INTEGRA® CAPITAL LIMITED

Annual Management Report of Fund Performance

Lincluden Short Term Investment Fund

As at December 31, 2018

This annual report of fund performance contains financial highlights but does not contain the complete annual financial statements for the investment fund. You may request a copy of the annual financial statements at no cost, by calling 1-800-363-2480, by writing to us at Integra Capital Limited ("Integra"), 2020 Winston Park Drive, Suite 200, Oakville ON L6H 6X7 or by visiting our website at www.integra.com or the SEDAR website at www.sedar.com.

Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or portfolio disclosure relating to the Fund.

Lincluden Short Term Investment Fund

Management discussion of fund performance

Investment objectives and strategies

The primary focus of this Fund is preservation of capital and liquidity. The Fund invests in Government of Canada treasury bills as well as bankers' acceptances and corporate paper rated R-1 or better. Asset backed commercial paper and structured investment vehicles are not permitted investments.

Risk

Although the Fund's primary focus is preservation of capital and liquidity, the Fund is permitted to invest in bankers' acceptances and corporate paper rated R-1 or better, excluding asset backed commercial paper and structured investment vehicles. Lincluden Investment Management Limited, the sub-advisor for the Fund, will invest in these permitted investments in addition to treasury bills.

Results of operations

For the quarter, six-month and one-year periods ended December 31st, the Fund gained 0.72%, 1.00% and 1.59% respectively. In comparison, the Fund's benchmark (FTSE Canada 91-day Treasury Bill Index) returned 0.45%, 0.77% and 1.38% for the same periods. All the returns are presented in Canadian dollar terms and gross of investment management fees.

The global economy was demonstrating sound growth heading into 2018. Canada as a major exporter of commodities was expected to be a primary beneficiary of the synchronized expansion. The economy was operating at near capacity with inflation running at close to 2%. The job market was healthy considering unemployment was running around 6% which was near a 40-year low. Accordingly, the Bank of Canada took the opportunity to increase its target for the overnight rate to 1.25% in January.

Through the first half of the year both energy and non-energy exports were rising. Energy exports benefitted from an increase in rail shipments to south of the border. Although exports rebounded, the performance compared to 2017 was disappointing, with exports broadly unchanged when the strength of global activity suggests that Canada's growth should be in more substantial.

Nevertheless, the domestic economy has been operating at near capacity. Job growth has been strong and financial conditions remain accommodative. Inflationary pressures remain contained and not excessive. The consumer price index was 2% for the fourth quarter by the Bank of Canada.

The one area of the domestic economy that has eased somewhat is housing. While improving employment and wages are positives for consumption, tighter mortgage guidelines and higher financing rates have impacted housing activity.

Business investment conditions, outside of the oil and gas sector remain positive. Resolution of trade negotiations with the USA and Mexico relieve some uncertainty and the federal government recently announced tax measures to target investment.

The global economy continues to be impacted by trade disputes as the United States attempts to renegotiate various trade arrangements. The most significant being the dispute between the US and China. The tensions between the two major economies is having an impact activity and sentiment globally. Additionally, the future of Brexit is unclear as the scheduled date for the United Kingdom to step away from the European Union draws near.

Since the summer of 2017 the Bank of Canada has raised its short-term policy rate five times attempting to keep inflation within a reasonable range. The Bank at its December meeting determined it was not necessary to change the benchmark interest rate from 1.75% where it was set in October. As a result, 90-day treasury bills topped out at 1.73% in October. With the subsequent retreat experienced by the equity markets and growing uneasiness regarding various trade disputes, short-term interest rates eased towards the end of the year.

The Fund added significant value throughout the year by holding investment grade bankers' acceptances and commercial paper. These vehicles offer higher yields. At year-end 36.4% of the portfolio was allocated to commercial paper and 30.7% to BA's. Additionally, 26% of the Fund was invested in provincial treasury bills. The balance was held in federal treasury bills.

Fund expenses were slightly lower year over year. This was largely the result of lower custodial fees during 2018. Additionally, the Fund's Manager continues to cover a portion of the Fund's costs in what has been an extended low interest rate environment. The Manager has maintained an objective to keep the expense ratio below 0.15%. Accordingly, the Manager at its discretion has been subsidizing Fund costs from time to time.

The Fund experienced net outflows of $2.4 million during 2018. The bulk of the redemptions occurred late in the year, when a client began moving investments away from Integra to another savings platform for its employees.

Recent developments

IFRS 9, *"Financial Instruments"* Transition

Effective January 1, 2018, the Fund adopted the IFRS 9 Financial Instruments reporting standard. The new standard introduced a

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model for classification and measurement of financial assets and liabilities including those carried at amortized cost; fair value, with changes in fair value recognized in FVTPL; or fair value through other comprehensive income ("FVOCI") based on the entity's business model for managing financial assets and the contractual cash flow characteristics of these financial assets. Assessment and decision on the business model approach used is an accounting judgement. The Fund has elected to designate its investments in fixed income securities at fair value upon adoption of IFRS in order to eliminate a measurement inconsistency, as the obligation for net assets attributable to holders of redeemable units is measured at FVTPL. Upon transition to IFRS 9, the Fund's financial assets and financial liabilities previously classified as FVTPL or held-for-trading under IAS 39, "Financial Instruments Recognition and Measurement", are now classified as FVTPL and there were no changes in the measurement attributes. Any assets previously classified as loans and receivables under IAS 39 are now classified and measured at amortized cost under IFRS 9. The classification and measurement of liabilities under the new standard remains generally unchanged. The adoption of IFRS 9 has been applied retrospectively and did not result in any changes in net assets.

While the domestic jobs market is robust, there is some risk in the consumer sector with the housing market has cooled. Additionally, the energy market continues to be volatile due to a combination of pricing pressures and transport issues. At the beginning of 2019, Alberta Premier Rachel Notley ordered oil producers to cut production by 8.7% due to a lack of additional pipeline capacity within Canada. As more infrastructure is developed, Canadian prices should stabilize. In the interim, the price of Alberta oil has been trading at a significant discount compared to international producers.

The federal government has a healthy balance sheet and thus has the wherewithal to provide some stability to the economy if necessary. While the Bank of Canada's rate hike in October was expected, the general consensus has changed regarding future increases. Expectations are that 2019 will witness the Bank largely remaining on the sidelines. The potential for continued weakness in energy prices coupled with households managing large item expenditures due to a combination of higher interest rates and tighter borrowing standards provide some cause for concern. At the same time, outside of Canada there are global trade policy and geopolitical issues that are fairly significant to be resolved in the coming months.

The Bank of Canada is anticipating inflation pressures may soften during the early stages of 2019 before returning to around 2% by year-end. Real GDP growth is projected at 1.9% by the end of 2019 which is down from the Bank's previous forecasts.

Caution regarding forward-looking statements

This report may contain forward-looking statements about the Fund, including its strategies and expected performance. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to potential future events or market and economic conditions.

In addition, any statement that may be made concerning future performance, strategies or prospects and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to risks, uncertainties and assumptions about the Fund and capital market and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results may differ materially from those expressed or implied in any forward-looking statements made by the Fund. A wide range of factors may contribute to these variances, including general economic, geopolitical and market influences in Canada or globally, interest rates and currencies, capital markets, technology innovations, regulations and catastrophic events.

Investors are encouraged to consider these and other factors including their own investment objectives carefully before making any investment decisions and are urged to avoid placing undue reliance on forward-looking statements.

Additionally, investors should be aware that the Fund has no specific intention to update any forward-looking statements whether as a result of new information and future events, prior to the release of the next Management Report on Fund Performance.

Related party transactions

Manager, Portfolio Manager and Transfer Agent

The Fund is managed by Integra. Integra provides or arranges for the provision of all general management and administrative services rendered by the Fund in its day-to-day operations, including providing or arranging the provision of investment advice and record-keeping services for the Fund.

As a result of providing investment advisory and management services, the Fund's Manager receives management fees from the Fund's unitholders, based on the net asset value of the Fund. These management fees are paid either by a redemption of units or the unitholder, if an institution, may be invoiced and payment will be delivered to the Manager.

Annual Management Report of Fund Performance as at December 31, 2018

Lincluden Short Term Investment Fund

Financial highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past 5 years. This information is on a per unit basis and is derived from the Fund's audited annual financial statements.

	Years ended December 31				
	2018	2017	2016	2015	2014
Net Asset Value, beginning of year(1)	$1.00	$1.00	$1.00	$1.00	$1.00
Increase (decrease) from operations:					
Total revenue	0.01	0.01	0.01	0.01	0.01
Total expenses	—	—	—	—	—
Realized gains (losses)	—	—	—	—	—
Unrealized gains (losses)	—	—	—	—	—
Total increase (decrease) from operations(2)	$0.01	$0.01	$0.01	$0.01	$0.01
Distributions:					
From income (excluding dividends)	—	(0.01)	(0.01)	(0.01)	(0.01)
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total Annual Distributions(3)	$0.00	($0.01)	($0.01)	($0.01)	($0.01)
Net Assets, end of period(1)	$1.00	$1.00	$1.00	$1.00	$1.00
Ratios and Supplemental Data (Based on Pricing NAV)					
Net assets (000's)	$4,804	$7,227	$7,094	$13,000	$14,908
Number of units outstanding	4,803,778	7,226,695	7,059,945	12,999,621	14,908,222
Expense ratio (%)	0.13%	0.16%	0.15%	0.14%	0.13%
Expense ratio before waivers or absorptions (%)	0.13%	0.16%	0.48%	0.30%	0.31%
Portfolio turnover rate (%)(4)	N/A	N/A	N/A	N/A	N/A
Trading expense ratio (%)(5)	—	—	—	—	—

Ratios and Supplemental Data

Supplementary information to the Financial Highlights calculations are based on the following:

(1) The information is derived from the Fund's financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").

(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the period.

(3) Distributions were paid in cash/reinvested in additional units of the Fund, or both.

(4) The Fund's portfolio turnover rate is a measure of trading activity in a Fund's portfolio. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of a Fund.

(5) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the Fund's average net asset value during the period.

Management Fees

The Fund pays no management fees to Integra. For management services provided to them by Integra, clients of Integra will pay an investment management fee directly to Integra, as set out in their agreement with Integra. The amount of the investment management fee is negotiable between the client and Integra.

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Past performance

The performance reported below assumes that all distributions made by the Fund in the period shown were reinvested in additional units of the Fund. If an investor holds the Fund outside of a registered plan, he/she will be taxed on these distributions.

How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

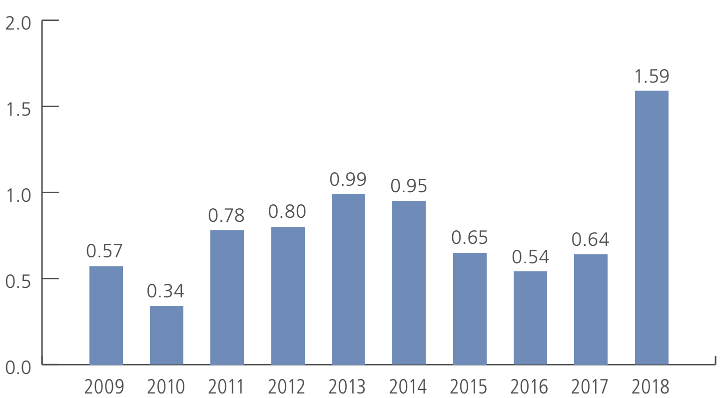
All rates of return are calculated based on Pricing NAV and are in Canadian dollars unless stated otherwise.

Fund Inception: August 14, 1992

Year-by-year returns (%)

The following bar chart shows the investment fund's annual performance for each of the years shown, and illustrates how the investment fund's performance was changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.

Annual Returns (%) ending December 31



Annualized Returns (%)

This table shows the fund's historical annualized returns for the periods shown ending December 31, 2018, compared to the returns of its benchmark.

	1 yr	3 yrs	5 yrs	10 yrs
Lincluden Short Term Investment Fund	1.59	0.92	0.87	0.78
Benchmark	1.38	0.81	0.80	0.82

Benchmark

The Lincluden Short Term Investment Fund Benchmark reflects the market sectors in which the fund invests.

100%	FTSE TMX Canada 91-day Treasury Bill Total Return Index

The FTSE TMX Canada 91-day Treasury Bill Total Return Index measures the return attributable to 91-day Treasury Bills.

Summary of Investment Portfolio

as at December 31, 2018

Asset Mix

	% of Fund's Net Asset Value
Short Term Investments	101.32
Other Assets, Net of Liabilities	(1.32)

Sector Mix

	% of Fund's Net Asset Value
Bankers' Acceptance	25.94
Discount Notes	55.64
Treasury Bills	19.74

Total Fund Net Asset Value: $4,803,778

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. The most recent annual report, semi-annual report or quarterly report is available at no cost, by calling 1-800-363-2480, by writing to us at Integra Capital Limited, 2020 Winston Park Drive, Suite 200, Oakville, ON, L6H 6X7 or by visiting our website at www.integra.com

INTEGRA® CAPITAL LIMITED

Integra Capital Limited
2020 Winston Park Drive, Suite 200
Oakville, Ontario
L6H 6X7

Manager, Portfolio Manager, Transfer Agent and Registrar
Integra Capital Limited, Oakville, Ontario

Auditors
KPMG LLP, Toronto, Ontario

Legal Counsel
Torys LLP, Toronto, Ontario