RBC Global Precious Metals Fund

Investment Objective
To provide long-term capital growth by investing primarily in equity securities of companies throughout the world involved directly or indirectly in the exploration, mining and production of precious metals (gold, silver and platinum) and in bullion, coins, receipts and certificates.

Fund Details
Series | Load Structure | Currency | Fund Code
--- | --- | --- | ---
A | No Load | CAD | RBF468
Adv | Deferred Sales | CAD | RBF865
Adv | Front End | CAD | RBF774
Adv | Low Load | CAD | RBF178

Inception Date | October 1988
Total Fund Assets $Mil | 647.4
Series A NAV $ | 36.28
Series A MER % | 2.13
Benchmark | S&P/TSX Global Gold Index

Income Distribution | Annually
Capital Gains Distribution | Annually
Sales Status | Open
Min. Investment $ | 500
Subsequent Investment $ | 25
Management Company | RBC Global Asset Management Inc.
Web Site | www.rbcgam.com

Notes
Fund’s investment objective and name changed July 4, 2006. Fund was previously known as RBC Precious Metals Fund.

Portfolio Analysis as of August 31, 2016
Asset Mix
- Cash: 2.9
- Fixed Income: 1.1
- Canadian Equity: 85.1
- US Equity: 5.8
- International Equity: 5.1
- Other: 0.0

Equity Style
- Value: 39.1%
- Blend: 51.4%
- Growth: 9.5%

Equity Statistics
- P/B Ratio: 1.9
- P/E Ratio: 30.9
- Avg. Mkt Cap. $B: 2.0

Top 5 Sectors
- Materials: 100.0%
- Energy: 0.0%
- Industrials: 0.0%
- Consumer Discretionary: 0.0%
- Consumer Staples: 0.0%

Geographic Allocations
- Canada: 88.6%
- United States: 6.0%
- Australia: 2.6%
- United Kingdom: 2.5%
- Mexico: 0.3%

Top 10 Holdings
- Agnico Eagle Mines Ltd: 6.0%
- Barrick Gold Corp: 5.8%
- Newmont Mining Corp: 5.8%
- Oceanagold Corp: 5.4%
- B2Gold Corp: 5.0%
- Detour Gold Corp: 4.9%
- Belo Sun Mining Corp: 4.4%
- Richmont Mines Inc: 4.3%
- Torrox Gold Resources Inc: 4.2%
- Semafo Inc: 4.2%

Performance Analysis as of August 31, 2016
Growth of $10,000
- Series A: 20,412

Calendar Returns %
- Series A: 85.3%

YTD
- Series A: 85.3%

Since Incep.
- Fund: 10.6%
- Quartile: —

No. of Funds in Category
- 51

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RBC Global Precious Metals Fund
Management Overview

Manager Bios

**Chris Beer**  
**RBC Global Asset Management Inc.**  
Chris Beer is Vice President and Senior Portfolio Manager, Canadian and Global Equities. He has been in the investment industry since 1993.

**Brahm Spilfogel**  
**RBC Global Asset Management Inc.**  
Brahm Spilfogel is Vice President and Senior Portfolio Manager, Canadian and Global Equities. He has been in the investment industry since 1991.

Performance Analysis Cont’d as of August 31, 2016

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<tbody>
<tr>
<td>Total Distributions</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>9.70</td>
<td>9.58</td>
<td>2.00</td>
<td>—</td>
<td>—</td>
<td>0.75</td>
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<td>Interest</td>
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<td>Dividends</td>
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<tr>
<td>Capital Gains</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>9.70</td>
<td>9.58</td>
<td>2.00</td>
<td>—</td>
<td>—</td>
<td>0.75</td>
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<tr>
<td>Return Of Capital</td>
<td>—</td>
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Best/Worst Periods %

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<tr>
<th></th>
<th>Ended</th>
<th>1 Yr</th>
<th>Ended</th>
<th>3 Yr</th>
<th>Ended</th>
<th>5 Yr</th>
<th>Ended</th>
<th>10 Yr</th>
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</thead>
<tbody>
<tr>
<td>Best</td>
<td>2-1996</td>
<td>16%</td>
<td>11-2003</td>
<td>83%</td>
<td>4-2006</td>
<td>48%</td>
<td>12-2010</td>
<td>35%</td>
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<tr>
<td>Worst</td>
<td>10-2008</td>
<td>-53%</td>
<td>12-2013</td>
<td>-29%</td>
<td>12-2015</td>
<td>-20%</td>
<td>1-2016</td>
<td>-0.3%</td>
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<tr>
<td>Average</td>
<td>18.5</td>
<td>18.6</td>
<td>18.0</td>
<td>18.0</td>
<td>18.0</td>
<td>18.0</td>
<td>18.0</td>
<td>18.0</td>
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<tr>
<td>No. of Periods</td>
<td>289</td>
<td>265</td>
<td>241</td>
<td>181</td>
<td></td>
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<tr>
<td>Pct. Positive</td>
<td>58.1</td>
<td>70.9</td>
<td>78.0</td>
<td>99.4</td>
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* Distributions are characterized into income type at year-end.

Quarterly Commentary as at June 30, 2016

The RBC Global Precious Metals Fund (Series A) returned 44.5% in Q2 vs. 38.8% for its benchmark.

Following a massive run up in Q1, precious metal prices initially consolidated as the U.S. Federal Reserve signaled that it was on course for additional interest rate hikes in 2016. However, significantly weaker than expected U.S. job growth in June and the unexpected decision by British voters to exit the European Union propelled gold to a 52-week high above US$1325/oz. Gold regained its status as a safe haven asset and a hedge against global financial turmoil, outperforming other asset classes and once again demonstrating the diversification benefit of holding gold within a portfolio. The performance of platinum and palladium were more muted, rising just 5% and 6% respectively as concerns regarding automobile growth continued to cloud the supply/demand outlook.

In Q2, precious metal equities once again handily outperformed underlying commodity prices, resulting in strong double digit returns. Junior & intermediate producers, as well as explorers & developers with high commodity price leverage, typically outperformed the senior gold producers. The Fund’s relative performance was positively impacted by overweight positions in Endeavour Mining, Continental Gold and Auryn Resources and an underweight position in Goldcorp. An underweight position in Barrick Gold was the largest detractor.

The portfolio manager expects companies with high quality assets, robust balance sheets and near term free cash flow to outperform over the long run. The portfolio manager remains optimistic that precious metal prices will be supportive for equities through 2016 and into 2017, however, would not be surprised to see some near term consolidation in prices given the strong year-to-date performance.
RBC Funds, BlueBay Funds, PH&N Funds and RBC Corporate Class Funds are offered by RBC Global Asset Management Inc. and distributed through authorized dealers.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus or Fund Facts document before investing. Except as otherwise noted, the indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed or covered by the Canadian Deposit Insurance Corporation or by any other government deposit insurer. For money market funds, there can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment in the fund will be returned to you. The value of mutual funds change frequently and past performance may not be repeated.

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MER (%) for RBC Funds and PH&N Funds is based on actual expenses for the full-year period, January 1 to December 31, 2015, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full-year period, April 1, 2015 to March 31, 2016, expressed on an annualized basis.

Adjusted MER is provided for funds with management fee reductions effective June 30, 2016. The 2015 Adjusted MER represents what the 2015 Reported MER would have been had management fee reductions been in effect throughout 2015.

Series H and Series I are not available for purchase by new investors. Existing investors who hold Series H or Series I units can continue to make additional investments into the same series of the funds they hold.

PH&N Funds Series A formerly known as Series C.

Graphs are only used to illustrate the effects of the compound growth rate and do not reflect future values of any fund or returns on investment of any fund.

The fund profile is provided for informational purposes only. Particular investments and/or trading strategies should be evaluated relative to each individual’s investment objectives. The information contained in the fund profile is not, and should not be construed as, investment or tax advice. You should not act or rely on the information contained in the fund profile without seeking the advice of an appropriate professional advisor.

Quartile rankings are determined by Morningstar Research Inc., an independent research firm, based on categories maintained by the Canadian Investment Funds Standards Committee (CIFSC). Quartile rankings are comparisons of the performance of a fund to other funds in a particular category and are subject to change monthly. The quartiles divide the data into four equal segments expressed in terms of rank (1, 2, 3 or 4). This is the Morningstar quartile ranking of Series A units of the Fund as of August 31, 2016. Morningstar ratings are overall ratings reflecting risk adjusted performance as of August 31, 2016. The ratings are subject to change every month. The ratings are calculated for funds with a minimum of 3 years of performance, from a weighted average of the funds’ 3, 5 and 10 year average annual returns (as available) measured against a 91-day Treasury Bill return with appropriate fee adjustments and peer group returns. The top 10% of the funds in a category receive 5 stars (high); if the funds fall in the next 22.5%, they receive 4 stars (above average), a place in the middle 35% earns a fund 3 stars (neutral or average); those in the next 22.5% receive 2 stars (below average); and the lowest 10% get 1 star (low). Ratings are just one factor to consider when investing. For more information, please see www.morningstar.ca.