

PORTLAND REPLACEMENT OF FOSSIL FUELS ALTERNATIVE FUND



(as at October 31, 2024)

"I'm a better investor because I'm a businessman, and a better businessman because I'm an investor."
Warren Buffett

	Series Start Date	Net Asset Value Per Unit (as at October 31, 2024)	PERFORMANCE (as at October 31, 2024)				
			Year to Date	1 Month	3 Months	1 Year	Since Inception ⁴
Portland Replacement of Fossil Fuels Alternative Fund - Series A	Apr. 28, 2023	\$14.3603	40.86%	20.56%	25.49%	46.97%	27.06%
Portland Replacement of Fossil Fuels Alternative Fund - Series F	Apr. 28, 2023	\$14.5842	41.94%	20.62%	25.79%	48.38%	28.36%
Blended Benchmark	-	-	5.83%	(5.16%)	0.11%	17.94%	(5.65%)

FUND DETAILS

Fund Net Assets	\$8.4 million
CIFSC* Asset Class	Alternative Equity Focused
Risk Tolerance	Medium
Management Fee	Series A: 1.75%, Series F: 0.75%
MER ⁵	Series A: 2.53%, Series F: 1.41%

INVESTMENT OBJECTIVE

- The Fund's objective is to provide positive long-term total returns by investing primarily in a portfolio of securities focused on businesses active in industries which will drive the transition from traditional energy (primarily based in fossil fuels) to sustainable energy sources, which will include the area of nuclear energy.
- The Fund seeks to provide capital growth by primarily investing in a portfolio of equities/ American Depository Receipts and may also invest in exchange traded funds.
- The Fund's investments currently focus on the area of nuclear energy. The Fund may also engage in borrowing for investment purposes.

KEY REASONS TO INVEST

- Close adherence to Framework:
 - Five Laws of Wealth Creation:**
 - Own a few high quality businesses
 - Thoroughly understand these businesses
 - Ensure these businesses are domiciled in strong, long-term growth industries
 - Use other people's money prudently
 - Hold these businesses for the long run

PORTFOLIO MANAGER

Michael Lee-Chin, B.Eng., LL.D (Honorary)
Executive Chairman, Chief Executive Officer and
Portfolio Manager

Dragos Berbecel, BComm., MBA, CFA
Portfolio Manager

HOW THE FUND IS MANAGED

- The investable universe is global, with a focus on innovative companies active in the area of nuclear energy or supporting the broader effort towards the energy transition.
- In making its investment selection, Portland leverages 1) its existing track record of private placements in companies active in areas of nuclear medicine, 2) its network of industry contacts, and 3) its affiliate's industry-specific collaboration agreements.
- Investment decisions incorporate fundamental analysis and apply to a value discipline.
- Investments are managed with a long term focus.
- The result is a relatively low turnover, concentrated portfolio.

Geographic Allocation	
United States	50.98%
Canada	18.98%
Cash & Cash Equivalents	10.76%
South Korea	6.45%
United Kingdom	4.35%
France	4.13%
Australia	3.44%
Romania	1.57%
Czech Republic	1.29%
Other Net Assets (Liabilities) ¹	(1.95%)

Sector Allocation	
Industrials	37.61%
Energy	29.41%
Utilities	18.18%
Cash & Cash Equivalents	10.76%
Information Technology	3.44%
Materials	2.55%
Other Net Assets (Liabilities) ¹	(1.95%)

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Top Holdings²

Cameco Corporation	15.61%
Centrus Energy Corp.	13.80%
NuScale Power Corporation	12.72%
Cash & Cash Equivalents	10.76%
Constellation Energy Corporation	7.86%
Oklo Inc.	7.46%
BWX Technologies, Inc.	6.07%
Assystem	4.13%
Silex Systems Limited	3.44%
Sprott Physical Uranium Trust	3.37%
KEPCO Engineering & Construction Company, Inc.	3.31%
Doosan Enerbility Co., Ltd.	3.14%
Johnson Matthey PLC	2.55%
ITM Power PLC	1.80%
Plug Power, Inc.	1.63%
Societatea Nationala Nuclearelectrica SA	1.57%
Bloom Energy Corporation	1.44%
CEZ, a.s.	1.29%

FUND COMMENTARY (As at September 30, 2024)

The Portland Replacement of Fossil Fuels Alternative Fund's objective is to provide positive long term total returns by investing primarily in a portfolio of securities focused on businesses active in industries which will drive the transition from traditional energy (primarily based on fossil fuels) to sustainable energy sources, which will include the area of nuclear energy.

Population and economic growth are driving an increase in global demand for energy. The current energy system, however, is largely dependent on fossil fuels, which negatively impact air quality, and significantly contribute to carbon emissions. To meet this growing demand, a transformation is required in the way the world produces, delivers and consumes energy. Unlike renewable energy sources, nuclear energy can provide constant, reliable, and carbon-free power. The innovative technology of small modular reactors has the potential to solve historic nuclear energy challenges, offering the opportunity for a clean and nuclear-powered tomorrow. In addition, hydrogen produced by nuclear energy in established markets could be a reliable supply of clean energy for developing nations, where 90% of the growth in demand for energy is expected to be located. The Manager believes that companies involved in the operation, development and innovation of the nuclear and alternative energy sectors could benefit and attract investor interest.

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Portland Replacement of Fossil Fuels Alternative Fund is a transparent, liquid and focused fund with the goal to invest in companies that work towards energy transition, with a current focus on nuclear energy.

Previous global investment in the energy transition has been focused on renewable energy and electrification. In 2022, industries active in the energy transition drew a record US\$1.1trillion. Despite these investments, carbon dioxide emissions continue to increase, as both renewable energy sources and the batteries technology, on which electrification is reliant, have significant limitations. Insofar as renewable energy sources are concerned, they are characterized by intermittency, limited energy efficiency, lack of energy storage, heavy resource requirements, land use and infrastructure limitations. Equally, batteries have a low relative energy density, limited lifespan, raw materials dependency, environmental impact and are difficult to recycle. The Manager believes there is a need to consider other clean energy solutions such as nuclear. In contrast to the renewable energy and electrification solutions, nuclear energy has a very high energy density, provides reliable baseload type of energy generation, is suitable for high temperature applications, has a long life and low cost structure, is suitable for hydrogen generation and is waste efficient.

During the period, a lot of attention has been drawn to the rapidly spreading realization that the ongoing boom in AI (artificial intelligence) computing will likely trigger a vast increase in the electrical power needs globally and in particular in developed nations in short and medium term. On this background, nuclear utilities and small modular reactor companies made headlines with potentially accretive deals in support of providing stable, reliable and competitively priced power to data applications using nuclear technology. Of note, Constellation Energy, a core holding of the Fund, has signed its largest-ever power purchase agreement with Microsoft, which will restore Three Mile Island Unit 1 to service and pave the way for the Crane Clean Energy Center. The agreement comes amid rising electricity demands from tech companies driven by advancements in artificial intelligence and cloud computing. Nuclear energy is increasingly seen as a reliable, carbon-free option for meeting these power needs. Constellation plans to invest around \$1.6 billion to revive Unit 1 of the facility, which was retired in 2019. The project is expected to be operational by 2028 and will provide Microsoft with 835 megawatts of energy over a 20-year period. As interest in nuclear power grows, significant support has emerged from tech leaders, including OpenAI CEO Sam Altman and Microsoft co-founder Bill Gates, who advocate for nuclear energy to meet the escalating demands of data centers.

During the second quarter, the Fund had the opportunity to add to many of the investments initiated in previous quarters. Among the Fund's increased investments are: Cameco Corporation, an integrated uranium supplier, offering refining, conversion and fuel manufacturing services; Constellation Energy, the largest producer of carbon-free energy in the United States and the leading competitive retail supplier of power and energy products and services for homes and businesses across the United States; and Centrus Energy Corp., a US-based supplier of

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enriched uranium for nuclear fuel and services for the nuclear power industry to both domestic and international utilities for use in nuclear reactors worldwide through medium and long term supply contracts and spot purchases.

As expected, given the Fund's focused mandate, the performance is mainly driven by company specific developments. During the quarter, key performance contributors were Constellation Energy Corp., Centrus Energy Corp. and BWX Technologies Inc., while the key performance detractors in the period were Silex Systems Limited, Bloom Energy Corp and Doosan Enerbility Co Ltd..

The Fund's net asset value at September 30, 2024, was \$6.6 million. The asset mix as at September 30, 2024, was common equities, 88.84%; and cash and other net assets, 11.16%. By geography, assets were invested in cash and securities of issuers based in the United States, 42.42%, Canada, 20.05%, South Korea 7.86%, France 6.73%, United Kingdom, 6.12% and Australia 3.66%.

POTENTIAL RISKS

Portland believes the following risks may impact the performance of the Fund commodity risk, nuclear energy and sustainable energy sector investment risk, geopolitical risk, energy crisis risk, concentration risk, currency risk, equity risk and leverage risk. Please read the "What are the risks of investing in the Fund?" section in the Simplified Prospectus for a more detailed

description of all the relevant risks.

Fund Name	SERIES A			SERIES F ³
	Code - Initial Sales Charge	Code - DSC	Code - LL	
Portland Replacement of Fossil Fuels Alternative Fund	PTL220	PTL225	PTL230	PTL025

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* Canadian Investment Funds Standards Committee

1. Other Net Assets (Liabilities) refers to all other assets and liabilities in the Fund excluding portfolio investments.
2. Where the Fund holds less than 25 holdings, all investments have been disclosed. There may be other assets and liabilities which are not included, and therefore the summary does not add up to 100%.
3. Generally available through dealers who have entered into a Portland Series F Dealer Agreement.
4. Annualized.
5. MER or management expense ratio is presented excluding performance fees and is after absorptions as at March 31, 2024. MER is updated on a semi-annual basis and the Manager may absorb operating expenses of the Fund at its discretion but is under no obligation to do so. The MER including performance fees and absorptions was 4.10% and 3.50% for Series A and Series F, respectively, as at March 31, 2024.

Risk tolerance measures the degree of uncertainty that an investor can handle regarding fluctuations in the value of their portfolio. The amount of risk associated with any particular investment depends largely on your own personal circumstances including your time horizon, liquidity needs, portfolio size, income, investment knowledge and attitude toward price fluctuations. Investors should consult their financial advisor before making a decision as to whether this Fund is a suitable investment for them.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. The indicated rates of return are the historical annual compounded total returns including changes in units [share] value and reinvestment of all distributions [dividends] and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. The rates of return are used only to illustrate the effects of the compound growth rate and are not intended to reflect future values of the mutual fund or returns on investment in the mutual fund. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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