

As of July 1, 2025, Primevestfund celebrates its 20th anniversary.

When we began, our fund was one of about two dozen peers with a similar profile. Following the 2008 financial crisis, that number dwindled to just a few, though new entrants have emerged in recent years. Starting with less than \$1 million in assets, the fund has grown more than 100-fold, establishing itself as a notable player within its niche.

Our goal was never to scale massively, and with another strong year of performance, we will likely approach the upper limit of what we intend to manage. The fund has never been broadly marketed, maintaining a close-knit investor base composed primarily of friends and family. This success is largely attributable to the trust, patience, and commitment of our exceptional unitholders.

Our long-term approach—holding well-selected investments with conviction—has been central to our strategy, and it's one few funds can sustain. Thanks to our investors' understanding of extended holding periods, we've been able to stay the course through volatility. Our most successful investments have averaged seven-year holding periods, weathering major market and macroeconomic cycles. Notably, two standout investments this year delivered more than tenfold returns from their initial purchase a decade ago. Remarkably, of all original investors (and subsequent family legacy accounts), only two have exited—one due to non-residency requirements, and the other, sadly, due to death.

Beyond our investor base, strong relationships with management teams focused on long-term value creation have also been key to our industry-leading returns. Over the past 20 years, the fund has delivered double-digit annualized returns—more than double the performance of the TSX and over five times the TSX Small Cap Index on an annualized basis.*

While our portfolio selections have been consistently sound, the cyclical nature of our core holdings means that value realization is often tied to broader market sentiment and fund flows. As highlighted in previous commentaries, our strategic focus remains centered on precious metals and raw materials critical to energy generation. Recently, we've observed growing interest from generalist investors. Although dedicated resource funds in our region have yet to see significant new inflows, this broader participation has improved sector liquidity, which in turn has supported capital raises and a more active M&A environment.

If this cycle continues, history suggests that capital typically cascades from large to smaller companies. In anticipation, we've allocated a portion of our strategy to smaller, earlier-stage positions on a portfolio basis. While individual underperformers are unlikely to materially affect overall returns, successful investments in this segment can deliver multi-bag outcomes over relatively short timeframes—provided liquidity and investor interest persist.

In the current geopolitical landscape and with strengthening macro fundamentals in our focus area, we are experiencing sustained tailwinds for the first time in years. However, significant short-term volatility remains a key consideration – which of course, we have endured during the history of the fund. I hope to deliver a similar report in another 20 years, fueled by my unwavering passion for this work, despite the growing challenge of an increasingly burdensome regulatory environment.

Ryaz Shariff - Portfolio Manager, Primevestfund

*On a price only basis (i.e. no dividends). Due to accuracy of data collection.