

**KISONIYAMINAW HERITAGE TRUST FUND**  
**FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED JUNE 30, 2017**

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**KISONIYAMINAW HERITAGE TRUST FUND**  
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**FOR THE QUARTER ENDED JUNE 30, 2017**

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**KISONIYAMINAW HERITAGE TRUST FUND**  
**BALANCE SHEET**  
**AS AT MARCH 31, 2017**

	<b>June 30, 2017 (Unaudited)</b>	<b>December 31, 2016 (Audited)</b>
	\$	\$
<b>Assets</b>		
<b>Current</b>		
Cash and short term investments	12,333,380	11,455,476
Accrued investment income	779,622	897,622
	<u>13,113,002</u>	<u>12,353,098</u>
<b>Investments</b>	<u>446,097,759</u>	<u>445,980,036</u>
	<u><u>459,210,761</u></u>	<u><u>458,333,134</u></u>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	371,536	380,811
Distribution payable	-	2,022,677
	<u>371,536</u>	<u>2,403,488</u>
<b>Equity</b>		
<b>Trust capital</b>	<u>458,839,225</u>	<u>455,929,646</u>
	<u><u>459,210,761</u></u>	<u><u>458,333,134</u></u>

Approved on behalf of the Trustees

Trustee \_\_\_\_\_

Trustee \_\_\_\_\_

**KISONIYAMINAW HERITAGE TRUST FUND**  
**STATEMENT OF CHANGES IN TRUST CAPITAL**  
**FOR THE QUARTER ENDED JUNE 30, 2017**

	Second Quarter		First Six Months	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Trust capital, beginning of period</b>	463,920,499	419,622,545	455,929,646	425,131,954
Net income (loss) for the period	(181,845)	9,695,051	12,709,935	8,902,097
Distributions	(4,906,947)	(4,728,159)	(9,815,529)	(9,456,232)
Trust capital received (royalties)	<u>7,518</u>	<u>2,245</u>	<u>15,173</u>	<u>13,863</u>
<b>Trust capital, end of period</b>	<u><u>458,839,225</u></u>	<u><u>424,591,682</u></u>	<u><u>458,839,225</u></u>	<u><u>424,591,682</u></u>

**KISONIYAMINAW HERITAGE TRUST FUND**  
**STATEMENT OF INCOME (LOSS)**  
**FOR THE QUARTER ENDED JUNE 30, 2017**

	Second Quarter		First Six Months	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Revenue</b>				
Realized capital gains on investments	12,000,754	278,758	18,389,823	11,048,591
Investment income	2,557,124	3,585,499	4,873,789	5,756,441
Realized foreign exchange losses	(56,488)	(16,408)	(23,463)	(76,631)
Unrealized gains (losses) on investments	(14,139,857)	6,402,761	(9,493,526)	(6,680,140)
	<u>361,533</u>	<u>10,250,610</u>	<u>13,746,623</u>	<u>10,048,261</u>
<b>Expenses</b>				
Investment management fees	352,391	402,110	706,602	791,359
Professional fees	57,315	19,886	69,790	75,897
Trustee honoraria	55,227	55,227	110,455	110,455
Custodial services	35,033	32,834	69,481	68,998
Commissions	26,489	32,768	51,588	71,876
Administration	11,759	11,123	22,882	22,183
Annual report	4,025	42	4,025	2,796
Trustee expenses	1,139	1,569	1,865	2,600
	<u>543,378</u>	<u>555,559</u>	<u>1,036,688</u>	<u>1,146,164</u>
<b>Net income (loss) for the period</b>	<u>(181,845)</u>	<u>9,695,051</u>	<u>12,709,935</u>	<u>8,902,097</u>

**KISONIYAMINAW HERITAGE TRUST FUND**  
**STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED JUNE 30, 2017**

	Second Quarter		First Six Months	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Operating activities</b>				
Net income (loss) for the period	(181,845)	9,695,051	12,709,935	8,902,097
Unrealized (gains) losses on investments	14,139,857	(6,402,761)	9,493,526	6,680,140
Changes in non-cash working capital items:				
Accrued investment income	135,308	135,400	117,999	(42,083)
Distribution payable	(2,022,677)	-	(2,022,677)	-
Accounts payable and accrued liabilities	7,554	(1,982)	(9,274)	(57,598)
	<u>12,078,197</u>	<u>3,425,708</u>	<u>20,289,509</u>	<u>15,482,556</u>
<b>Investing activities</b>				
(Increase) decrease in investments	<u>(2,879,905)</u>	<u>(1,181,480)</u>	<u>(9,611,249)</u>	<u>(9,055,933)</u>
	<u>(2,879,905)</u>	<u>(1,181,480)</u>	<u>(9,611,249)</u>	<u>(9,055,933)</u>
<b>Financing activities</b>				
Distributions	(4,906,947)	(4,728,159)	(9,815,529)	(9,456,232)
Trust capital received	7,518	2,245	15,173	13,863
	<u>(4,899,429)</u>	<u>(4,725,914)</u>	<u>(9,800,356)</u>	<u>(9,442,369)</u>
<b>Increase (decrease) in cash and short term investments</b>	4,298,863	(2,481,686)	877,904	(3,015,746)
<b>Cash and short term investments, beginning of period</b>	<u>8,034,517</u>	<u>12,256,138</u>	<u>11,455,476</u>	<u>12,790,198</u>
<b>Cash and short term investments, end of period</b>	<u><u>12,333,380</u></u>	<u><u>9,774,452</u></u>	<u><u>12,333,380</u></u>	<u><u>9,774,452</u></u>

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**KISONIYAMINAW HERITAGE TRUST FUND**  
**SCHEDULE A**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2017**

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1. Reconciliation of net income per financial statements to net income as defined in the Trust Deed:

	<b>30-Jun-17</b>	<b>30-Jun-16</b>
	\$	\$
Revenues for the period as per financial statements	\$ 13,746,623	10,048,261
Adjustments:		
Non-taxable portion of capital gains	(9,194,912)	(5,524,296)
Unrealized losses (gains) on investments	<u>9,493,526</u>	<u>6,680,140</u>
"Income" or "Trust Income" as defined in paragraph 2.1(f)	<u>\$ 14,045,238</u>	<u>11,204,106</u>

2. Calculation of "Net Income" as defined in paragraph 2.1(i):

"Trust Income" as calculated above	\$ 14,045,238	11,204,106
Adjustments:		
Expenses as per financial statements	(1,036,688)	(1,146,164)
Utilization of capital losses carried forward and taxable income adjustments	<u>-</u>	<u>-</u>
"Net Income" as defined in paragraph 2.1(i)	<u>13,008,550</u>	<u>10,057,942</u>

3. Calculation of minimum distributions required as defined in paragraph 10.2:

Greatest of:		
(a) "Net Income" as calculated above	\$ 13,008,550	10,057,942
(b) 4.5% of the average FMV of the Trust at the end of three prior fiscal years	\$ 19,631,057	18,912,636
(c) \$17 million	\$ 17,000,000	17,000,000

Based on the above, minimum distributions required are \$19,631,057.