown separately in the Statements of Comprehensive Income.

l. Harmonized sales tax

Certain provinces including Ontario, Prince Edward Island, Nova Scotia, New Brunswick and Newfoundland, and Labrador (each a Participating Tax Jurisdiction) have harmonized their provincial sales tax (PST) with the federal goods and services tax (GST). The Harmonized Sales Tax (HST) combines the federal GST rate of 5% with the PST rate of the participating province. The Province of Quebec also applies the Quebec sales tax (QST). The provincial HST liability or refund is calculated using the residency of unitholders and the value of their interest in the Trust as at specific times, rather than the physical location of the Trust. The effective sales tax rate charged to the Trust is based on the unitholders' proportionate investments by province, using each province's HST rate, GST rate in the case of non-participating provinces and/or QST rate. All amounts are presented as "Harmonized sales tax" in the Statements of Comprehensive Income.

3. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities at the reporting date and the reported amounts of income and expenses during the reporting year. The following discusses the most significant accounting judgments and estimates that the Trust has made in preparing its financial statements:

Fair value measurement of investments and derivatives not quoted in active market

The Trust may, from time to time, hold financial instruments that are not quoted in active markets, such as unlisted securities, private securities or derivatives. Unlisted securities are valued based on price quotations from recognized investment dealers, or failing that, their fair value is determined by the Manager based on the latest reported information available. The fair value of private securities is determined by using valuation models that may be based, in part, on assumptions that are not supported by observable market inputs. These methods and procedures may include, but are not limited to, performing comparisons with prices of comparable or similar securities, obtaining valuation related information from issuers and/or other analytical data relating to the investment and using other available indications of value. These values were independently assessed by the Manager based on assumptions and estimates available as at Statement of the Financial Position date. However, because of the inherent uncertainty of valuation, the estimated fair values for these securities may be materially different from the values that would have been used had a ready market for the investment existed. The fair values of private securities are affected by the perceived credit risks of the issuer, predictability of cash flows and the length of time to maturity.

Valuation models use observable data, to the extent practicable. Areas such as credit risk (both own and counterparty); volatilities, correlations and key assumptions concerning future developments require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments.

The Trust considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

IFRS 10, Consolidated Financial Statements (IFRS 10)

In accordance with IFRS 10, the Manager has determined that the Trust meets the definition of an investment entity, which requires that the Trust obtains funds from one or more investors for the purpose of providing investment management services, commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measures and evaluates the performance of its investments on a fair value basis. Consequently, the Trust does not consolidate its investment in subsidiaries, if any, but instead measures these at FVTPL, as required by the accounting standard.

4. FEES AND OTHER EXPENSES

Management fees

The Trust pays to the Manager an annual fee equal to 1.10% of the NAV of the Trust plus an amount equal to the service fee (described below) payable to the registered dealers. Fees payable to the Manager are calculated and payable monthly, plus applicable taxes.

Operational costs

The Trust is responsible for all expenses incurred in connection with, but not limited to, the operation and administration of the Trust.

Service fees

The Manager will pay to registered dealers of the Trust an annual service fee of 0.40% of the NAV per unit for units held by clients of the sales representatives of the registered dealers, calculated and payable quarterly in arrears, plus applicable taxes.

Absorption

The decision to waive and/or absorb management fees and operating expenses is at the discretion of the Manager. The practice of waiving and/or absorbing expenses may continue indefinitely or may be terminated at any time without notice to unitholders. Operating expenses absorbed and/or management fees waived by the Manager are disclosed in the Statements of Comprehensive Income.

5. REDEEMABLE UNITS

The authorized capital of the Trust consists of an unlimited number of redeemable units. The units represent an undivided interest in the net assets of the Trust. All units are the same class with equal rights and privileges and are entitled to one vote at any meeting of the holders of units and to equal participation in any distributions made by the Trust.

Annual redemption

Units may be surrendered for redemption annually (Annual Redemption), during the period from the first day of September until 5:00 p.m. (Toronto time) on the 10th business day before the last business day in September (Annual Notice Period) by the unitholder to the registrar and transfer agent of the Trust, subject to the Trust's right to suspend redemptions. Units surrendered for redemption by a unitholder during the

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Notes to the Financial Statements (cont'd)

Annual Notice Period will be redeemed on the last business day in September (Annual Redemption Date) and the unitholder of will receive payment on or before the 15th business day following the applicable Annual Redemption Date. Redeeming unitholders will be entitled to receive a redemption price per unit equal to the Trust's NAV per unit on such Annual Redemption Date, less any brokerage fees and commissions (if applicable) associated with the redemption.

Monthly redemption

Units may also be surrendered at any time other than during the Annual Notice Period to the registrar and transfer agent for redemptions (a Monthly Redemption), subject to the Trust's right to suspend redemptions. If such demand for a Monthly Redemption is received before the 10th business day before the last business day of a month, the redemption will be implemented on the last business day of the month and if received after that date, the redemption will be implemented on the last business day of the following month (each a Monthly Redemption Date). Unitholders shall be entitled to receive a price per unit (Monthly Redemption Price) equal to the lesser of 90% of the market price of the units on the principal market on which the units are quoted for trading during the 20-trading-day period ending immediately before the Monthly Redemption Date, and 100% of the closing market price on the principal market on which the units are quoted for trading on the Monthly Redemption Date.

Notwithstanding the Monthly Redemption Price formula above, at no time will the Trust pay out redemption proceeds greater than the Trust's NAV per unit as determined on the Monthly Redemption Date for each unit being redeemed on such Monthly Redemption Date. Effective for the distribution payable to unitholders on record on September 29, 2006, the Trust offered the distribution reinvestment plan (DRIP) so that at the election of each unitholder, all distributions shall be automatically reinvested on each unitholder's behalf pursuant to the DRIP. The price paid for the reinvested units will not exceed the higher of the NAV per unit on the relevant distribution date and 95% of the closing price of the units on the TSX on the trading day immediately preceding the relevant distribution date.

During the year ended December 31, 2022, 37,214 (2021 - 33,191) units were reinvested under the DRIP at an average price of \$1.97 (2021 - \$2.23) per unit for a total reinvestment amount of \$73,329 (2021 - \$74,001).

Redeemable unit transactions information appears in the Trust Specific Notes to Financial Statements.

6. MARKET PURCHASE PROGRAM

In accordance with the Trust's prospectus, and to enhance liquidity and to provide support to the units, the Trust has a mandatory Market Purchase Program under which the Trust has the right (but not the obligation), exercisable in its sole discretion, to purchase in the market for cancellation up to 10% of the units outstanding at the beginning of such period at prices not exceeding the NAV per unit. The Trust will offer to purchase units offered on the TSX at prices that are less than 95% of the latest determined NAV per unit where the Manager determines that such purchases are in the best interest of unitholders, up to a maximum amount in any three-month period of 1.25% of the number of units outstanding at the beginning of such period. Purchases of units by the Trust will be subject to compliance with any applicable regulatory requirements and limitations. During the years ended December 31, 2022 and 2021, the Trust did not purchase any units for cancellation under the Market Purchase Program.

7. RELATED PARTY TRANSACTIONS

The Trust may have direct or indirect holdings in CI Financial Corp., or its affiliates or other investment fund(s) managed by the Manager as identified in the Schedule of Investment Portfolio and the Trust Specific Notes to Financial Statements, if applicable.

Inter-fund Trading

Inter-fund trading occurs when a Trust purchases or sells a security of any issuer from or to another Fund managed by the Manager. These transactions are executed through market intermediaries and under prevailing market terms and conditions. The Independent Review Committee reviews such transactions during scheduled meetings. During the years ended December 31, 2022 and 2021, the Trust executed inter-fund trades.

8. TAXATION

The Trust qualifies as a mutual fund trust under the *Income Tax Act* (Canada). All of the Trust's net income for tax purposes and sufficient net capital gains realized in any year are required to be distributed to unitholders such that no income tax is payable by the Trust. As a result, the Trust does not record income taxes. Since the Trust does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statements of Financial Position as a deferred income tax asset. Income tax on net realized capital gains not paid or payable will generally be recoverable by virtue of refunding provisions contained in the *Income Tax Act* (Canada) and provincial income tax legislation, as redemptions occur. Occasionally, the Trust may distribute more than it earns. This excess distribution is a return of capital and is not taxable to unitholders.

Refer to the Loss Carry Forwards table in the Trust Specific Notes to Financial Statements for further information relating to loss carry forwards.

9. FINANCIAL INSTRUMENTS RISK

Ukraine-Russian Federation conflict

The conflict between Ukraine and the Russian Federation has resulted in significant volatility and uncertainty in financial markets. NATO, EU and G7 member countries, including Canada, have imposed severe and coordinated sanctions against Russia. Restrictive measures have also been imposed by Russia and some securities have materially declined in value and/or may no longer be tradable. These actions have resulted in significant disruptions to investing activities and businesses with operations in Russia. The longer-term impact to geopolitical norms, supply chains and investment valuations is uncertain.

While the situation remains fluid, the Manager continues to monitor ongoing developments and the impact to investment strategies.

Interbank offered rate transition

Effective December 31, 2021, the publication of London Interbank Offered Rate (LIBOR) has ceased for all Sterling, Japanese yen, Swiss franc, and Euro settings as well as the 1-week and 2-month U.S. LIBOR settings. In addition, the overnight one-month, three-month, six-month and 12-month U.S. LIBOR settings will cease to be published after June 30, 2023.

On May 16, 2022, Refinitiv Benchmark Services (UK) Limited, the administrator of Canadian Dollar Offered Rate (CDOR), announced that the calculation and publication of all tenors of CDOR will permanently cease following a final publication on June 28, 2024.

The global benchmark rate reform initiative to transition from LIBOR or CDOR to alternative reference rates may impact a Trust that holds investments that are referenced to LIBOR or CDOR. Market risks arise as the new reference rates are likely to differ from the existing U.S. LIBOR or CDOR rates, which may impact the volatility or liquidity in markets for instruments that currently rely on U.S. LIBOR or CDOR settings. In order to manage these risks, the Manager continues to closely monitor the industry development and is taking all necessary steps to identify, measure and manage the risks relating to the Trust's U.S. LIBOR or CDOR exposure from its portfolio holdings.

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Notes to the Financial Statements (cont'd)

Risk management

The Trust is exposed to a variety of financial instruments risks: concentration risk, credit risk, liquidity risk and market risk (including other price risk, currency risk and interest rate risk). The level of risk to which the Trust is exposed to depends on the investment objective and the type of investments held by the Trust. The value of the investments within the portfolio can fluctuate daily as a result of changes in prevailing interest rates, economic and market conditions and company specific news related to investments held by the Trust. The Manager of the Trust may minimize potential adverse effects of these risks on the Trust's performance by, but not limited to, regular monitoring of the Trust's positions and market events, diversification of the investment portfolio by asset type, country, sector, term to maturity within the constraints of the stated objectives, and through the usage of derivatives to hedge certain risk exposures.

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is a geographical allocation, product type, industry sector or counterparty.

Details of the Trust's exposure to concentration risk are available in the Trust Specific Notes to Financial Statements.

Credit risk

Credit risk is the risk that a security issuer or counterparty to a financial instrument will fail to meet its financial obligations. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The credit risk exposure of the Trust's other assets is represented by their carrying amount as disclosed in the Statements of Financial Position.

Cash balances as disclosed in the Statements of Financial Position are maintained by the Custodian. The Manager monitors the creditworthiness of the Custodian on a regular basis. The credit rating of the Custodian as at December 31, 2022 for CIBC Mellon Trust was AA (December 31, 2021 - RBC Investor Services Trust - AA-).

All transactions executed by the Trust in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Liquidity risk

Liquidity risk is the risk that the Trust may not be able to settle or meet its obligations, on time or at a reasonable price. The Trust is exposed to monthly and annual cash redemptions of redeemable units. Therefore, the Trust aims to invest the majority of its assets in investments that are traded in active markets and can be readily disposed of. In addition, the Trust aims to retain sufficient cash and cash equivalent positions to maintain liquidity. All financial liabilities are due within three months.

Market risk

The Trust's investments are subject to market risk, which is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market conditions.

Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from currency risk or interest rate risk). The value of each investment is influenced by the outlook of the issuer and by general economic and political conditions, as well as industry and market trends. All securities present a risk of loss of capital.

Other assets and liabilities are monetary items that are short-term in nature and therefore are not subject to significant other price risk.

Currency risk

Currency risk arises from financial instruments that are denominated in a currency other than the Canadian dollar, which is the functional currency of the Trust. As a result, the Trust may be exposed to the risk that the value of securities denominated in other currencies will fluctuate due to changes in exchange rates.

Interest rate risk

Interest rate risk is the risk that the fair value of interest-bearing investments and interest rate derivative instruments will fluctuate due to changes in prevailing levels of market interest rates. If interest rates fall, the fair value of existing debt securities may increase due to increase in yield. Alternatively, if interest rates rise, the yield of existing debt securities may decrease, which may then lead to a decrease in their fair value. The magnitude of the decline will generally be greater for long-term debt securities than for short-term debt securities.

Interest rate risk also applies if the Trust invests in convertible securities. The fair value of these securities varies inversely with interest rates, similar to other debt securities. However, since they may be converted into common shares, convertible securities are generally less affected by interest rate fluctuations than other debt securities.

Fair value hierarchy

The Trust is required to classify financial instruments measured at fair value using a fair value hierarchy. Investments whose values are based on quoted market prices in active markets are classified as Level 1. This level may include publicly traded equities, exchange-traded and retail mutual fund(s), exchange-traded warrants, futures contracts and traded options.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified as Level 2. These may include fixed-income securities, mortgage-backed securities, short-term instruments, non-traded warrants, over-the-counter options, structured notes of indexed securities, foreign currency forward contracts, swap instruments, American depositary receipts and Global depositary receipts, if quoted market price is not available.

Investments classified as Level 3 have significant unobservable inputs. Level 3 instruments may include private equities, private term loans, private equity fund(s) and certain derivatives. As observable prices are not available for these securities, the Trust may use a variety of valuation techniques to derive their fair value.

The Trust's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

Details of the Trust's exposure to financial instruments risks including concentration risk and fair value hierarchy classification are available in the Trust Specific Notes to Financial Statements.

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Notes to the Financial Statements (cont'd)

10. CURRENCY LEGEND

The following is a list of abbreviations that may be used in the financial statements:

AUD	Australian dollar
MXN	Mexican peso
BMD	Bermuda dollar
MYR	Malaysian ringgit
BRL	Brazilian real
NOK	Norwegian krone
CAD	Canadian dollar
NZD	New Zealand dollar
CHF	Swiss franc
PEN	Peruvian new sol
DKK	Danish krone
PHP	Philippine peso
EUR	Euro
PKR	Pakistani rupee
GBP	Pound sterling
PLN	Polish zloty
HKD	Hong Kong dollar
SEK	Swedish krona
IDR	Indonesian rupiah
SGD	Singapore dollar
ILS	Israeli shekel
THB	Thailand baht
INR	Indian rupee
TWD	New Taiwan dollar
JPY	Japanese yen
USD	U.S. dollar
KRW	South Korean won
ZAR	South African rand

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