



PURPOSE SILVER BULLION FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE
For the financial period ended December 31, 2023

Purpose
INVESTMENTS

Where thoughtful
Canadians invest.



This annual management report of fund performances contains financial highlights, but does not contain either 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 1-866-261-4569, by writing to us at 130 Adelaide St. W, Suite 3100, P.O. Box 109, Toronto, ON M5H 3P5 or by visiting our website at www.purposeinvest.com or SEDAR at www.sedarplus.ca.

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.

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 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.

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, 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. We stress that the abovementioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions, and urge you 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.

TABLE OF CONTENTS

Letter to investors	1
Annual management report of fund performance	2
Financial highlights	3
Summary of investment portfolio	4
Fund information	Back cover



LETTER TO INVESTORS

With the pandemic in the rearview mirror, 2023 was a mix of celebratory and challenging times. The fear of a recession was always present but did not materialize while interest rates increased further and remained high. Still, we ended the year with most equity indices at or near all-time highs. As always, we navigated all periods, from uncertain to challenging to thriving, by keeping you – our investors – at the centre of everything we do.

At Purpose, our motivation will always be to create industry-leading investment products and solutions focused on helping clients meet their specific goals and to enable the building of more resilient portfolios to achieve long-term success.

While the past year was not without its challenges, we continued to work hard to create innovative investment solutions for Canadians. We expanded our industry-leading cash solutions lineup with the launch of the Purpose USD Cash Management Fund (Ticker: MNU.U). Similar to the Canadian dollar-denominated Purpose Cash Management Fund, we designed this fund to take advantage of the current economic environment of high interest rates into higher yields for investors' US cash allocations while still keeping true to the safety and stability of other money market funds, giving investors a safe place to generate good returns without market exposure.

In addition, the Longevity Pension Fund continues to pay income for life to a growing number of retired Canadian investors. The careful approach to managing the fund's portfolio and the thoughtfully designed income policy have continued to result in the fund being fully funded for its investors. We're proud that Longevity continues to be a transformative solution providing income security to clients in retirement. The work continues to educate advisors and clients on navigating decumulation and developing supporting frameworks for constructing an effective and resilient portfolio to generate sustainable retirement income.

Most recently, we launched the Purpose Tactical Thematic Fund (Ticker: RTT). Thematic investing, such as AI, renewable energy, and biotechnology, is an inspiring and innovative space and can really provide a growth tilt for a portfolio. Unfortunately, many investors' experiences with thematic ETFs have been poor, and many either buy too late or hold on too long – or both. With the fund's active and tactical approach, we created a safer way for investors to gain exposure to these exciting themes without the negative experiences they once encountered.

Over the past two years, we have been watching the markets perform a great reset following a decade-long period of disinflation, low yields, and excessive monetary stimulus. It's difficult to truly predict what 2024 will throw at us – the pieces for a positive year are present, while the risk of a recession still looms. No matter what happens, we must remain mindful and vigilant. Our portfolio management team continues to focus on risk management, finding ways to improve how we manage money on behalf of our customers, and maintaining a solid sense of perspective.

We believe that we've created an outstanding range of investment products and solutions that serve any part of your needs. We're not done. We are committed to continuously innovating our product offerings that solve real problems Canadians face and provide opportunities to meet your goals in a meaningful way.

I want to take a moment to express my gratitude to the amazing Purpose team. Their persistent efforts to redefine the standards of modern asset management continue to amaze me.

Finally, and most importantly, Purpose exists to help build the success of our investors. I want to thank you personally for choosing Purpose, placing your trust in us, and being a part of our important story.

Warmly,

Som Seif
CEO
Purpose Investments Inc.



ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

The Management Report of Fund Performance (“MRFP”) contains financial highlights. Purpose Silver Bullion Fund’s (the “Fund”) financial statements are included at the back of the MRFP.

The management report of fund performance presents the views of the manager and the portfolio management team concerning significant factors and developments that have affected the Fund’s performance and outlook.

Please read the caution on the inside of the cover page regarding forward-looking statements.

INVESTMENT OBJECTIVES AND STRATEGIES

Purpose Silver Bullion Fund (the “Fund”) invests in and holds substantially all of its assets in long-term holdings of silver bullion in order to provide investors with a secure, convenient, low-cost alternative for investors interested in holding an investment in silver bullion.

The Fund invests in and holds unencumbered silver bullion on a long-term basis in 1,000-ounce international bar sizes, and not to speculate with regard to short-term changes in silver prices, in order to provide investors with the ability to effectively invest in unencumbered silver bullion in a convenient and secure manner, without the associated inconvenience and relatively high transaction, handling, storage, insurance and other costs typical of a direct silver bullion investment.

Purpose Investments Inc., (“Purpose” or the “Manager”) is the manager and trustee of the Fund. Silver Administrators Ltd. (the “Administrator”) acts as the administrator of the Fund pursuant to an Administrative Services Agreement with the Fund. The Fund’s investment strategy is to invest substantially all of the assets of the Fund in Silver Bullion.

The Fund’s registered office is located at 130 Adelaide St. West, Suite 3100, PO Box 109, Toronto, Ontario, M5H 3P5.

RISK

The risks of investing in the Fund are disclosed in the Fund’s prospectus and there have been no significant changes during the year that affected the overall level of risk associated with the Fund.

RESULTS OF OPERATIONS

The Fund offers ETF units listed on the Toronto Stock Exchange under the tickers SBT and SBT.B and mutual fund classes in currency hedged, non-currency hedged and US Dollar purchase option.

The net asset value per unit as at:

Class	December 31, 2023 (\$)	December 31, 2022 (\$)
ETF Units	12.57	12.84
ETF Non-Currency Hedged Units	16.79	17.39

During the year ended December 31, 2023 the Fund did not pay any distributions.

RECENT DEVELOPMENTS

There were no changes to the Manager of the Fund, nor were there any material changes to the investment philosophy or process. The Manager actively monitors the positioning of the Fund’s portfolio for changes in current market conditions and the economic environment.

RELATED PARTY TRANSACTIONS

Purpose is deemed to be a related party as Manager of the Fund. Please refer to the “Management Fee” section for fees paid to Purpose. Purpose has also appointed an Independent Review Committee (“IRC”) as required by National

Instrument 81-107 *Independent Review Committee for Investment Funds*. The mandate of the IRC is to review, and provide input on, the Manager’s written policies and procedures that deal with conflict of interest matters in respect of the Funds. IRC members receive fees and reimbursement of expenses for services provided to the Fund and other Purpose managed funds and such costs are allocated among all the Funds on a fair and reasonable basis. The fees for services rendered to the Fund are reported in the Statements of Comprehensive Income. There are no other related party transactions for the Fund.

INDEPENDENT REVIEW COMMITTEE

The Manager is required to comply with the policies and procedures presented to the IRC with respect to various potential conflicts of interest including valuation and the allocation of operating expenses and to provide periodic reports to the IRC in accordance with NI 81-107.

The members of the Independent Review Committee as at December 31, 2023 were Douglas G. Hall (Chair), Randall C. Barnes, and Jean M. Fraser.



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 years ended December 31:

NET ASSETS PER UNIT ¹

ETF Units (TSX: SBT)	2023 (\$)	2022 (\$)	2021 (\$)	2020 (\$)	2019 (\$)
Net assets, beginning of year	12.84	12.65	14.71	10.42	9.04
Increase (decrease) from operations:					
Total revenue	0.04	0.01	-	-	-
Total expenses	(0.10)	(0.15)	(0.07)	(0.07)	(0.06)
Realized gains (losses) for the year	2.40	(3.07)	(0.41)	1.12	0.05
Unrealized gains (losses) for the year	(2.66)	3.87	(2.06)	2.02	1.39
Total increase (decrease) from operations ²	(0.32)	0.68	(2.54)	3.07	1.38
Net assets, end of year	12.57	12.84	12.65	14.71	10.42

Notes:

- This information is derived from the Fund's financial statements prepared in accordance with IFRS. For purposes of unitholder transactions, the Net Asset Value is calculated in accordance with the valuation rules as set out in the Fund's prospectus. The Fund's accounting policies for measuring the fair value of investments and derivatives are consistent with those used in measuring the Net Asset Value for transactions with unitholders.
- 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.

RATIOS AND SUPPLEMENTAL DATA

ETF Units (TSX: SBT)	2023	2022	2021	2020	2019
Total net asset value (\$) (000s) ¹	5,091	10,912	3,480	2,207	1,042
Number of units outstanding (000s) ¹	405	850	275	150	100
Management expense ratio ²	0.32%	0.28%	0.32%	0.38%	0.45%
Management expense ratio before waivers or absorptions ²	0.32%	0.28%	0.32%	0.38%	0.65%
Trading expense ratio ³	0.44%	0.82%	0.17%	0.16%	0.16%
Portfolio turnover rate ⁴	7.50%	8.84%	23.39%	21.90%	2.75%
Closing market price (\$)	12.89	12.83	12.58	14.49	9.79

Notes:

- The financial information presented in the Ratios and Supplemental Data table is derived from the Fund's net asset value calculated for fund pricing purposes ("NAV") and is provided as at December 31 of the year shown.
- The management expense ratio ("MER") is calculated as the total expenses, excluding distributions, commissions and other portfolio transaction costs, for the stated period and is expressed as an annualized percentage of the average daily NAV of the Fund. The Manager, at its sole discretion, may waive management fees or absorb expenses. Such waivers and absorptions can be terminated at any time.
- The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the Fund's daily average NAV. The trading expense ratio is calculated at the portfolio level and applies to all classes of units of the Fund.
- The portfolio turnover rate is based on the lesser of purchases or proceeds of sales of securities for the year, excluding cash, short-term notes, and bonds having maturity dates at acquisition of one year or less, divided by the average value of the portfolio securities for the year. The Fund's portfolio turnover rate indicates how actively the Fund's investment advisor manages its portfolio investments. 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 the portfolio turnover rate in a year, the greater the trading costs payable in the year and the greater the chance of taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and fund performance. The portfolio turnover rate is calculated at the portfolio level and applies to all classes of units of the Fund.

NET ASSETS PER UNIT ¹

ETF Non-Currency Hedged Units (TSX: SBT.B)	2023 (\$)	2022 (\$)	2021 (\$)	2020 (\$)	2019 (\$)
Net assets, beginning of year	17.39	15.83	18.33	12.80	11.51
Net assets (USD), beginning of year	12.84	12.51	14.40	9.86	8.43
Increase (decrease) from operations:					
Total expenses	(0.11)	(0.10)	(0.11)	(0.10)	(0.09)
Realized gains (losses) for the year	0.67	(0.04)	0.47	0.30	(0.15)
Unrealized gains (losses) for the year	(1.20)	1.78	(2.85)	5.30	1.44
Total increase (decrease) from operations ²	(0.64)	1.64	(2.49)	5.50	1.20
Net assets, end of year	16.79	17.39	15.83	18.33	12.80
Net assets (USD), end of year	12.69	12.84	12.51	14.40	9.86

Notes:

- This information is derived from the Fund's financial statements prepared in accordance with IFRS. For purposes of unitholder transactions, the Net Asset Value is calculated in accordance with the valuation rules as set out in the Fund's prospectus. The Fund's accounting policies for measuring the fair value of investments and derivatives are consistent with those used in measuring the Net Asset Value for transactions with unitholders.
- 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.

RATIOS AND SUPPLEMENTAL DATA

ETF Non-Currency Hedged Units (TSX: SBT.B)	2023	2022	2021	2020	2019
Total net asset value (\$) (000s) ¹	44,628	52,317	46,421	56,045	41,577
Number of units outstanding (000s) ¹	2,658	3,008	2,933	3,058	3,248
Management expense ratio ²	0.47%	0.52%	0.48%	0.49%	0.51%
Management expense ratio before waivers or absorptions ²	0.47%	0.52%	0.48%	0.49%	0.72%
Trading expense ratio ³	0.19%	0.17%	0.19%	0.20%	0.26%
Portfolio turnover rate ⁴	1.55%	0.99%	3.98%	2.20%	2.75%
Closing market price (SBT.B) (\$)	16.78	17.37	15.88	14.34	12.75

Notes:

- The financial information presented in the Ratios and Supplemental Data table is derived from the Fund's net asset value calculated for fund pricing purposes ("NAV") and is provided as at December 31 of the year shown.
- The management expense ratio ("MER") is calculated as the total expenses, excluding distributions, commissions and other portfolio transaction costs, for the stated period and is expressed as an annualized percentage of the average daily NAV of the Fund. The Manager, at its sole discretion, may waive management fees or absorb expenses. Such waivers and absorptions can be terminated at any time.
- The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the Fund's daily average NAV. The trading expense ratio is calculated at the portfolio level and applies to all classes of units of the Fund.
- The portfolio turnover rate is based on the lesser of purchases or proceeds of sales of securities for the year, excluding cash, short-term notes, and bonds having maturity dates at acquisition of one year or less, divided by the average value of the portfolio securities for the year. The Fund's portfolio turnover rate indicates how actively the Fund's investment advisor manages its portfolio investments. 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 the portfolio turnover rate in a year, the greater the trading costs payable in the year and the greater the chance of taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and fund performance. The portfolio turnover rate is calculated at the portfolio level and applies to all classes of units of the Fund.



ADMINISTRATION FEES

The Fund pays the Manager a declining fee, plus applicable HST, on a monthly basis in arrears, as follows:

Table with 2 columns: Total Assets Under Management of the Fund, % of the Fund's total assets*, plus applicable federal and provincial taxes (including HST). Rows include: On the first US\$100 million or less (0.40% per annum), On the next US\$100 million to US\$200 million (0.30% per annum), On US\$200 million or over (0.20% per annum).

* "Total Assets" mean the total assets of the Fund of a particular valuation date, valuing silver bullion, silver certificates and other investments at market value and cash, short-term government securities, short-term deposits with financial institutions and prime commercial paper at cost less any outstanding payables or other indebtedness of the Fund.

Such fees shall be payable on or before the 10th day following the end of each such month. The Manager may, from time to time in its discretion, waive all or a portion of the management fee charged at any given time.

The Manager shall pay to Silver Administrators Ltd. an amount as agreed upon between the Manager and Silver Administrators Ltd. out of the management fees.

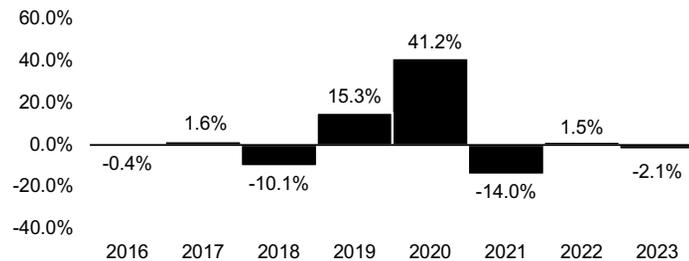
PAST PERFORMANCE

Please note that the performance information shown in this section assumes that all dividends made by the Fund, if any, in the periods shown were reinvested in additional securities of the Fund. It does not take into account sales, redemptions, distributions or other optional charges, or income taxes payable by any investor, which would have reduced the returns. The performance of the Fund in the past does not necessarily indicate how it will perform in the future.

YEAR-BY-YEAR RETURNS

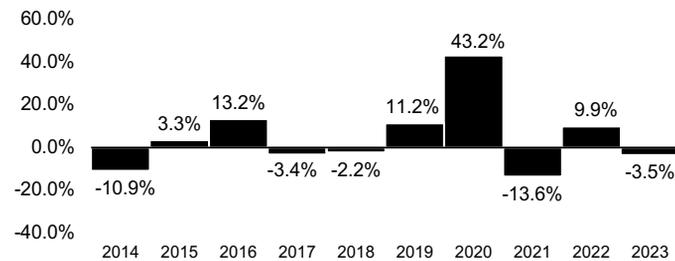
The bar chart shows the performance of the units for the financial period in percentage terms, indicating how much an investment made on the first day of the period would have grown or decreased by the last day of the period.

ETF Units - NAV



Return labelled 2016 is for the period from May 24, 2016 to December 31, 2016.

ETF Non-Currency Hedged Units - NAV



ANNUAL COMPOUND RETURNS

The table below summarizes the Fund's annual compound total returns for the periods ended December 31 as indicated.

Table with 3 columns: Year, ETF Units² NAV (%), ETF Non-Currency Hedged Units¹ NAV (%). Rows include: 1 year, 3 years, 5 years, 10 years, Since inception.

- 1) Return since inception is for the period starting July 29, 2009.
2) Return since inception is for the period starting May 25, 2016.

SUMMARY OF INVESTMENT PORTFOLIO

As at December 31, 2023

ASSET MIX

Table with 2 columns: Asset Category, % of Fund's Net Asset Value. Rows include: Long Positions (Silver Bars, Cash and Cash Equivalents, Net Other Assets), Total Net Asset Value (100.00).

TOP HOLDINGS

Table with 2 columns: Holding, % of Fund's Net Asset Value. Rows include: Silver Bars, Silver Certificate, Cash and Cash Equivalents.

The investment portfolio may change due to ongoing portfolio transactions. An updated listing is available quarterly.

FUND INFORMATION

MANAGER

Purpose Investments Inc.
130 Adelaide Street West
Suite 3100, P.O. Box 109
Toronto, ON M5H 3P5

BULLION ADMINISTRATORS

Silver Administrators Ltd.
55 Broad Leaf Crescent
Ancaster, ON L9G 3P2

AUDITOR

Ernst & Young LLP
EY Tower
100 Adelaide Street West, P.O. Box 1
Toronto, ON M5H 0B3

CUSTODIAN

CIBC Mellon Trust Company
1 York Street, Suite 700
Toronto, ON M5J 0B6

REGISTRAR AND TRANSFER AGENT

TSX Trust Company
100 Adelaide Street West, Suite 301
Toronto, ON M5H 4H1

UNITHOLDER AND RECORDKEEPING

CIBC Mellon Global Securities Company
1 York Street, Suite 700
Toronto, ON M5J 0B6

TORONTO STOCK EXCHANGE LISTING

Ticker Symbol: SBT, SBT.B

INDEPENDENT REVIEW COMMITTEE OF PURPOSE SILVER BULLION FUND

DOUGLAS G. HALL

Chair of the Independent Review Committee

RANDALL C. BARNES

Member of the Independent Review Committee

JEAN M. FRASER

Member of the Independent Review Committee

OFFICERS AND DIRECTORS OF PURPOSE INVESTMENTS INC.

SOM SEIF

Chief Executive Officer, Chairman of the Board of Directors
and Director

VLADIMIR TASEVSKI

Head of Asset Management, Institutions, and Investors,
Interim Chief Compliance Officer and Director

TYLER MEYRICK

Chief Financial Officer and Director

Front cover photo by Jeremy Lapak on Unsplash.