

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

AGF Canadian Small Cap Fund

MARCH 31, 2017



Management Discussion of Fund Performance

This management discussion of fund performance represents the portfolio management team's view of the significant factors and developments affecting the fund's performance and outlook.

Results of Operations

For the six months ended March 31, 2017, the Mutual Fund Units of AGF Canadian Small Cap Fund (the "Fund") returned 4.9% (net of expenses) while the S&P/TSX Small Cap Index returned 4.6%. The performance of the other series of the Fund is substantially similar to that of the Mutual Fund Units, save for differences in expense structure. Refer to "Past Performance" section for performance information of such series.

The Fund slightly out-performed the S&P/TSX Small Cap Index due to sector allocation. Most notably, the Fund's underweight allocations to the weak performing energy (12.3% versus 22.9%) and materials (16.3% versus 25.5%) sectors as well as its overweight allocation to the strongest performing information technology sector (10.6% versus 4.9%), which returned 17.1% over the reporting period, contributed to performance. This was partially offset by security selection in the energy, consumer staples and industrials sectors, which dragged on relative performance, though security selection in the materials, real estate, financials and consumer discretionary sectors contributed.

Over the period under review, several large holdings in the Fund performed very well with a number of its top ten holdings generating sizable returns, including FirstService Corporation, Badger Daylighting Limited, Real Matters Inc., Winpak Limited, Tricon Capital Group Inc., Boralex Inc. and CCL Industries Inc. In addition, other smaller positions that saw even stronger returns include Lundin Mining Corporation and Martinrea International Inc.

The Fund's most notable changes over the reporting period was an increase in cash and cash equivalents from 3.4% to 5.1% and a decrease in the exposure to the financials sector from 9.1% to 6.4%. The increase in cash and cash equivalents reflects a relatively more defensive overall positioning, while the reduced exposure to the financials sector was name driven.

The Fund had net subscription of approximately \$1 million for the current period, as compared to net redemptions of approximately \$8 million in the prior period. Rebalancing by an institutional program resulted in net subscriptions of approximately \$9 million in the Fund. The portfolio manager does not believe that subscription/redemption activity had a meaningful impact on the Fund's performance or the ability to implement its investment strategy.

Total expenses before foreign withholding taxes, commissions and other portfolio transaction costs vary period over period mainly as a result of changes in average Net Asset Values (see Explanatory Note (1) a)) and

investor activity, such as number of investor accounts and transactions. Expenses have increased as compared to the previous period due mainly to an increase in average Net Asset Values. Custodian fees increased due to an increase in market value of investment portfolio and registration fees increased due to an increase in subscription activity. The increase in audit fees and decrease in annual and interim reports and interest expense were due to variances between the accrued amounts versus the actual expenses incurred in the previous period. All other expenses remained fairly consistent throughout the periods.

Recent Developments

Global equity markets were strong over the period under review, with the big story being the surprise election of Donald Trump as the U.S. President. Perhaps just as surprising as Trump winning the presidency was the market reaction. Following an immediate and expected large after-hours sell-off, Trump gave a particularly conciliatory speech and U.S. markets quickly recovered and have rallied since. The Dow Jones Industrial Average gained 14.3% over the period while the S&P 500 Index gained 10.1%. Other developed markets also posted solid returns with the MSCI World Index (excluding the U.S.) up 6.6%, and notably, Europe and Japan gaining 7.2% and 4.5%, respectively. Emerging markets also finished the period under review on a positive note, up 6.9%.

In Canada, the S&P/TSX Composite Index, which include larger capitalization equities, posted a solid gain of 7.1% over the period under review. Most sectors were in positive territory, led by the financials (up 15.4%), industrials (up 10.9%) and consumer discretionary (up 8.7%) sectors. Resources were weak with the energy sector returning a relatively meagre 1.4% and the materials sector declining 0.4%. The only other sector in negative territory was health care, which declined 36.1%. Small capitalization equities under-performed large capitalization equities over the same period. The under-performance was mainly driven by a much smaller weighting in the financials sector (5.6% for the S&P/TSX Small Cap Index versus 28.9% for the S&P/TSX Composite Index), which performed strongly over the period under review.

On the currency front, the Canadian dollar fluctuated in the USD \$0.74 to USD \$0.77 range, ending the reporting period at USD \$0.75. Stronger oil prices provided some modest support for the currency, driven by the Organization of the Petroleum Exporting Countries' production restraint, with West Texas Intermediate oil price rising from USD \$48.24 to USD \$50.60 per barrel. However, offsetting this was the increasing spread in interest rates between the U.S. and Canada as the U.S. Federal Reserve (the "Fed") hiked rates by 0.25% in December 2016 and March 2017. The reduction in monetary stimulus reflects the strength of the U.S. economy and expectations for inflation to return to more normalized levels. Inflation expectations have been further heightened by Trump's victory and his pro-business, pro-growth agenda. A number of his policies should be broadly inflationary, including lower taxes, fiscal stimulus, trade protectionism and immigration reform. The U.S. dollar resumed its

This interim management report of fund performance contains financial highlights, but does not contain either the interim or annual financial statements of the investment fund. You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1 800 268-8583, by writing to us at AGF Investments Inc. 55 Standish Court, Suite 1050, Mississauga, Ontario, Canada L5R 0G3 attention: Client Services, or by visiting our website at www.agf.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

ascend against most major currencies, driven by the Fed rate hikes, expectations for diverging U.S. monetary policy relative to its peers and relatively stronger economic fundamentals.

Moving through calendar year 2017, a large part of the portfolio manager's focus remains on the U.S. and the implications of the Trump presidency. In the portfolio manager's view, there is a tremendous amount of uncertainty regarding the actions President Trump will take versus his election platform, which the portfolio manager expects will lead to significant market volatility. And while Trump's pro-business, pro-growth agenda may be good for the U.S. economy, the portfolio manager questions whether the market is ignoring the risks associated with the Trump presidency. Strident trade protectionism could actually lead to a negative economic shock. Large tax cuts and fiscal stimulus in the form of infrastructure spending could lead to outsized deficits. A tough policy on immigrants could lead to social unrest. While the portfolio manager is overall positive on the outlook for the U.S. markets, it is questionable whether the risks are being appropriately factored in.

In Canada, despite recent strong economic figures, the country faces its own challenges including highly indebted consumers, a stretched housing market and a hollowed-out manufacturing base that has not really benefited from the lower Canadian dollar. While the portfolio manager expects to see some benefits from the Canadian government's infrastructure spending and exports benefitting from a stronger U.S. economy, trade concerns and the potential for President Trump to tear up the North American Free Trade Agreement remain.

In the portfolio manager's opinion, the broad Canadian market is dominated by three large sectors (financials, energy and materials) that have their own unique drivers. The financials sector will be positively impacted by higher rates, energy companies benefit from stronger oil and natural gas prices, while base metals companies could potentially benefit from large infrastructure spending. A large number of Canadian companies also have significant operations in the U.S. and would benefit from a stronger U.S. dollar.

Overall, the portfolio manager is taking a relatively cautious view. Canada should be expected to benefit from a stronger U.S. economy, but the portfolio manager does not see a robust Canadian economy with strong earnings growth outside of the commodity space nor very attractive valuations for equities. In this environment, the portfolio manager believes selective diversification will remain very important and its overall strategy remains the same, with a focus on good companies with strong competitive positions that trade at attractive valuations.

Related Party Transactions

AGF Investments Inc. ("AGFI") is the manager ("Manager") and trustee of the Fund. Pursuant to the management agreement between the Fund and AGFI, AGFI is responsible for the day-to-day business of the Fund. AGFI acts either as the investment (portfolio) manager itself or hires an external investment manager to manage the investment portfolio of the Fund. AGFI and Cypress Capital Management Ltd. ("Cypress") entered into an investment management agreement pursuant to which Cypress is responsible for managing the investment portfolio of the Fund. Under the management agreement, the Fund (except for Series O, Series Q and Series W Units, if applicable) pays management fees, calculated based on

the Net Asset Value of the respective series of the Fund. Management fees of approximately \$1,752,000 were incurred by the Fund during the six month period ended March 31, 2017.

AGF CustomerFirst Inc. ("AGFC") provides transfer agency services to the Fund pursuant to a services agreement with AGFI. Unitholder servicing and administrative fees of approximately \$228,000 were incurred by the Fund during the six month period ended March 31, 2017.

AGFI, Cypress and AGFC are indirect wholly-owned subsidiaries of AGF Management Limited.

Caution Regarding Forward-looking Statements

This report may contain forward-looking statements about the Fund, including its strategy, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or negative versions thereof and similar expressions.

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, among other things, risks, uncertainties and assumptions about the Fund and economic factors.

The forward-looking statements are by their nature based on numerous assumptions, which include, amongst other things, that (i) the Fund can attract and maintain investors and has sufficient capital under management to effect its investment strategies, (ii) the investment strategies will produce the results intended by the portfolio manager, and (iii) the markets will react and perform in a manner consistent with the investment strategies. Although the forward-looking statements contained herein are based upon what the portfolio manager believes to be reasonable assumptions, the portfolio manager cannot assure that actual results will be consistent with these forward-looking statements.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

It should be stressed that the above-mentioned list of factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

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 six months ended March 31, 2017 and the past five years as applicable. The Fund adopted International Financial Reporting Standards ("IFRS") on October 1, 2014. All per unit information presented for the period ended September 30, 2014, including opening net assets, reflects retrospective adjustments in accordance with IFRS. Information for the periods prior to October 1, 2013 is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles as defined in Part V of the CPA Handbook ("Canadian GAAP").

Mutual Fund Units – Net Assets per Unit⁽¹⁾

| For the periods ended | Mar 31, 2017 (\$) | Sept 30, 2016 (\$) | Sept 30, 2015 (\$) | Sept 30, 2014 (\$) | Sept 30, 2013 (\$) | Sept 30, 2012 (\$) |
|--|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Net Assets, beginning of period⁽¹⁾ | 9.45 | 7.87 | 8.73 | 7.60 | 7.42 | 7.10 |
| Increase (decrease) from operations: | | | | | | |
| Total revenue | 0.08 | 0.14 | 0.14 | 0.16 | 0.15 | 0.13 |
| Total expenses | (0.16) | (0.26) | (0.26) | (0.27) | (0.21) | (0.21) |
| Realized gains (losses) | 0.26 | (0.13) | (0.01) | 1.09 | 0.58 | 0.32 |
| Unrealized gains (losses) | 0.27 | 1.81 | (0.72) | 0.24 | (0.43) | 0.11 |
| Total increase (decrease) from operations⁽²⁾ | 0.45 | 1.56 | (0.85) | 1.22 | 0.09 | 0.35 |
| Distributions: | | | | | | |
| From income (excluding dividends) | – | – | – | – | – | – |
| From dividends | – | – | – | – | – | – |
| From capital gains | – | – | – | – | – | – |
| Return of capital | – | – | – | – | – | – |
| Total annual distributions⁽³⁾ | – | – | – | – | – | – |
| Net Assets, end of period⁽⁴⁾ | 9.91 | 9.45 | 7.87 | 8.73 | 7.56 | 7.42 |

Mutual Fund Units – Ratios/Supplemental Data⁽¹⁾

| For the periods ended | Mar 31, 2017 | Sept 30, 2016 | Sept 30, 2015 | Sept 30, 2014 | Sept 30, 2013 | Sept 30, 2012 |
|---|--------------|---------------|---------------|---------------|---------------|---------------|
| Total Net Asset Value (\$000's) | 136,488 | 139,202 | 121,778 | 158,246 | 158,831 | 187,812 |
| Number of units outstanding (000's) | 13,778 | 14,737 | 15,476 | 18,119 | 20,895 | 25,173 |
| Management expense ratio ⁽⁵⁾ | 2.85%~ | 2.92% | 2.86% | 2.84% | 2.90% | 2.86% |
| Management expense ratio before waivers or absorptions ⁽⁶⁾ | 2.85%~ | 2.93% | 2.86% | 2.84% | 2.92% | 2.86% |
| Trading expense ratio ⁽⁷⁾ | 0.41%~ | 0.11% | 0.17% | 0.21% | 0.46% | 0.17% |
| Portfolio turnover rate ⁽⁸⁾ | 11.43% | 22.27% | 20.91% | 27.78% | 87.25% | 23.44% |
| Net Asset Value per unit | 9.91 | 9.45 | 7.87 | 8.73 | 7.60 | 7.46 |

Series F Units – Net Assets per Unit⁽¹⁾

| For the periods ended | Mar 31, 2017 (\$) | Sept 30, 2016 (\$) | Sept 30, 2015 (\$) | Sept 30, 2014 (\$) | Sept 30, 2013 (\$) | Sept 30, 2012 (\$) |
|--|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Net Assets, beginning of period⁽¹⁾ | 11.21 | 9.24 | 10.15 | 8.75 | 8.45 | 8.01 |
| Increase (decrease) from operations: | | | | | | |
| Total revenue | 0.09 | 0.29 | 0.16 | 0.19 | 0.17 | 0.15 |
| Total expenses | (0.13) | (0.21) | (0.20) | (0.21) | (0.15) | (0.15) |
| Realized gains (losses) | 0.30 | (0.00) | (0.03) | 1.23 | 0.66 | 0.37 |
| Unrealized gains (losses) | 0.35 | 1.80 | (1.08) | 0.06 | (0.49) | 0.05 |
| Total increase (decrease) from operations⁽²⁾ | 0.61 | 1.88 | (1.15) | 1.27 | 0.19 | 0.42 |
| Distributions: | | | | | | |
| From income (excluding dividends) | – | – | – | – | – | – |
| From dividends | – | – | – | – | – | – |
| From capital gains | – | – | – | – | – | – |
| Return of capital | – | – | – | – | – | – |
| Total annual distributions⁽³⁾ | – | – | – | – | – | – |
| Net Assets, end of period⁽⁴⁾ | 11.82 | 11.21 | 9.24 | 10.15 | 8.70 | 8.45 |

* represents initial Net Assets

~ annualized

(1), (2), (3), (4), (5), (6), (7) and (8) see Explanatory Notes

Series F Units – Ratios/Supplemental Data⁽¹⁾

| For the periods ended | Mar 31, 2017 | Sept 30, 2016 | Sept 30, 2015 | Sept 30, 2014 | Sept 30, 2013 | Sept 30, 2012 |
|---|--------------|---------------|---------------|---------------|---------------|---------------|
| Total Net Asset Value (\$000's) | 1,902 | 1,561 | 569 | 859 | 684 | 807 |
| Number of units outstanding (000's) | 161 | 139 | 62 | 85 | 78 | 95 |
| Management expense ratio ⁽⁵⁾ | 1.84%~ | 1.77% | 1.85% | 1.85% | 1.83% | 1.83% |
| Management expense ratio before waivers or absorptions ⁽⁶⁾ | 2.14%~ | 1.77% | 2.92% | 2.61% | 2.76% | 2.52% |
| Trading expense ratio ⁽⁷⁾ | 0.41%~ | 0.11% | 0.17% | 0.21% | 0.46% | 0.17% |
| Portfolio turnover rate ⁽⁸⁾ | 11.43% | 22.27% | 20.91% | 27.78% | 87.25% | 23.44% |
| Net Asset Value per unit | 11.82 | 11.21 | 9.24 | 10.15 | 8.75 | 8.49 |

Series S Units – Net Assets per Unit⁽¹⁾

| For the periods ended | Mar 31, 2017 (\$) | Sept 30, 2016 (\$) | Sept 30, 2015 (\$) | Sept 30, 2014 (\$) | Sept 30, 2013 (\$) | Sept 30, 2012 (\$) |
|--|-------------------|--------------------|--------------------|--------------------|---------------------------|--------------------|
| Net Assets, beginning of period⁽¹⁾ | 10.42 | 8.43 | 9.10 | 7.70 | 6.82⁽²⁾ | – |
| Increase (decrease) from operations: | | | | | | |
| Total revenue | 0.09 | 0.15 | 0.15 | 0.17 | 0.06 | – |
| Total expenses | (0.02) | (0.01) | (0.02) | (0.02) | – | – |
| Realized gains (losses) | 0.28 | (0.16) | 0.22 | 1.17 | 0.33 | – |
| Unrealized gains (losses) | 0.34 | 2.01 | (1.52) | 0.51 | 0.36 | – |
| Total increase (decrease) from operations⁽²⁾ | 0.69 | 1.99 | (1.17) | 1.83 | 0.75 | – |
| Distributions: | | | | | | |
| From income (excluding dividends) | – | – | – | – | – | – |
| From dividends | – | – | – | – | – | – |
| From capital gains | – | – | – | – | – | – |
| Return of capital | – | – | – | – | – | – |
| Total annual distributions⁽³⁾ | – | – | – | – | – | – |
| Net Assets, end of period⁽⁴⁾ | 11.08 | 10.42 | 8.43 | 9.10 | 7.66 | – |

Series S Units – Ratios/Supplemental Data⁽¹⁾

| For the periods ended | Mar 31, 2017 | Sept 30, 2016 | Sept 30, 2015 | Sept 30, 2014 | Sept 30, 2013 | Sept 30, 2012 |
|---|--------------|---------------|---------------|---------------|---------------|---------------|
| Total Net Asset Value (\$000's) | 50,915 | 37,784 | 33,004 | 41,613 | 58,425 | – |
| Number of units outstanding (000's) | 4,597 | 3,628 | 3,913 | 4,575 | 7,588 | – |
| Management expense ratio ⁽⁵⁾ | 0.01%~ | 0.00% | – | – | – | – |
| Management expense ratio before waivers or absorptions ⁽⁶⁾ | 1.23%~ | 1.19% | 1.21% | 1.19% | 1.17%~ | – |
| Trading expense ratio ⁽⁷⁾ | 0.41%~ | 0.11% | 0.17% | 0.21% | 0.46% | – |
| Portfolio turnover rate ⁽⁸⁾ | 11.43% | 22.27% | 20.91% | 27.78% | 87.25% | – |
| Net Asset Value per unit | 11.08 | 10.42 | 8.43 | 9.10 | 7.70 | – |

Explanatory Notes

(1) a) This information is derived from the Fund's audited annual financial statements and unaudited interim financial statements. Prior to October 1, 2014, the net assets per unit presented in the financial statements ("Net Assets") differed from the net asset value per unit calculated for fund pricing purposes ("Net Asset Value"), due to differences in valuation techniques of certain investments as required under Canadian GAAP. The adoption of IFRS, effective October 1, 2014, has generally eliminated the difference between Net Assets per unit and Net Asset Value per unit.

Total Net Asset Value and number of units outstanding presented as at September 30, 2015 may have been adjusted to include certain transactions, if applicable, for the purpose of comparability with subsequent reporting periods. These adjustments have no effect on the Net Asset Value per unit.

- b) The following series of the Fund commenced operations on the following dates, which represents the date upon which securities of a series were first made available for purchase by investors.

| | |
|-------------------|---------------|
| Mutual Fund Units | February 1996 |
| Series F Units | April 2000 |
| Series S Units | April 2013 |

- c) On May 20, 2016, AGF Canadian Small Cap Discovery Fund merged into the Fund. The financial data of the Fund includes the results of operations of AGF Canadian Small Cap Discovery Fund from the date of merger.
- d) In April 2013, the Fund recommenced the offering of Series S Units that are available to institutional investors. Series S Units previously commenced offering in June 2009 and were closed due to full redemption by unitholders in October 2012. The financial data of the Series S Units includes the results of operations from date of recommencement.

- (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 financial period.
- (3) Distributions were paid in cash/reinvested in additional units of the Fund, or both. The computation of the distributions per unit does not take into account the management fee distributions (see note 5 below). The characterization of the distributions is based on management's estimate of the actual income for the year.
- (4) This is not a reconciliation of the beginning and ending Net Assets per unit.
- (5) The management expense ratio ("MER") of a particular series is calculated in accordance with National Instrument 81-106, based on all the expenses of the Fund (including Harmonized Sales Tax, Goods and Services Tax and interest, but excluding foreign withholding taxes, commissions and other portfolio transaction costs) and the Fund's proportionate share of the MER, if applicable, of the underlying funds and exchange traded funds ("ETFs") in which the Fund has invested, allocated to that series divided by the average daily Net Asset Value of that series during the period.

AGFI may reduce the effective management fee payable by some unitholders by reducing the management fee it charges to the Fund and directing the Fund to make management fee distributions to these unitholders in amounts equal to the amounts of the management fee reduction. The MER does not take into account the reduction in management fees due to management fee distributions to unitholders.

- (6) AGFI waived certain fees or absorbed certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is determined annually on a series by series basis at the discretion of AGFI and AGFI can terminate the waiver or absorption at any time.
- (7) The trading expense ratio represents total commissions and other portfolio transaction costs, including the Fund's proportionate share of the commissions, if applicable, of the underlying funds and ETFs in which the Fund has invested, expressed as an annualized percentage of average daily Net Asset Value during the period.
- (8) The Fund's portfolio turnover rate ("PTR") indicates how actively the Fund's portfolio advisor manages its portfolio investments. A PTR 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 PTR 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 turnover rate and the performance of a fund.

PTR is calculated based on the lesser of the cumulative cost of purchases or cumulative proceeds of sales divided by the average market value of the portfolio, excluding short-term investments.

Management Fees

The Fund is managed by AGFI. As a result of providing investment and management services, AGFI receives a monthly management fee, based on the Net Asset Value of the respective series, calculated daily and payable monthly. Management fees in respect of Series O, Series Q and Series W Units, if applicable, are arranged directly between the Manager and investors and are not expenses of the Fund. AGFI uses these management fees to pay for sales and trailing commissions to registered dealers on the distribution of the Fund's units, investment advice, as well as for general administrative expenses such as overhead, salaries, rent, legal and accounting fees relating to AGFI's role as manager.

| | As a percentage of management fees | | |
|-------------------|------------------------------------|---------------------|--|
| | Annual rates | Dealer compensation | General administration and investment advice |
| Mutual Fund Units | 2.25% | 34.91% | 65.09% |
| Series F Units | 1.25% | – | 100.00% |
| Series S Units | 1.00% | – | 100.00% |

Past Performance*

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. Note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

It is AGFI's policy to report rates of return for series in existence greater than one year. The performance start date for each series represents the date of the first purchase of such series, excluding seed money. During the ten year period ended September 30, 2016, certain other funds with similar investment objectives merged into the Fund. Generally, for fund mergers, the continuing fund is considered a new fund for the purpose of calculating rates of return and therefore, the rates of return have not been provided for the period of the merger and previous periods. However, the merger of AGF Canadian Small Cap Discovery Fund with the Fund (see Explanatory Note (1) c)) did not constitute a material change to the Fund and accordingly did not impact the ability of the Fund to maintain its historical performance.

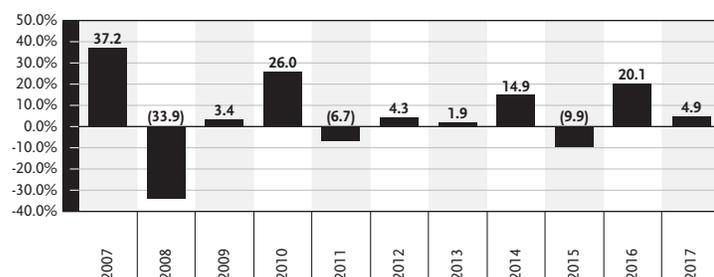
All rates of return are calculated based on the Net Asset Value.

* The indicated rates of return shown here are the historical returns including changes in security value and reinvestment of all distributions and do not take into account sales, redemption, distribution or other optional charges by any securityholder that would have reduced returns or performance. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

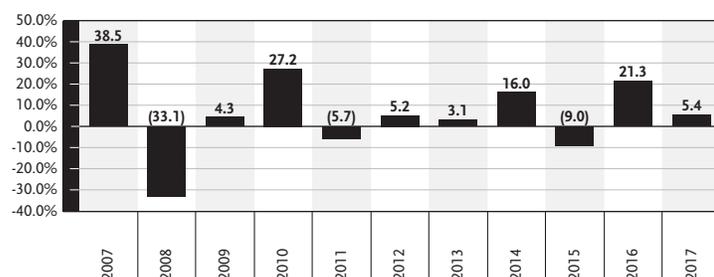
Year-By-Year Returns

The following bar charts show the Fund's annual performance for each of the past 10 years to September 30, 2016 (interim performance for the six months ended March 31, 2017) as applicable, and illustrate how the Fund's performance has changed from year to year. The charts show, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.

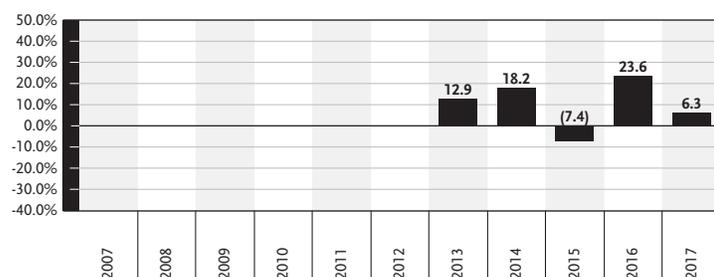
Mutual Fund Units



Series F Units



Series S Units



Performance for 2013 represents returns for the period from April 19, 2013 to September 30, 2013.

Summary of Investment Portfolio

As at March 31, 2017

The major portfolio categories and top holdings (up to 25) of the Fund at the end of the period are indicated in the following tables. The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and the next quarterly update will be in the Quarterly Portfolio Disclosure as at June 30, 2017.

The prospectus and other information about the ETFs are available on the internet at www.sedar.com and/or www.sec.gov/edgar.shtml, as applicable.

| Portfolio by Country | Percentage of Net Asset Value (%) |
|-------------------------|-----------------------------------|
| Canada | 90.5 |
| Cash & Cash Equivalents | 5.1 |
| United States | 4.5 |

| Portfolio by Sector | Percentage of Net Asset Value (%) |
|-----------------------------|-----------------------------------|
| Materials | 16.3 |
| Real Estate | 14.1 |
| Industrials | 12.7 |
| Energy | 12.3 |
| Information Technology | 10.6 |
| Consumer Discretionary | 7.5 |
| Financials | 6.4 |
| Utilities | 6.2 |
| Cash & Cash Equivalents | 5.1 |
| ETFs – United States Equity | 4.5 |
| Consumer Staples | 3.7 |
| Health Care | 0.7 |

| Portfolio by Asset Mix | Percentage of Net Asset Value (%) |
|-------------------------|-----------------------------------|
| Canadian Equity | 90.5 |
| Cash & Cash Equivalents | 5.1 |
| United States Equity | 4.5 |

| Top Holdings | Percentage of Net Asset Value (%) |
|---|-----------------------------------|
| CCL Industries Inc. | 4.6 |
| Winpak Limited | 3.2 |
| The Descartes Systems Group Inc. | 3.2 |
| Tricon Capital Group Inc. | 3.2 |
| Badger Daylighting Limited | 3.1 |
| Boralex Inc. | 2.9 |
| Real Matters Inc. | 2.9 |
| Boyd Group Income Fund | 2.8 |
| Constellation Software Inc. | 2.8 |
| FirstService Corporation | 2.6 |
| Clearwater Seafoods Inc. | 2.5 |
| Element Fleet Management Corporation | 2.4 |
| Morguard Corporation | 2.4 |
| Vanguard Mid-Cap ETF | 2.3 |
| Vanguard Small-Cap ETF | 2.2 |
| Leucrotta Exploration Inc. | 2.1 |
| Richelieu Hardware Limited | 2.1 |
| Mainstreet Equity Corporation | 2.0 |
| Parex Resources Inc. | 2.0 |
| Algonquin Power & Utilities Corporation | 2.0 |
| Guardian Capital Group Limited | 2.0 |
| Linamar Corporation | 1.9 |
| Interfor Corporation | 1.9 |
| K-Bro Linen Inc. | 1.9 |
| Quebecor Inc. | 1.8 |

Total Net Asset Value (thousands of dollars) \$ 189,305



For more information contact your investment advisor or:

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