

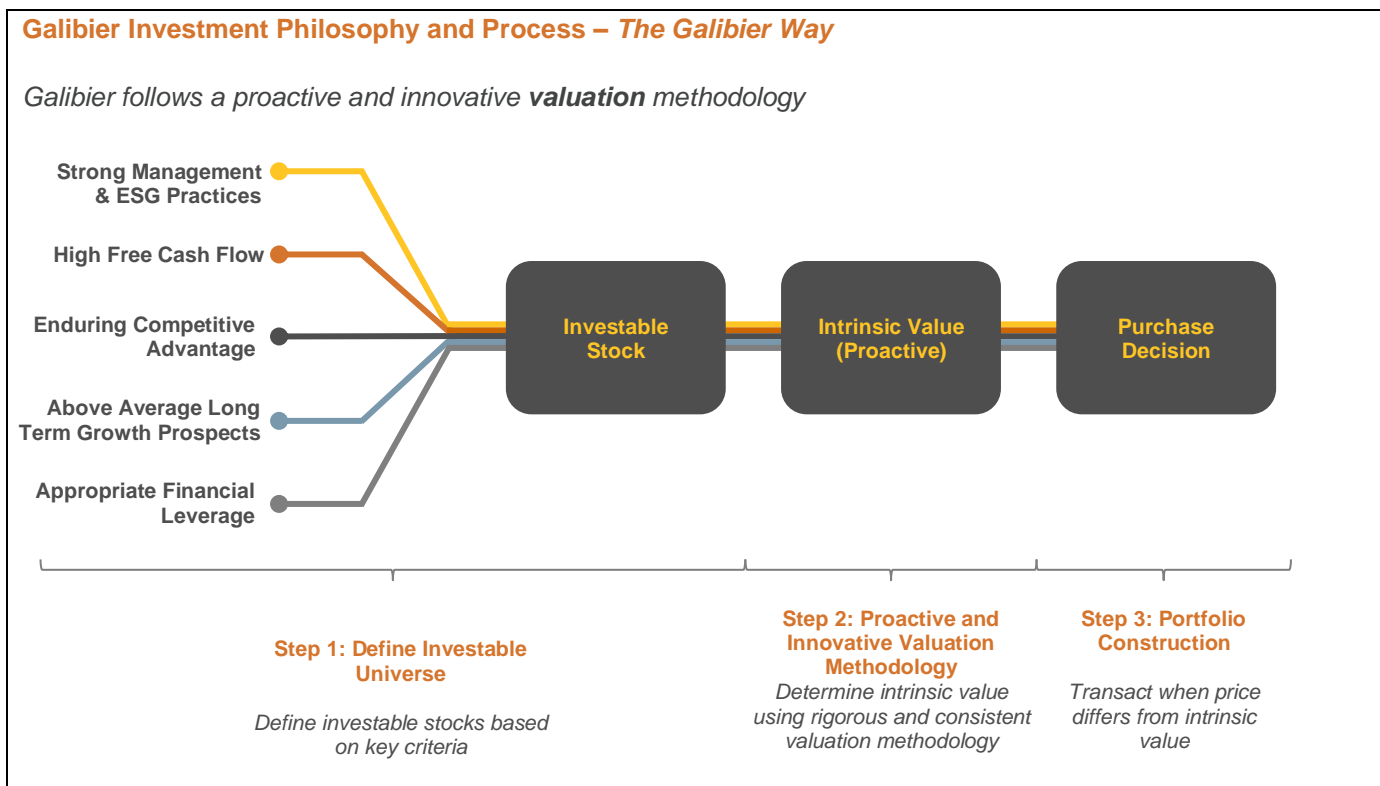
Galibier Opportunities Fund Quarterly Investment Review

Q3 2020

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Galibier Capital Management Ltd.

At Galibier we work hard to (1) derive a measure of intrinsic value for a universe of investable stocks and (2) transact when market prices offer opportunities. To paraphrase Warren Buffett “Price is what you pay. [Intrinsic] Value is what you get.” Thus, while we welcome price to earnings multiple expansions, what really drives increases in the future value of companies is higher future earnings. Our investment process seeks to identify and value future earnings power and balance sheet structure using reasonable expectations about future economic conditions and high discount rates.



We Believe

- Companies have an intrinsic value that can be calculated
- Market prices do not always reflect intrinsic value
- Growth is a component of value
- Concentration is essential for generating alpha
- At some price, almost all stocks offer a value proposition
- Risk is the permanent loss of capital, not benchmark underperformance
- Investment companies should be independent and investor led
- The success of investment companies should be measured by the success of its clients
- An essential element towards investment success is to have a contrarian mindset... i.e. to be sanguine when others are discouraged and to be cautious when others are exuberant...

Summary of Results

Period ending: Sept 30/2020	Since Oct31/14 (%)	5 year (%)	4 year (%)	3 year (%)	2 year (%)	1 year (%)	Year-to-date (%)	Quarter-to-date (%)
Galibier Opportunities Fund	7.8	11.3	10.0	8.7	2.9	0.6	-7.4	4.6
S&P/TSX Composite (total return)	4.8	7.2	5.5	4.3	3.5	0.0	-3.1	4.7

Notes:

- i. Return figures are gross of fees.
- ii. Return figures are annualized for periods greater than 1 year.
- iii. The Funds' returns are not guaranteed, the values change frequently and past performance may not be repeated.
- iv. Inception date of the fund is October 31, 2014.
- v. Returns are presented only for periods during which Galibier has been registered as a portfolio manager.
- vi. The investment objectives of the Galibier Opportunities Fund have not changed since the Funds' inception.
- vii. All returns of the Galibier Opportunities Fund prior to November 30, 2014 are related to Galibier's proprietary accounts, as Galibier's employees were the sole investors in the Funds during this period of time. Canadian securities administrators have expressed concerns regarding marketing returns for proprietary accounts as firms can employ different strategies and take greater risks when managing its own investments without a fiduciary duty to third party investors.
- viii. Performance presentation consistent with recommendations from FCLTGlobal "Institutional Investment Mandates: Anchors for Long-term Performance" www.fcltglobal.org

See Note 1 and Disclaimer at the end of this document for information about the returns and benchmarks.
Source: Galibier Capital Management Ltd, Bloomberg.

Galibier Opportunities Fund

In Q3 2020, the Galibier Opportunities Fund generated a return of +4.6%. Since its inception on October 31, 2014, the fund has provided an annual return of +7.8%.

Opportunities Fund Largest Positions (Sept 30/2020)

Long positions	Weight (%)
1. Maple Leaf Foods Inc.	6.5
2. Park Lawn Corp.	5.7
3. Restaurant Brands International Inc.	5.5
4. Premium Brands Holdings Corp.	5.2
5. GlaxoSmithKline PLC ADR	4.8
6. Ross Stores Inc.	4.6
7. Raytheon Technologies Corp.	4.6
8. Cisco Systems Inc.	4.3
9. AstraZeneca PLC ADR	4.3
10. Finning International Inc.	4.1
Total	49.6

Short positions	Weight (%)
1. Tesla Inc.	(5.5)
Total	(5.5)

Best performers during the quarter²

INTERFOR UP +30%

Interfor had a terrific quarter in terms of performance. As one of North America's largest producers of lumber it benefitted from the 40% increase in lumber price in the quarter. This increase was driven by both demand factors (low rates spurring demand for housing starts and renovations) and supply factors due to significant curtailments in supply in the first and second quarter by lumber producers. We took advantage of strong price action in Interfor to opportunistically trim back our position over the quarter.

GILDAN ACTIVEWEAR UP +25%

Shares of Gildan (GIL) continued to recover from its steep selloff in the first quarter. This parallels continued improvement in its business since the pandemic closed down many of its retail customers as well as Gildan's operations in Honduras. Production is back to 75% of capacity and with its low cost position in the industry, GIL has been able to increase its share of the smaller market. Gildan would further benefit from a vaccine as this would help demand in its print wear segment since about 30% of this segment comes from tourism and large gathering events such as concerts.

PARK LAWN UP +23%

Park Lawn's (PLC) business has proven to be resilient during the past several months. PLC's cemeteries and funeral homes are essential service providers in

its local communities and have been working as final responders throughout the pandemic. The management team has also commented that they find major events like these often act as a trigger, causing people to take action to put together their final plans, purchase cemetery plots and pre-book funerals, which has been a benefit to Park Lawn's business. We see continued opportunity for management to consolidate smaller death care competitors, which has been a successful strategy for Park Lawn in the past.

CARGOJET UP +19%

The air cargo services offered by Cargojet (CJT) have been in extremely high demand as consumers and businesses adapt to the current environment. During the second quarter, Cargojet was running its fleet at high utilization, moving personal protective equipment on behalf of the Canadian federal government and meeting increased demand for e-commerce as consumers shifted business online. The pandemic has pulled forward the structural penetration of e-commerce by several years. We see continued opportunities for CJT's cargo services as passenger airline traffic, especially on international routes, is expected to take several years to return to pre-pandemic levels.

Worst performers during the quarter²

TESLA (SHORT) -45%

To date, our short position in Tesla has not yielded satisfactory results. Like many names that have no earnings, the market trades on hope rather than on fundamentals. Our cost of borrow is quite low and the overall fund is 94.5% long and 5.5% short so we will maintain our short position for now.

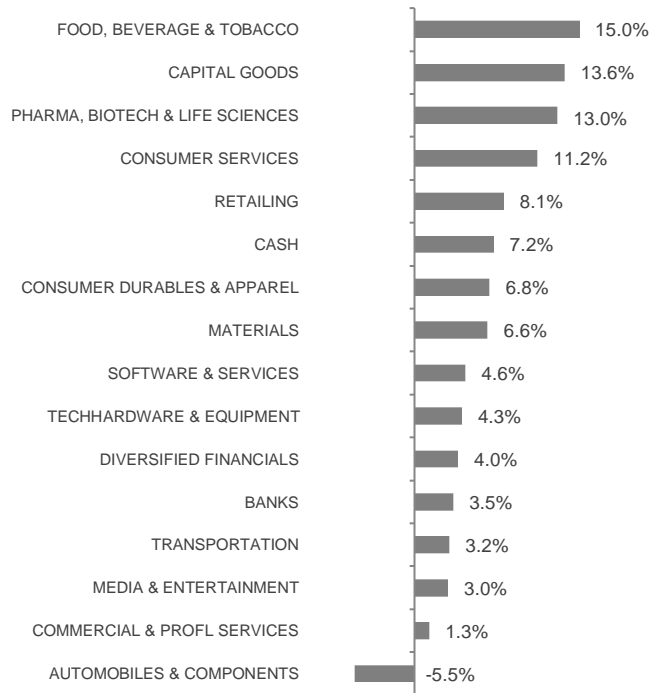
FLUOR DOWN -28%

Fluor (FLR) continues to be impacted by cost overruns incurred in 2018 and 2019 which negatively impacted the share price in the quarter. The historical write offs have required the company to restate past financials leading to heightened uncertainty. The company will soon be current with reporting and in the interim they have continued to win new business, which demonstrates FLR's brand in the market place remains strong. With aging infrastructure needing to be refreshed globally and construction being a key component to government stimulus, Fluor is well positioned to grow earnings going forward.

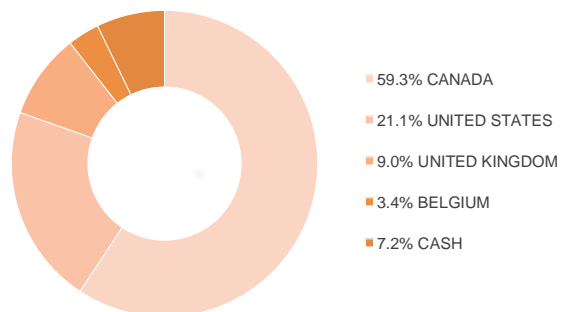
CISCO SYSTEMS DOWN -17%

Shares of Cisco Systems declined during the quarter as the company's short-term guidance fell short of investor expectations. Sales of routers and switches are being impacted near term by the disruption brought on by the pandemic and a pause in spending by clients. Over the medium term a need for increased network capacity and continued growth in security applications will increase revenue. Shares of the global leader in networking equipment are attractive, trading at 12x earnings with a near 4% dividend yield.

Industry Split (Sept 30/2020)



Geographic Split (Sept 30/2020)



Buys & Sells

During the quarter, we added four new positions to the portfolio: GlaxoSmithKline, Kirkland Lake Gold, Raytheon Technologies and Tesla (short).

In addition, we added to Restaurant Brands International, Cisco Systems, Ross Stores and Canadian Tire.

We reduced our positions in Interfor, Walt Disney, AstraZeneca, Cargojet and Spin Master.

New Buys:

GLAXOSMITHKLINE PLC ADR

GlaxoSmithKline (GSK) is a leading pharmaceutical company that has long been in Galibier's investable universe due to its predictable cash flows from patent protected products. We are excited about the company's evolution over the past few years under new leadership who raised pharmaceutical R&D nearly 50% while refocusing on the immune system and genetics which improves the company's long-term growth outlook. GSK has the third largest global vaccine business which is a consolidated market that grows through patent cliffs as vaccines never go generic. In addition, GSK has the world's largest consumer health business giving them scale in an industry with great pricing power. Our view of GSK's Intrinsic Value is based on a sum of the parts analysis which shows the company is significantly undervalued. The company is seeking to crystallize this hidden value by spinning out the consumer health business in August 2022. We are receiving a 5% dividend yield while we wait for the re-rating.

KIRKLAND LAKE GOLD LTD.

The purchase of Kirkland Lake gold was driven by two factors: (1) the monetary policy being pursued by policy makers in response to COVID-19 is effectively increasing the world's money supply which portends well for gold's price prospects, and (2) our analysis of the gold sector suggests that a number of names were very attractive on free cash flow and net asset value measures. Our choice of Kirkland in particular was due to its current below average cost position, its 17+ years reserve life and its operations being in low political risk jurisdictions: Canada and Australia.

RAYTHEON TECHNOLOGIES CORP.

Raytheon Technologies (RTX) is a leading commercial aerospace supplier and defence company

that stems from the recent merger between the aerospace businesses of United Technologies (Pratt & Whitney, Collins Aerospace) and the leading U.S. missile provider Raytheon. RTX's defense business, consisting mainly of missiles and cybersecurity services, is characterized by high barriers to entry and multi-year projects supporting what is already an all-time high backlog of \$73.1 billion. The company is considered an ever growing by-partisan national defense priority regardless of who leads the White House. For these reasons, we see stable and growing free cash flow generation from this side of the business. On the other hand, RTX's commercial aerospace business has undeniably been hit hard by the coronavirus crisis. Still, at a stock price below \$60 per share, the sum-of-the-parts analysis implies a single digit free cash flow multiple on a conservative outlook 2 years out from today. In addition, the merger is anticipated to generate net cost synergies of \$500 million, or \$0.35 per share, over the next 5 years which, together with the stable free cash flow dynamics of the defense business, make the case for an attractive margin of safety at the current quote and a free option on a complete recovery in air travel over a medium-term outlook.

TESLA INC. (SHORT)

We shorted Tesla during the quarter on the belief that the company is significantly overvalued by the market. At its current price, the market cap of Tesla is \$404B USD. Tesla's value exceeds that of GM \$46B, Ford \$29B, Volkswagen \$72B, Toyota \$185B and Honda \$42B combined. At Galibier, we are great fans of Elon Musk and the incredible cars that Tesla makes, but the valuation significantly exceeds our estimate of intrinsic value and consequently offers an alpha opportunity.

Notes:

1. *When evaluating the performance of any investment, it is important to compare it against an appropriate benchmark in order to make an informed assessment of the account's performance based on its investment strategy. Galibier utilizes broad market indexes such as the S&P/TSX Composite index, the MSCI World Index and the S&P 500 index for this purpose as they are the most well-known indexes and are most likely to resemble the investment strategy of the accounts. It is important to note that benchmarks do not include operating charges and transaction charges as well as other expenses related to the account's investments, which may affect its performance.*
2. *Performance % represents the return to the pool during the most recent quarter and includes the impact of market price changes, buys, sells, and dividends (if any).*

Disclaimer

Galibier Capital Management Ltd. ("Galibier") is registered with the Ontario Securities Commission as a Portfolio Manager, Investment Fund Manager and Exempt Market Dealer, with the British Columbia Securities Commission as a Portfolio Manager, with the Nova Scotia Securities Commission as a Portfolio Manager, with the Autorité des Marchés Financiers in Quebec as a Portfolio Manager and Investment Fund Manager, with the Alberta Securities Commission as a Portfolio Manager, with the Financial Services Regulation Division Department of Service NL in Newfoundland & Labrador as a Portfolio Manager and Investment Fund Manager, and with the Financial and Consumer Affairs Authority of Saskatchewan as a Portfolio Manager. This summary does not constitute an offer to sell or buy any securities. All information and opinions as well as any figures indicated herein are subject to change without notice.

The Galibier Canadian Equity Pool, the Galibier Global Equity Pool and the Galibier Opportunities Fund (the "Funds") are available to accredited investors as that term is defined under Canadian securities legislation. An investment in the Funds will involve significant risks due, among other things, to the nature of the Funds' investments.

All return figures for the Funds are gross of fees and fund expenses. Indicated rates of return are historical returns, including changes in security value and reinvestment of all distributions and does not take into account any applicable income taxes payable by any security holder that would have reduced returns.

The Funds' returns are not guaranteed, the values change frequently and past performance may not be repeated.