

**Probit Mining 2025 Short Duration Flow-Through  
Limited Partnership**

2025 Semi-Annual Management  
Report of Fund Performance

# **Probity Mining 2025 Short Duration Flow-Through Limited Partnership**

## **2025 Semi-Annual Management Report of Fund Performance**

---

This semi-annual management report of fund performance contains financial highlights but does not contain the complete semi-annual financial statements of Probity Mining 2025 Short Duration Flow-Through Limited Partnership (the “Partnership”). You can get a copy of the financial statements at no cost in the following ways; by calling Qwest Investment Fund Management Ltd. (the “Manager”) at (604) 602-1142 or 1-866-602-1142; by writing to the Manager at, Suite 702, 1030 West Georgia Street, Vancouver, BC V6E 2Y3; by e-mailing the Manager at [info@qwestfunds.com](mailto:info@qwestfunds.com); or by viewing the information on SEDAR at [www.sedar.com](http://www.sedar.com).

Securityholders may also contact the Manager to request a copy of the Partnership’s proxy voting policies and procedures, proxy voting disclosure records, or quarterly portfolio disclosures.

### **Management Discussion of Fund Performance**

#### **Results of Operations**

The Partnership commenced operations on March 28, 2025. During the period ended June 30, 2025, the Partnership issued 150,820 Class A – National Class units, 80,300 Class A – British Columbia units, 78,150 Class A – Quebec units, 113,300 Class F – National Class units, 8,300 Class F – British Columbia units, 30,550 Class F – Quebec units, and 1 Class P unit. As at June 30, 2025, all classes of units issued were outstanding.

Total expenses incurred by the Partnership for the period from commencement of operations on March 28, 2025 to June 30, 2025 were \$ 901,467, comprised mainly of \$ 618,403 in issue costs, \$126,705 in performance fees, \$ 71,845 in legal fees, \$ 44,108 in administrative fees, \$ 17,850 in fund manager fee and \$ 11,663 in filing fees.

Unrealized appreciation of investments for the period ended June 30, 2025 was \$1,196,871.

At June 30, 2025, net assets attributable to Limited Partners for Class A – National Class units was \$1,544,802 or \$10.24 per unit, for Class A – British Columbia units was \$ 881,466 or \$10.98 per unit, for Class A – Quebec units was \$ 851,766 or \$ 10.90 per unit, for Class F – National Class units was \$ 1,193,696 or \$ 10.54 per unit, for Class F – British Columbia units was \$ 94,528 or \$ 11.39 per unit, and for Class F – Quebec units was \$ 343,346 or \$ 11.24 per unit.

#### **Recent Developments**

In the first half of 2025, copper prices posted a significant rally, with a year-to-date (“YTD”) gain of 44.5%. This performance was driven by a combination of structural demand growth tied to electrification and infrastructure investment, and acute short-term dislocations in global copper trade. U.S. tariff threats and policy action sparked a surge in U.S. copper imports, with volumes reaching over 500k tons in March, leading to severe divergence between COMEX and LME copper prices. As copper flowed disproportionately into U.S. warehouses, LME inventories fell sharply creating extreme backwardation in time spreads. Despite periods of volatility, investor positioning remained bullish, with market sentiment buoyed by expectations of constrained supply and firm long-term demand. By late July, some of the physical premium began to unwind as trade flows rebalanced, but prices remained elevated relative to historical averages.

Gold prices surged in the first half of 2025 and posted a YTD gain of 27.2%. This rally was initially driven by persistent central bank buying, particularly by the People's Bank of China, who added to reserves for the 19th consecutive month in February. In Q1, continued geopolitical instability and expectations of U.S. rate cuts spurred inflows into physical gold and ETFs. By May, gold demand remained robust despite weakening Chinese jewelry sales, which fell 3.5% year-over-year. Investor appetite was notably strong where global bar and coin demand jumped 23.7% in Q2, according to the World Gold Council.

# **Probity Mining 2025 Short Duration Flow-Through Limited Partnership**

## **2025 Semi-Annual Management Report of Fund Performance**

---

### **Recent Developments (continued)**

In the first half of 2025, battery metals showed mixed results. Nickel was essentially flat, amid persistent oversupply and capacity growth in Indonesia. Early in the year, market watchers warned that without supply curbs from Indonesia the nickel surplus would endure for years. By June, Indonesia's ongoing expansion and weak stainless-steel demand were confirmed at a Shanghai Metals Market forum, with experts forecasting the market remains in surplus through at least 2027. Lithium declined 2.9% YTD. Prices initially stabilized in January as mine closures and strong EV sales in China began to erode the glut. However, oversupply pressures re-emerged; in late May, Chile's SQM reported first-quarter profits well below estimates, attributing the shortfall to weak lithium prices and excess inventories. By late July, Chinese regulators had signaled plans to tackle industrial overcapacity, including lithium carbonate, raising the prospect of tighter supplies ahead.

Uranium posted a modest decline of 1.9% YTD. Early in the year, prices retraced from 2024 highs as speculative activity cooled, with spot prices dipping to the low \$70s/lb by late January. In March, momentum returned as investor sentiment turned positive on news of new U.S. executive orders supporting domestic nuclear infrastructure and AI-linked electricity demand. The U.S. ban on Russian enriched uranium imports, legislated in 2024 and formally enacted in mid-2025, reinforced bullish long-term expectations, despite waiver provisions extending through 2027.

By mid-2025, this divergence between spot and term markets grew more pronounced: utilities were locking in long-term contracts at term prices near \$80/lb, while broader supply constraints persisted. This contracting behavior reflected both tight Western market conditions and reluctance to rely on secondary or Russian supply sources under new U.S. import restrictions. Spot prices did climb briefly toward US \$78–79/lb in June and early July, as production disruptions in Niger and moderating inventory trends fueled short-term volatility.

The S&P/TSX Venture Metals & Mining Index delivered a strong performance in the first half of 2025, rising 52.1% YTD. The advance was supported by improving investor risk sentiment, particularly in Q2, as geopolitical tensions began to ease and expectations for U.S. Federal Reserve rate cuts firmed. These macro shifts coincided with sharp gains in copper and gold prices, driving momentum into metal-linked equities. The rally was further bolstered by renewed interest in junior exploration equities, especially among issuers tied to critical minerals and those reporting promising drill results. As metals prices rose, speculative capital began returning to the junior mining space, particularly among high-conviction names, helping the sector recover from multi-year lows.

Access to risk capital remained constrained in the first half of 2025, as major central banks maintained high policy rates to rein in persistent inflation. In the U.S., the Federal Reserve held its target range steady at 4.25–4.50% through the June meeting, signaling potential two rate cuts later in 2025 depending on inflation and growth dynamics. Inflation in June was 2.7% year-over-year, with core inflation near 2.9%, keeping monetary policy firmly in restrictive territory. Despite political pressure to ease, the Fed emphasized its commitment to independence and described the current rate path as appropriate given prevailing data.

In Canada, the Bank of Canada paused rates at 2.75% in both March and June, after two successive cuts earlier in the year, while signaling potential easing in Q4, depending on U.S. trade developments and domestic demand resilience. Consumer and business confidence improved slightly toward the end of Q2, but uncertainty around tariffs and elevated commodity prices passed through remained areas of concern.

Tight financial conditions limited risk capital availability for early-stage companies and junior explorers. Credit spreads remained wide, particularly for speculative-grade financings, while high refinancing costs and cautious underwriting led many firms to defer equity raises until rate clarity emerges in H2. Still, improving risk sentiment toward the end of the period supported selective financing activity among high-conviction resource plays. Following the policy shifts in 2024, where both the Federal Reserve and Bank of Canada began cutting rates in response to easing inflation, central banks entered 2025 with a more cautious stance. The first half of the year was marked by a pause, as policymakers assessed the lagged effects of previous tightening and calibrated future moves against evolving inflation and trade risks.

# **Probity Mining 2025 Short Duration Flow-Through Limited Partnership**

## **2025 Semi-Annual Management Report of Fund Performance**

---

### **Recent Developments (continued)**

Global growth remained modestly resilient through the first half of 2025, although inflationary headwinds persisted and are expected to ease gradually. The IMF's July 2025 World Economic Outlook Update raised its projected global growth rate for the year to 3.0%, with further moderation to 3.1% in 2026, largely driven by early-year resilience ahead of tariff escalation and consumer front-loading. Meanwhile, global headline inflation is forecast to decline toward 4.2% by end-2025, down from mid-year levels above 5%, even as U.S. inflation remains elevated due to lingering tariff impacts.

Commodity price behavior supported this outlook. The World Bank's April 2025 Commodity Markets Outlook projects a notable drop in aggregate commodity prices from their 2024 peaks by 12% in 2025, which is expected to provide a disinflationary impulse equivalent to roughly 0.35 percentage points off global consumer inflation. The decline is expected to come predominantly from lower energy prices, while non-energy commodity prices are forecast to remain comparatively firm.

The Investment Advisor and Fund Manager believes that while the global economic outlook is showing tentative signs of stabilization, geopolitical risks and structural supply challenges remain significant. The global urgency to combat climate change, evidenced by rising investment in electrification, AI infrastructure, and battery technology continues to translate into sustained demand for so-called "Green Metals," including copper, nickel, and lithium. Copper's YTD price gain of 44.5% is a case in point, supported by both long-term infrastructure trends and short-term supply dislocations. At the same time, rising trade barriers and concentrated production in regions like Indonesia and China have underscored the strategic importance of diversified, secure mineral supply chains. Despite near-term volatility, the Investment Advisor and Fund Manager continues to view the current environment as part of a secular bull market for industrial commodities, underpinned by global decarbonization goals and chronic underinvestment in new mine development.

The Probity limited partnerships' exploration investments remain well positioned to capture upside in Canada's expanding critical minerals sector. According to Natural Resources Canada, exploration and deposit appraisal expenditures are projected to reach C\$4.25 billion in 2025, up from C\$4.10 billion in 2024. Rendered as exploration spending, activity is expected to remain focused on base and precious metals, with critical minerals, especially lithium, copper, and uranium continuing to gain share.

In March 2025, the Canadian government extended the 15% Mineral Exploration Tax Credit (METC) for flow-through share investors for two additional years, through March 31, 2027, preserving access to approximately C\$110 million of annual funding for junior explorers. The 30% Critical Mineral Exploration Tax Credit (CMETC), part of Canada's broader Critical Minerals Strategy, remains available for eligible expenses through the same timeframe. These incentives are widely regarded as key drivers of exploration equity financing and long-term investment flows in the junior resource sector.

# **Probity Mining 2025 Short Duration Flow-Through Limited Partnership**

## **2025 Semi-Annual Management Report of Fund Performance**

---

### **Financial Highlights**

The following tables show selected key financial information about the Partnership and are intended to help you understand the Partnership's financial performance for the past period. This information is derived from the Partnership's financial statements.

#### *Net Assets per Limited Partnership unit <sup>(1)</sup>*

<b>Net Assets attributable to Limited Partners for Class A - National Class, per unit</b>		<b>June 30, 2025</b>
<b>Initial NAV</b>	<b>\$</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue		-
Total expenses		(1.77)
Realized gains (losses)		-
Unrealized gains (losses)		2.01
<b>Total Increase (decrease) from operations <sup>(2)</sup></b>		<b>0.24</b>
<b>Distributions:</b>		
From dividends		-
From capital gains		-
<b>Total distributions</b>		<b>-</b>
<b>Net assets attributable to holders of redeemable shares at end of period</b>		<b>10.24</b>

<b>Net Assets attributable to Limited Partners for Class A - British Columbia, per unit</b>		<b>June 30, 2025</b>
<b>Initial NAV</b>	<b>\$</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue		-
Total expenses		(1.87)
Realized gains (losses)		-
Unrealized gains (losses)		2.85
<b>Total Increase (decrease) from operations <sup>(2)</sup></b>		<b>0.98</b>
<b>Distributions:</b>		
From dividends		-
From capital gains		-
<b>Total distributions</b>		<b>-</b>
<b>Net assets attributable to holders of redeemable shares at end of period</b>		<b>10.98</b>

# **Probity Mining 2025 Short Duration Flow-Through Limited Partnership** 2025 Semi-Annual Management Report of Fund Performance

## **Financial Highlights (continued)**

Net Assets attributable to Limited Partners for Class A - Quebec, per unit		June 30, 2025
<b>Initial NAV</b>	\$	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue		-
Total expenses		(1.79)
Realized gains (losses)		-
Unrealized gains (losses)		2.69
<b>Total Increase (decrease) from operations <sup>(2)</sup></b>		<b>0.90</b>
<b>Distributions:</b>		
From dividends		-
From capital gains		-
<b>Total distributions</b>		<b>-</b>
<b>Net assets attributable to holders of redeemable shares at end of period</b>		<b>10.90</b>

  

Net Assets attributable to Limited Partners for Class F - National Class, per unit		June 30, 2025
<b>Initial NAV</b>	\$	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue		-
Total expenses		(1.43)
Realized gains (losses)		-
Unrealized gains (losses)		1.97
<b>Total Increase (decrease) from operations <sup>(2)</sup></b>		<b>0.54</b>
<b>Distributions:</b>		
From dividends		-
From capital gains		-
<b>Total distributions</b>		<b>-</b>
<b>Net assets attributable to holders of redeemable shares at end of period</b>		<b>10.54</b>

# **Probity Mining 2025 Short Duration Flow-Through Limited Partnership** 2025 Semi-Annual Management Report of Fund Performance

## **Financial Highlights (continued)**

Net Assets attributable to Limited Partners for Class F - British Columbia, per unit		June 30, 2025
<b>Initial NAV</b>	\$	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue		-
Total expenses		(1.60)
Realized gains (losses)		-
Unrealized gains (losses)		2.99
<b>Total Increase (decrease) from operations <sup>(2)</sup></b>		<b>1.39</b>
<b>Distributions:</b>		
From dividends		-
From capital gains		-
<b>Total distributions</b>		<b>-</b>
<b>Net assets attributable to holders of redeemable shares at end of period</b>		<b>11.39</b>

Net Assets attributable to Limited Partners for Class F - Quebec, per unit		June 30, 2025
<b>Initial NAV</b>	\$	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue		-
Total expenses		(1.43)
Realized gains (losses)		-
Unrealized gains (losses)		2.67
<b>Total Increase (decrease) from operations <sup>(2)</sup></b>		<b>1.24</b>
<b>Distributions:</b>		
From dividends		-
From capital gains		-
<b>Total distributions</b>		<b>-</b>
<b>Net assets attributable to holders of redeemable shares at end of period</b>		<b>11.24</b>

<sup>(1)</sup> This information is derived from the Partnership's June 30, 2025 (unaudited) financial statements. The net assets per security presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements.

<sup>(2)</sup> The Partnership is a closed-end partnership and no additional units can be issued after the completion of the final closing. In addition, no Partnership units can be redeemed until the time of dissolution of the Partnership. As a result, the units issued and outstanding as of the completion of the final closing were used to calculate the net assets attributable to limited partners as at June 30, 2025 and the increase (decrease) from operations for the period from commencement on March 28, 2025 to June 30, 2025.

# **Probity Mining 2025 Short Duration Flow-Through Limited Partnership**

## **2025 Semi-Annual Management Report of Fund Performance**

---

### **Ratios and Supplemental Data**

<b>Class A - National Class</b>	<b>June 30, 2025</b>
Total net asset value (000's)	\$ 1,545
Number of mutual fund shares outstanding	150,820
Management expense ratio <sup>(1)</sup>	7.01%
Management expense ratio before absorption <sup>(1)</sup>	7.01%
Portfolio turnover rate <sup>(2)</sup>	0.00%
Trading expense ratio <sup>(3)</sup>	0.00%
Net asset value per share	\$10.24

<b>Class A - British Columbia</b>	<b>June 30, 2025</b>
Total net asset value (000's)	\$ 881
Number of mutual fund shares outstanding	80,300
Management expense ratio <sup>(1)</sup>	6.76%
Management expense ratio before absorption <sup>(1)</sup>	6.76%
Portfolio turnover rate <sup>(2)</sup>	0.00%
Trading expense ratio <sup>(3)</sup>	0.00%
Net asset value per share	\$10.98

<b>Class A - Quebec</b>	<b>June 30, 2025</b>
Total net asset value (000's)	\$852
Number of mutual fund shares outstanding	78,150
Management expense ratio <sup>(1)</sup>	6.79%
Management expense ratio before absorption <sup>(1)</sup>	6.79%
Portfolio turnover rate <sup>(2)</sup>	0.00%
Trading expense ratio <sup>(3)</sup>	0.00%
Net asset value per share	\$10.90

<b>Class F - National Class</b>	<b>June 30, 2025</b>
Total net asset value (000's)	\$1,194
Number of mutual fund shares outstanding	113,300
Management expense ratio <sup>(1)</sup>	6.91%
Management expense ratio before absorption <sup>(1)</sup>	6.91%
Portfolio turnover rate <sup>(2)</sup>	0.00%
Trading expense ratio <sup>(3)</sup>	0.00%
Net asset value per share	\$10.54



# **Probity Mining 2025 Short Duration Flow-Through Limited Partnership**

## **2025 Semi-Annual Management Report of Fund Performance**

---

### **Ratios and Supplemental Data (continued)**

<b>Class F - British Columbia</b>	<b>June 30, 2025</b>
Total net asset value (000's)	\$95
Number of mutual fund shares outstanding	8,300
Management expense ratio <sup>(1)</sup>	6.63%
Management expense ratio before absorption <sup>(1)</sup>	6.63%
Portfolio turnover rate <sup>(2)</sup>	0.00%
Trading expense ratio <sup>(3)</sup>	0.00%
Net asset value per share	\$11.39

<b>Class F - Quebec</b>	<b>June 30, 2025</b>
Total net asset value (000's)	\$343
Number of mutual fund shares outstanding	30,550
Management expense ratio <sup>(1)</sup>	6.68%
Management expense ratio before absorption <sup>(1)</sup>	6.68%
Portfolio turnover rate <sup>(2)</sup>	0.00%
Trading expense ratio <sup>(3)</sup>	0.00%
Net asset value per share	\$11.24

<sup>(1)</sup> Management expense ratio ("MER") is based on total expenses less commissions for the stated period and is expressed as an annualized percentage of monthly average net assets during the period.

<sup>(2)</sup> The portfolio turnover rate indicates how actively the Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Partnership buying and selling all the securities in its portfolio once in the course of the period. The higher a portfolio turnover rate is in a period, the greater the trading costs payable by the Partnership in the period, and the greater the chance of an investor receiving taxable capital gain in the period. There is not necessarily a relationship between turnover rate and the performance of a portfolio.

<sup>(3)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as a percentage of average net assets during the period.

### **Management Fees**

There is no management fees.

# **Probity Mining 2025 Short Duration Flow-Through Limited Partnership**

## **2025 Semi-Annual Management Report of Fund Performance**

---

### **Summary of Investment Portfolio**

As at June 30, 2025, the net assets attributable to limited partnership units was CAD 4,909,624. Below is a breakdown of the investment portfolio as at June 30, 2025, by sector of all the 21 securities and as a percentage of the aggregate net asset value of the securities in the investment portfolio:

<b>Top Holdings</b>	<b>% of Net Assets</b>	<b>Sector/Subgroup</b>	<b>% of Net Assets</b>
Star Copper Corp.	13.94	Mining	84.46
Defense Metals Corp.	8.18	Cash	13.71
Formation Metals Inc.	6.63	Other net assets	1.83
Sun Summit Minerals Corp.	6.52		100.00
Opus One Gold Corp.	6.11		
Saga Metals Corp.	5.70		
Dynasty Gold Corp.	4.81		
Q Precious & Battery Metals Corp.	3.26		
Formation Metals Inc. (Warrants)	3.20		
Q Precious & Battery Metals Corp. (Warrants)	3.10		
E-Power Resources Inc.	3.06		
Saga Metals Corp. (Warrants)	2.77		
GoldHaven Resources Corp.	2.70		
Decade Resources Ltd.	2.62		
Great Atlantic Resources Corp.	2.34		
Defense Metals Corp. (Warrants)	2.22		
Sun Summit Minerals Corp. (Warrants)	2.00		
Decade Resources Ltd. (Warrants)	1.78		
E-Power Resources Inc. (Warrants)	1.36		
Great Atlantic Resources Corp. (Warrants)	1.32		
Dynasty Gold Corp. (Warrants)	0.84		

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. A quarterly update is available at [www.qwestfunds.com](http://www.qwestfunds.com).

## **Probity Mining 2025 Short Duration Flow-Through Limited Partnership**

### **2025 Semi-Annual Management Report of Fund Performance**

---

#### **Caution Regarding Forward-looking Statements**

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts, but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Partnership may invest in and the risks detailed from time to time in the Fund's simplified prospectus. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, management of the Partnership does not undertake, and specifically disclaims any intention or obligation to update or revise any forward-looking statements, future events or otherwise, unless required by applicable law.