2021 SEMI - ANNUAL REPORT

MRF 2021 RESOURCE LIMITED PARTNERSHIP

MRF

MIDDLEFIELD RESOURCE FUNDS

MIDDLEFIELD CORPORATE PROFILE

The Middlefield Group was established in 1979 and is a Specialty Investment Manager which creates investment products designed to balance risk and return to meet the demanding requirements of Financial Advisors and their clients. These financial products include Exchange-Traded Funds, Mutual Funds, Private and Public Resource Funds, Split Share Corporations, Venture Capital Assets, TSX Publicly Traded Funds and Real Estate Investment Funds and Partnerships.

Middlefield's investment team comprises portfolio managers, analysts and traders. While all of our investment products are designed and managed by Middlefield professionals, some involve strategic partnerships with other "best-in-class" firms that bring unique value to our product offerings. In 2014, we entered into an exclusive arrangement with SSR, LLC, based in Stamford, Connecticut. They provide specialized research into sectors of the economy such as Healthcare and Innovation Technology. SSR is an independent investment firm whose analysts have been highly ranked and are recognized as leaders in their respective fields. Their fundamental company level research is often non-consensus and provides guidance on overall portfolio construction and security selection.

Looking ahead, Middlefield remains committed to managing and developing new and unique investment products to assist Financial Advisors in helping clients achieve their investment objectives.

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A NOTE ON FORWARD LOOKING STATEMENTS

This document may contain forward looking statements, including statements regarding: the Fund, its strategies, goals and objectives; prospects; future performance or condition; possible future actions to be taken by the Fund; and the performance of investments, securities, issuers or industries in which the Fund may from time to time invest. Forward looking statements include statements that are predictive in nature, that depend upon or refer to future results, events, circumstances, expectations and performance, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or negative versions thereof and other similar wording. Forward looking statements are not historical facts, but reflect the Fund's current beliefs as of the date of this document regarding future results, events, circumstances, expectations or performance 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 results, events, circumstances, expectations or performance could differ materially from those expressed or implied in any forward looking statements contained in this document. Factors which could cause actual results, events, circumstances, expectations or performance to differ materially from those expressed or implied in forward looking statements include, but are not limited to: general economic, political, market and business factors and conditions; commodity price fluctuations; interest and foreign exchange rate fluctuations; global equity and capital markets; the financial condition of each issuer in which the Fund invests; the effects of competition in the industries or geographic areas in which the Fund may invest; statutory and regulatory developments; unexpected judicial or regulatory proceedings; and catastrophic events. Readers are cautioned that the foregoing list of factors is not exhaustive and to avoid placing undue reliance on forward looking statements due to the inherent uncertainty of such statements. The Fund does not undertake, and specifically disclaims, any obligation to update or revise any forward looking statements, whether as a result of new information, future developments, or otherwise.

2021 MID-YEAR REVIEW AND OUTLOOK

Global equities performed exceptionally well during the first half of 2021 with most major indices at all-time highs. The S&P 500, TSX Composite and Euro Stoxx 50 generated total returns of 15.2%, 17.3% and 16.6%, respectively. Inflows into global equity funds during the first half of the year totaled $580 billion, the largest on record by a significant margin. It's expected that if the current pace of inflows continues throughout the second half of the year, equity funds will take in more money in 2021 than the previous twenty years combined.

Markets have been supported by the economic reopening, led by cyclical and value sectors. This began in November 2020 when initial positive vaccine data from Pfizer, Moderna and AstraZeneca provided a pathway to ending the pandemic. Vaccine rollouts progressed swiftly once they were approved, allowing restrictions to be lifted at a gradual pace throughout the world. As of July 2021, over 78.5% of Canadians aged 12 years or older had received at least one dose of a COVID-19 vaccine -- the highest adoption rate in the world. We believe economic momentum will continue in North America as second doses are administered and remaining restrictions are lifted, including the reopening of the U.S.-Canada border.

Economic reopening has contributed to rising inflation, with Core CPI, PPI and PCE inflation statistics spiking during the second quarter of 2021. As a result, global central banks, including the Bank of Canada and the Federal Reserve, are now adopting a more hawkish tone when guiding future monetary policy. A certain amount of tightening is now being priced in but this should not have a major impact on equities as long as it happens gradually and is appropriately signaled. This is reflected in equities reaching new highs in conjunction with U.S. 10-Year Treasury yields and Canadian Government 10-Year Bond yields increasing by 55 bps and 71 bps during the first half, respectively.

Gold behaviour over the first half of 2021 was a tale of two quarters. As the post-COVID economic recovery took center stage, the U.S. dollar and treasury yields rose rapidly to 13-month highs, which provided strong headwinds for the commodity through the first quarter. Gold rebounded from a 10-month low in March as the narrative shifted towards inflation concerns, extreme volatility of crypto currencies, a pullback in broad markets (particularly the Nasdaq), rising world geopolitical tensions and a reversal of the U.S. dollar and treasuries. Just as gold bullion recovered above the key psychological level of US$1,900/oz, the price tumbled in mid-June on the back of a more hawkish-than-expected statement by the US Federal Reserve. The June decline was the largest monthly decline since November 2016 and erased all Q2 gains, dropping the gold price by 6.7% for the first half of the year. Similarly, June drove the first half decline of 7% in the S&P/TSX Global Gold Index.

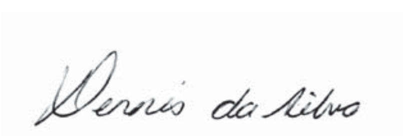
Interest rates will remain a key driver for gold in the short and medium term. The negative impact that higher nominal rates could bring will likely be offset by the longer lasting inflation effects of expansionary monetary and fiscal policies. The Federal Reserve has already taken steps to accommodate higher inflation by switching to "average inflation targeting" in the summer of 2020, opening the door for inflation to temporarily "run hot". Market behaviour seems aligned with Chairman Powell's view that inflation is transitory however real interest rates remain near multi-decade lows and we would argue the risk/reward is skewed in favour of gold if negative real interest rates are the new normal.

Middlefield Resource Funds currently comprises of one fund, MRF 2021 Resource Limited Partnership. The objective of MRF 2021 is to generate attractive tax-advantaged returns from a diversified portfolio of resource companies. To generate these tax benefits, the fund invests in flow-through common shares.

Gold prices have enjoyed a substantial rally since late 2018, however the valuation of gold miners does not yet reflect their greatly improved financial position. This includes higher profitability, vastly improved balance sheets, and free cash flow generation. Leverage ratios have been greatly enhanced, with companies now returning material amounts of capital to shareholders through a combination of share buybacks and dividends. If gold prices were to remain flat for the balance of the year, it would mark a new record annual average. Whether you look at price-to-net asset value or price-to-cash flow, it is difficult to argue that gold stocks are not inexpensive relative to historic metrics. Using the Arca Global Gold Miners Index, senior gold companies trade at roughly a 50% discount to their S&P 500 Index peers in terms of Enterprise Value / EBITDA, Free Cash Flow yield, Return on Capital, Debt / EBITDA or Profit Margin. Consider that despite materially better valuations, gold equites are still trading at 30%-65% discounts to their 10-year highs from 2011.

One of the top stories of 2021 has been the dramatic recovery of oil prices with WTI crude starting the year under US$50/bbl and finishing the first half over US$73/bbl, levels we have not seen since late 2018. The commitment of Saudi Arabia, as part of OPEC+, to manage toward higher prices has been impressive. While OPEC+ has already started to phase out production cuts, we anticipate they will be readily absorbed by the market. Led by the U.S., a global domino effect of regional re-openings at various times through the balance of 2021 will help prolong the strength of the oil demand recovery. By June 30, WTI was up 51% since the end of 2020, roughly in line with the increases in the S&P 500 Energy Index and S&P/TSX Energy Index of 42% and 56%, respectively.

The IEA's June monthly report pointed to an ongoing demand recovery with June oil consumption rising to within ~3% of the pre-COVID level and expectations of a full recovery by the end of 2022. Recent data indicates increased U.S. drilling and completion activity and production estimates are slowly rising. It is still fair to say the U.S. production response so far to the higher oil price has been relatively muted, but represents a variable that must be monitored as OPEC+ unwinds its production cuts.



Dennis da Silva
Managing Dirrector & Senior Portfolio Manager,
Middlefield Capital Corporation

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE
FOR THE PERIOD ENDED JUNE 30, 2021

This interim management report of fund performance contains financial highlights but does not contain the annual financial statements of the investment fund. This report should be read in conjunction with the complete interim financial report of the investment fund that follows this report. The interim financial report has not been reviewed by the investment fund's external auditors.

Unitholders may contact us by calling 1-888-890-1868, by writing to us at Middlefield Group at one of the addresses on the back cover or by visiting our website at www.middlefield.com to request a copy of the investment fund's annual financial statements, proxy voting policies and procedures or quarterly portfolio disclosure. The investment fund has obtained exemptive relief from the requirement to prepare and file a proxy voting disclosure record.

Management's Discussion of Fund Performance

Investment Objectives and Strategies

The investment objectives of MRF 2021 Resource Limited Partnership (the ''Fund''), are to provide unitholders with capital appreciation and significant tax benefits to enhance after-tax returns. In order to achieve the Fund's investment objectives, all available proceeds are invested by the Fund in an actively managed, diversified portfolio comprised primarily of equity securities of Canadian companies involved primarily in the resource sectors. The Fund initially invests in common shares or warrants issued on a flow-through basis by resource companies such that the resulting expenditures renounced to the Fund provide tax deductions to the Fund equal to 100% of the gross proceeds of the initial offering which closed February 18, 2021.

Risk

The Fund is speculative offering and is exposed to several risk factors that may affect its performance. The overall risk of the Fund is as described in its prospectus dated January 13, 2021. Since commencement of operations, the overall risk level of the Fund may have been impacted as follows:

Market Risk

Market risk describes the Fund's exposure to volatility in the market value of its underlying securities. Equity markets continue to exhibit volatility due to macroeconomic uncertainties and the uncertain impact from the global pandemic. The Fund seeks to mitigate risk through active management and portfolio diversification.

Results of Operations

Investment Performance

The Fund raised $27.5 million in early 2021 for investing in flow-through common shares or warrants of Canadian resource companies. As at June 30, 2021, the invested portfolio assets were primarily comprised of companies operating in the gold sector with the balance invested in issuers in the precious metals and minerals, metals and mining, and uranium sectors.

The Fund commenced operations on February 18, 2021, and as a result there are no comparative figures for the prior year period. At June 30, 2021, the Fund's net asset value per Class A was $22.56 per unit, representing a total after-tax return on money-at-risk of 51% for an Ontario investor taxed at the highest marginal tax rate. At June 30, 2021, the Fund's net asset value per Class F was $23.52 per unit, representing a total after-tax return on money-at-risk of 57% for an Ontario investor taxed at the highest marginal tax rate.

Revenue and Expenses

Investment loss for the partial period ended June 30, 2021 amounted to approximately $0.3 million and was comprised primarily of unrealized losses on the investment portfolio. Operating expenses for the partial period totalled approximately $0.3 million. The management expense ratio ("MER") was 10.72% for Class A and 6.75% for Class F for the period ended June 30, 2021. The MER is high as a result of the inclusion of issuance costs as part of the expenses used to calculate the ratio in the year of the initial public offering. Excluding issuance costs and interest expenses, the MER was 2.97% for Class A and 2.53% for Class F for the partial period ended June 30, 2021. The loss for the partial period amounted to approximately $0.6 million. It is not the intention of the Fund to generate net investment income but instead, as described earlier, to generate capital appreciation and significant tax benefits over the life of the Fund.

On a per unit basis, the net assets per Class A attributable to unitholders of the Fund decreased by 2.3% from $23.08 at inception to $22.56 on June 30, 2021. On a per unit basis, the net assets per Class F attributable to unitholders of the Fund decreased by 2.2% from $24.05 at inception to $23.52 on June 30, 2021. The decrease is attributable primarily to unrealized losses on the investment portfolio and the premiums paid for flow-through shares. An unrealized loss on investments of approximately $0.3 million has been recorded as at June 30, 2021.

Trends

Gold prices have enjoyed a substantial rally since late 2018, however the valuation of gold miners does not yet reflect their greatly improved financial position. This includes higher profitability, vastly improved balance sheets, and free cash flow generation. Leverage ratios have been greatly enhanced, with companies now returning material amounts of capital to shareholders through a combination of share buybacks and dividends.

Related Party Transactions

Pursuant to a management agreement, Middlefield Limited (the “Manager”) receives a management fee. For further details, please see the “Management Fees” section of this report. Middlefield Capital Corporation (“MCC” or the “Advisor”), the advisor to the Fund and a company under common control with the Manager receives an advisory fee. In addition, MCC received an agency fee from the Fund in respect of units it sold in 2021. For further details, please see the notes to the financial statements.

Management Fees

Management fees and fees in respect of portfolio advisory services together are calculated at 2.0% per annum of the net asset value of the Fund and are paid to the Manager and the Advisor. The Manager receives fees for the general administration of the Fund, including maintaining the accounting records, executing securities trades, monitoring compliance with regulatory requirements, and negotiating contractual agreements, among other things. The Advisor receives fees for providing investment management advice, including advice in respect of securities selection for the portfolio of securities, in accordance with the investment objectives and strategies of the Fund.

Credit Facility

The Fund has a non-revolving term credit facility that enables the Fund to borrow up to an amount not exceeding 10% of the gross proceeds raised. As at June 30, 2021, the Fund had a loan payable of $1.95 million representing 7.1% of gross proceeds raised and 7.8% of net assets. The minimum and maximum amounts borrowed during the period were $nil and $1.95 million, respectively. The loan proceeds were used to finance expenses incurred by the Fund, in order to maximize the allocation of initial offering gross proceeds towards the purchase of flow-through shares. The credit facility provides the lender with security interest over the assets of the Fund.

Financial Highlights

Net Assets Attributable to Unitholders are calculated in accordance with International Financial Reporting Standards (“IFRS”).

“Net Asset Value” is calculated in accordance with section 14.2 of National Instrument 81-106 “Investment Fund Continuous Disclosure” (“NI 81- 106”) and is used for transactional pricing purposes.

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 indicated periods. Ratios and Supplemental Data are derived from the Fund’s Net Asset Value.

The Fund’s Net Assets Attributable to Unitholders Per Class A Unit(1)

		2021(4)
Net Assets Attributable to Unitholders, Beginning of Period	$	**23.08***
INCREASE (DECREASE) FROM OPERATIONS:		
Total Revenue		**0.02**
Total Expenses(3)		**(0.26)**
Unrealized Losses for the Period		**(0.34)**
TOTAL DECREASE FROM OPERATIONS(2)		**(0.52)**
Net Assets Attributable to Unitholders, End of Period	$	**22.56**

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE
FOR THE PERIOD ENDED JUNE 30, 2021

The Fund's Net Assets Attributable to Unitholders Per Class F Unit(1)

		2021(4)
Net Assets Attributable to Unitholders, Beginning of Period	$	24.05*
INCREASE (DECREASE) FROM OPERATIONS:		
Total Revenue		0.02
Total Expenses(3)		(0.27)
Unrealized Losses for the Period		(0.27)
TOTAL DECREASE FROM OPERATIONS(2)		(0.53)
Net Assets Attributable to Unitholders, End of Period	$	23.52

(1) This information is derived from the Fund's unaudited interim financial statements.
(2) Net Assets Attributable to Unitholders 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. This schedule is not a reconciliation of Net Asset Value since it does not reflect unitholder transactions as shown on the Statement of Changes in Net Assets Attributable to Unitholders and accordingly columns may not add.
(3) There were no distributions paid by the Fund.
(4) For the period February 18, 2021 (date of commencement of operations) to June 30, 2021.

* Initial issue price, net of agents' fees and initial issue costs.

Ratios and Supplemental Data – Class A

	2021(4)
Total Net Asset Value (000s)	$ 17,919
Number of Units Outstanding	794,219
Management Expense Ratio ("MER")(1)	10.72%
MER (excluding interest expense and issuance costs)(1)	2.97%
Trading Expense Ratio(2)	-
Portfolio Turnover Rate(3)	-
Net Asset Value per Unit	$ 22.56

Ratios and Supplemental Data – Class F

	2021(4)
Total Net Asset Value (000s)	$ 7,149
Number of Units Outstanding	303,897
Management Expense Ratio ("MER")(1)	6.75%
MER (excluding interest expense and issuance costs)(1)	2.53%
Trading Expense Ratio(2)	-
Portfolio Turnover Rate(3)	-
Net Asset Value per Unit	$ 23.52

(1) The MER is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of average Net Asset Value during the period. The MER (excluding interest expense and issuance costs) has been presented separately as it expresses only the ongoing management and administrative expenses of the Fund as a percentage of average Net Asset Value. Issuance costs are one-time costs incurred at inception, and the inclusion of interest expense does not consider the additional earnings that have been generated from the investment of the leverage.
(2) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of average Net Asset Value during the period.
(3) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio investments are managed. 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 period. The higher the Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.
(4) As at June 30, 2021 or for the period February 18, 2021 (date of commencement of operations) to June 30, 2021, as applicable.

Past Performance
The Fund has not presented its historical performance because it commenced operations on February 18, 2021 and accordingly has been in existence for less than one year.

Summary of Investment Portfolio

AS AT JUNE 30, 2021

Top Twenty-Five Holdings*

	DESCRIPTION	% OF NET ASSET VALUE
1	Goldshore Resources Inc.	8.5
2	Denison Mines Corp.	7.5
3	Thesis Gold Inc.	6.2
4	Osisko Development Corp.	6.2
5	Treasury Metals Inc.	4.9
6	Troilus Gold Corp.	4.3
7	Starr Peak Mining Ltd.	3.8
8	Exploits Discovery Corp.	3.0
9	Osisko Metals Inc.	2.7
10	Exploits Discovery Corp., Warrants, 15 March 2023	2.0
11	Appia Energy Corp.	2.0
12	Clean Air Metals Inc.	1.9
13	Tartisan Nickel Corp.	1.9
14	K9 Gold Corp.	1.9
15	Metallis Resources Inc.	1.8
16	Skyharbour Resources Ltd.	1.7
17	Libero Copper & Gold Corp.	1.7
18	Strikepoint Gold Inc.	1.6
19	Granite Creek Copper Ltd.	1.6
20	Giga Metals Corp.	1.4
21	Northwest Copper Corp.	1.4
22	Aurelius Minerals Inc.	1.4
23	Sitka Gold Corp.	1.3
24	Sterling Metals Corp.	1.3
25	Gold Mountain Mining Corp.	1.2

"Top Twenty-Five Holdings" excludes any temporary cash investments.

ASSET CLASS	% OF NET ASSET VALUE
Gold	62.2
Metals and Mining	19.8
Uranium	12.7
Precious Metals and Minerals	2.9
Cash and Short-Term Investments	11.7
Other Net Liabilities	(9.3)
	100.0

TOTAL NET ASSET VALUE	$ 25,068,192

The Summary of Investment Portfolio may change over time due to ongoing portfolio transactions.
Please visit www.middlefield.com for the most recent quarter-end Summary of Investment Portfolio.

INTERIM FINANCIAL REPORT

NOTICE

The accompanying unaudited financial statements of MRF 2021 Resource Limited Partnership for the period ended June 30, 2021 have been prepared by management and have not been reviewed by the external auditors of the Fund.

Jeremy Brasseur	Craig Rogers
Director	Director
Middlefield Limited	Middlefield Limited

August 23, 2021

Statement of Financial Position

AS AT JUNE 30, 2021
(In Canadian Dollars)

ASSETS		
Current Assets		
Investments at Fair Value through Profit or Loss	$	**24,476,237**
Cash		**2,927,795**
Prepaid Interest		**3,881**
Total Assets		**27,407,913**
LIABILITIES		
Current Liabilities		
Loan Payable (Note 6)		**1,950,000**
Accounts Payable and Accrued Liabilities (Note 9)		**389,721**
Total Liabilities (Excluding Net Assets Attributable to Unitholders)		**2,339,721**
Net Assets Attributable to Unitholders	$	**25,068,192**
Net Assets Attributable to Unitholders – Class A	$	**17,919,061**
Net Assets Attributable to Unitholders – Class F	$	**7,149,131**
Units Issued and Outstanding – Class A (Note 3F)		**794,219**
Units Issued and Outstanding – Class F (Note 3F)		**303,897**
Net Assets Attributable to Unitholders per Unit – Class A	$	**22.56**
Net Assets Attributable to Unitholders per Unit – Class F	$	**23.52**

The accompanying notes to financial statements are an integral part of this financial statement.

Approved by the Board of Directors of Middlefield Limited, as Manager:

Director: Jeremy Brasseur

Director: Craig Rogers

INTERIM FINANCIAL REPORT
UNAUDITED

Statement of Comprehensive Income

FOR THE PERIOD FEBRUARY 18, 2021 (DATE OF COMMENCEMENT OF OPERATIONS) TO JUNE 30, 2021
TAX SHELTER IDENTIFICATION NUMBER (NOTE 8): TS091637
(In Canadian Dollars)

REVENUE		
Interest Income	$	**16,970**
Other Changes in Fair Value of Financial Assets and Financial Liabilities at Fair Value through Profit or Loss		
Net Unrealized Loss on Investments		**(323,483)**
Total Loss		**(306,513)**
OPERATING EXPENSES (Note 9)		
Advisory Fee		**13,065**
Audit Fees		**2,964**
Custodial Fees		**1,151**
Fund Administration Costs		**29,794**
Management Fee		**193,654**
Unitholder Reporting Costs		**10,030**
Total Operating Expenses		**250,658**
Operating Loss		**(557,171)**
Finance Costs (Note 6)		**14,905**
Loss	$	**(572,076)**
Decrease in Net Assets Attributable to Unitholders	$	**(572,076)**
Decrease in Net Assets Attributable to Unitholders – Class A	$	**(433,096)**
Decrease in Net Assets Attributable to Unitholders – Class F	$	**(138,980)**
Decrease in Net Assets Attributable to Unitholders per Unit – Class A (Note 3F)	$	**(0.58)**
Decrease in Net Assets Attributable to Unitholders per Unit – Class F (Note 3F)	$	**(0.52)**

The accompanying notes to financial statements are an integral part of this financial statement.

Statement of Changes in Net Assets Attributable to Unitholders

FOR THE PERIOD FEBRUARY 18, 2021 (DATE OF COMMENCEMENT OF OPERATIONS) TO JUNE 30, 2021

(In Canadian Dollars)	Class A	Class F	Total
Net Assets Attributable to Unitholders at Beginning of Period	$ -	$ -	$ -
Decrease in Net Assets Attributable to Unitholders	**(433,096)**	**(138,980)**	**(572,076)**
Proceeds from Issue of Units	**19,855,475**	**7,597,425**	**27,452,900**
Payment of Agents' Fees	**(1,141,690)**	**(170,942)**	**(1,312,632)**
Payment of Issue Costs	**(361,628)**	**(138,372)**	**(500,000)**
Net Assets Attributable to Unitholders at End of Period	**$ 17,919,061**	**$ 7,149,131**	**$ 25,068,192**

Statement of Cash Flows

FOR THE PERIOD FEBRUARY 18, 2021 (DATE OF COMMENCEMENT OF OPERATIONS) TO JUNE 30, 2021

(In Canadian Dollars)	**2021**
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	
Increase in Net Assets Attributable to Unitholders	**$ (572,076)**
Adjustments:	
Purchases of Investments	**(24,799,720)**
Net Unrealized Loss on Investments	**323,483**
	(25,048,313)
Net Change in Non-Cash Working Capital	**400,396**
Net Cash used in Operating Activities	**(24,647,917)**
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	
Proceeds from Issue of Units	**27,452,900**
Proceeds from Loans	**1,935,444**
Payment of Agents' Fees	**(1,312,632)**
Payment of Issue Costs	**(500,000)**
Net Cash from Financing Activities	**27,575,712**
Net Increase in Cash	**2,927,795**
Cash at Beginning of Period	**-**
Cash at End of Period	**$ 2,927,795**

The accompanying notes to financial statements are an integral part of these financial statements.

Schedule of Investment Portfolio

AS AT JUNE 30, 2021
(In Canadian Dollars)

Description	No. of Securities	Average Cost	Fair Value
Aurelius Minerals Inc.	741,000	$ 500,175	$ 340,860
Evergold Corp.	1,022,727	225,000	240,341
Evergold Corp., Warrants, 23 February 2024	511,363	-	57,641
Exploits Discovery Corp.	715,000	350,350	757,900
Exploits Discovery Corp., Warrants, 15 March 2023	715,000	-	502,917
Founders Metals Inc.	640,000	352,000	294,400
Gold Mountain Mining Corp.	150,000	346,500	304,500
Gold Mountain Mining Corp., Warrants, 31 December 2023	75,000	-	46,244
Goldshore Resources Inc.	2,666,667	2,000,000	2,133,333
K9 Gold Corp.	1,000,000	350,000	465,000
K9 Gold Corp., Warrants, 22 February 2024	1,000,000	-	288,660
Kingfisher Metals Corp.	392,000	199,920	192,080
Kingfisher Metals Corp., Warrants, 3 June 2023	196,000	-	27,142
LaSalle Exploration Corp.	1,400,000	252,000	238,000
Metallica Metals Corp.	715,000	250,250	178,750
Metallica Metals Corp., Warrants, 26 February 2023	357,500	-	36,276
Metallis Resources Inc.	1,000,000	500,000	460,000
Metallis Resources Inc., Warrants, 30 April 2023	500,000	-	34,870
Nighthawk Gold Corp.	217,000	249,550	221,340
Nighthawk Gold Corp., Warrants, 8 April 2023	86,800	-	13,563
Opawica Explorations Inc.	500,000	250,000	210,000
Opawica Explorations Inc., Warrants, 4 June 2023	250,000	-	43,783
Osisko Development Corp.	221,000	2,000,050	1,547,000
P2 Gold Inc.	200,000	120,000	90,000
P2 Gold Inc., Warrants, 3 June 2023	200,000	-	13,602
Red Pine	480,000	216,000	264,000
Sitka Gold Corp.	2,600,000	351,000	338,000
Sitka Gold Corp., Warrants, 3 March 2024	1,300,000	-	75,842
SKRR Exploration Inc.	833,333	250,000	141,667
Starr Peak Mining Ltd.	280,000	1,008,000	954,800
Starr Peak Mining Ltd., Warrants, 2 December 2022	140,000	-	130,141
Strikepoint Gold Inc.	2,000,000	500,000	400,000
Thesis Gold Inc.	1,035,700	1,812,475	1,553,549
Treasury Metals Inc.	1,360,000	1,496,000	1,224,000
Troilus Gold Corp.	1,200,000	1,512,000	1,080,000
TRU Precious Metals Corp.	925,000	249,750	254,375
West Mining Corp.	480,000	249,600	105,600
West Mining Corp., Warrants, 26 February 2022	480,000	-	8,184
Whitehorse Gold Corp.	156,250	250,000	234,375
Whitehorse Gold Corp., Warrants, 14 May 2026	156,250	-	100,536
GOLD: 56.9%		**15,840,620**	**15,603,271**

Schedule of Investment Portfolio (continued)

AS AT JUNE 30, 2021
(In Canadian Dollars)

Description	No. of Securities	Average Cost	Fair Value
Fathom Nickel Inc.	454,500	$ 349,965	$ 218,160
Giga Metals Corp.	980,000	422,031	362,600
Giga Metals Corp., Warrants, 23 April 2024	980,000	77,769	53,381
Granite Creek Copper Ltd.	1,590,000	349,800	389,550
Libero Copper & Gold Corp.	910,000	500,500	427,700
Libero Copper & Gold Corp., Warrants, 22 February 2023	455,000	-	72,240
Nickel Creek Platinum Corp.	1,818,182	200,000	181,818
Nickel Creek Platinum Corp., Warrants, 23 April 2026	1,818,182	-	116,091
NorthIsle Copper & Gold Inc.	1,129,032	350,000	293,548
Northwest Copper Corp.	500,000	500,000	355,000
Osisko Metals Inc.	1,500,000	750,000	667,500
Search Minerals Inc.	1,115,000	200,700	228,575
Sterling Metals Corp.	615,000	350,550	325,950
Sterling Metals Corp., Warrants, 31 March 2023	615,000	-	111,819
Surge Copper Corp.	715,000	378,950	264,550
Surge Copper Corp., Warrants, 8 June 2023	357,500	-	15,591
Tartisan Nickel Corp.	880,000	501,600	475,200
Tartisan Nickel Corp., Warrants, 7 June 2023	440,000	-	29,066
Vision Lithium Inc.	1,140,000	250,800	153,900
Vision Lithium Inc., Warrants, 20 April 2023	570,000	-	5,917
ZincX Resources Corp.	1,250,000	250,000	218,750
ZincX Resources Corp., Warrants, 9 April 2023	625,000	-	7,556
METALS AND MINING 18.2%		**5,432,665**	**4,974,462**
Appia Energy Corp.	625,000	437,500	500,000
Appia Energy Corp., Warrants, 19 May 2023	625,000	-	266,663
Denison Mines Corp.	1,247,300	1,683,855	1,883,423
Skyharbour Resources Ltd.	1,320,000	501,600	435,600
Skyharbour Resources Ltd., Warrants, 12 April 2024	660,000	-	97,033
URANIUM: 11.6%		**2,622,955**	**3,182,719**
Clean Air Metals Inc.	1,544,000	648,480	486,360
Palladium One Mining Inc.	750,000	255,000	210,000
Palladium One Mining Inc., Warrants, 24 February 2023	375,000	-	19,245
PRECIOUS METALS AND MINING: 2.6%		**903,480**	**715,785**
TOTAL INVESTMENTS: 89.3%		24,799,720	24,476,237
CASH: 10.7%		2,927,795	2,927,795
Total Investment Portfolio, Including Cash		$ 27,727,515	$ 27,404,032

1. MRF 2021 Resource Limited Partnership

MRF 2021 Resource Limited Partnership (the "Fund") was formed as a limited partnership pursuant to a certificate under the laws of the Province of Alberta dated December 16, 2020 and commenced operations on February 18, 2021. The principal purpose of the Fund is to invest in an actively managed, diversified portfolio comprised primarily of equity securities of Canadian companies involved primarily in the resource sectors. Pursuant to a prospectus dated January 13, 2021 (the "Prospectus"), Limited Partners subscribed for 794,219 Class A units and 303,897 Class F units of limited partnership interest. The general partner of the Fund is Middlefield Resource Corporation (the "General Partner"). The Manager of the Fund is Middlefield Limited (the "Manager") and Middlefield Capital Corporation, a company under common control with the Manager, is an advisor to the Fund ("MCC" or the "Advisor"). The address of the Fund's registered office is 812 Memorial Drive N.W., Calgary, Alberta. These financial statements, expressed in Canadian Dollars, were authorized for issuance by the board of directors of the Manager on August 23, 2021.

2. Basis of Presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") including International Accounting Standards 34 Interim Financial Reporting, as published by the International Accounting Standards Board ("IASB") and as required by Canadian securities legislation and the Canadian Accounting Standards Board.

3. Summary of Significant Accounting Policies

A. Basis of Accounting

IFRS 9 *Financial Instruments* ("IFRS9")

The Fund classifies and measures financial instruments in accordance with IFRS 9 which requires assets to be carried at amortized cost or fair value, with changes in fair value recognized in profit and loss or other comprehensive income, based on the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The Fund's financial assets and liabilities are classified at fair value through profit or loss ("FVTPL") and amortized cost.

Classification, Measurement, Impairment and Hedge Accounting

The Fund classifies its investments in debt and equity securities based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. These financial assets are managed and their performance is evaluated on a fair value basis. The Fund also manages these financial assets with the objective of realizing cash flows through sales. Further, an option to irrevocably designate any equity securities at fair value through other comprehensive income ("FVOCI") was chosen upon adoption. Consequently, these financial assets are mandatorily measured at FVTPL.

Financial assets or financial liabilities held for trading are those acquired principally for the purpose of selling or repurchasing in the near future or on initial recognition they are a part of a portfolio of identified financial instruments that the Fund manages together and has a recent actual pattern of short term profit taking. All derivatives and short positions are included in this category and mandatorily measured at FVTPL. The financial assets and liabilities measured at amortized cost include cash collateral posted on derivative positions, accrued income, due to and from brokers and other short term receivables and payables.

IFRS 9 uses the expected credit loss model ("ECL"), as the new impairment model for financial assets carried at amortized cost. The Fund's financial assets measured at amortized cost consist of trade receivables with no financing component and which have maturities of less than 12 months, as such, it has chosen to apply the simplified ECL approach, whereby any loss allowance is recognized based on the lifetime of ECLs. Due to the high quality and short-term nature of the trade receivables, there are no expected credit losses associated with them and they are not considered impaired at the reporting dates.

The Fund does not apply general hedge accounting to any of its derivatives positions.

3. Summary of Significant Accounting Policies (continued)

B. Financial Instruments

The Fund's financial instruments may include: short-term investments, equities, derivatives (collectively referred to as "investments"), cash, accounts receivable – portfolio securities sold, income and interest receivable, accounts receivable, prepaid interest, prepaid expenses, loan payable, accounts payable – portfolio securities purchased and accounts payable and accrued liabilities. The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's investments and derivative assets and liabilities are measured at fair value. The Fund's Net Assets Attributable to Unitholders are measured at fair value. The Fund's obligation for net assets attributable to unitholders is presented at its net asset value ("NAV"). All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its NAV for transactions with unitholders.

The Fund only offsets financial assets and financial liabilities if the Fund has a legally enforceable right to offset recognized amounts and either intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

C. Fair Value Measurement

The Fund's own credit risk and the credit risk of the counterparty are taken into account in determining the fair value of financial assets and financial liabilities, including derivative investments. Investments and futures contracts are valued at fair value using the policies described below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets is based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of financial assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity specific inputs.

D. Limited Partnership Units and Net Assets Attributable to Unitholders

The Fund has three classes of units, the Class A and Class F transferable limited partnership units held by the Limited Partner (the "Limited Partner units") and the unit held by the General Partner representing 0.01% interest in the Fund (the "General Partner unit"). The Fund has a limited life as liquidation is certain to occur and there is a contractual obligation for the Fund to deliver to unitholders a pro-rata share of its net assets on termination of the Fund (see Note 11). The Limited Partner units are not subordinate to the General Partner unit. Therefore, in accordance with the classification requirements of IFRS, the Limited Partner units are classified as liabilities and are measured at their net asset value.

E. Investment Transactions and Income Recognition

Investment transactions are accounted for as of the trade date and any realized gains or losses from such transactions are calculated on an average cost basis. The change in the difference between fair value and average cost of the investments is recorded as unrealized gain (loss) on investments. Income from investments is recognized on the ex-dividend or ex-distribution date. Interest income on bank deposits is recognized on an accrual basis. For income tax purposes, the adjusted cost base of flow-through shares is deemed to be $nil and, therefore, upon disposition of such shares, the amount of capital gain for tax purposes generally will equal the proceeds of disposition and will be allocated to the Limited Partners based upon their proportionate share of the Fund.

F. Increase (Decrease) in Net Assets Attributable to Unitholders per Unit

Increase (Decrease) in Net Assets Attributable to Unitholders per unit in the Statement of Comprehensive Income represents the increase (decrease) in net assets divided by the respective units outstanding during the period.

G. Allocation of Net Income and Loss

The net income of the Fund for each fiscal period is allocated 0.01% to the General Partner and the balance, along with 100% of the net loss of the Fund, among the Limited Partners in proportion to the number of CEE units held by each of them at the end of each period. The Fund is not itself a taxable entity. Accordingly, no provision for income taxes is required.

3. Summary of Significant Accounting Policies (continued)

H. Foreign Currency Translation

Foreign currency amounts are translated into Canadian dollars as follows: fair value of investments and other assets and liabilities, at the closing rate of exchange on each business day; income and expenses and purchases, sales and settlements of investments, at the rate of exchange prevailing on the respective dates of such transactions.

I. Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements:

Determination of Functional Currency

'Functional currency' is the currency of the primary economic environment in which the Fund operates. If indicators of the primary economic environment are mixed, then management uses its judgment to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events, and conditions. The majority of the Fund's investments and transactions are denominated in Canadian dollars. Investor subscriptions and redemptions are also received and paid in Canadian dollars. Accordingly, management has determined that the functional currency of the Fund is Canadian dollars.

Fair Value Measurement of Derivatives and Securities Not Quoted in an Active Market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 4 for further information about the fair value measurement of the Fund's financial instruments.

4. Fair Value Disclosure

The Fund classifies fair value measurements within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The table below summarizes the fair value of the Fund's financial instruments as at June 30, 2021 using the following fair value hierarchy:

Level 1	Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.
Level 2	Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.
Level 3	Inputs that are unobservable and where there is little, if any, market activity. Inputs into the determination of fair value require significant management judgment or estimation.

As at June 30, 2021

Description	Level 1	Level 2	Level 3	Total
Equities	$ 7,605,395	$ 14,402,261	$ 294,400	$ 22,302,056
Warrants	-	2,174,181	-	2,174,181
Total	$ 7,605,395	$ 16,576,442	$ 294,400	$ 24,476,237

All fair value measurements are recurring. The carrying values of cash, interest and other receivables, prepaid interest, loan payable, accounts payable and accrued liabilities and the Fund's obligation for net assets attributable to unitholders approximate their fair values due to their short-term nature.

4. Fair Value Disclosure (continued)

Fair values of the Fund's investments are classified as Level 1 when the related security is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The Fund's policy is to recognize transfers in and out of the fair value hierarchy levels as at the end of the reporting period for transfers between Levels 1 and 2 and as at the date of the transfer for transfers in and out of Level 3. No transfers between levels have occurred during the period ended June 30, 2021.

5. Financial Risk Management

In the normal course of business, the Fund is exposed to a variety of financial risks: price risk, interest rate risk, liquidity risk, credit risk and concentration risk. The Fund's primary risk management objective is to protect earnings and cash flow and, ultimately, unitholder value. Risk management strategies, as discussed below, are designed and implemented to ensure the Fund's risks and related exposures are consistent with its objectives and risk tolerance.

Most of the Fund's risks are derived from its investments. The value of the investments within the Fund's portfolio can fluctuate on a daily basis as a result of changes in interest rates, economic conditions, commodity prices, the market and company news related to specific securities within the Fund. The investments are made in accordance with the Fund's risk management policies. The policies establish investment objectives, strategies, criteria and restrictions. The objectives of these policies are to identify and mitigate investment risk through a disciplined investment process and the appropriate structuring of each transaction.

A. Price Risk

Price risk is the risk that changes in the prices of the Fund's investments will affect the Fund's income or the value of its financial instruments. The Fund's price risk is driven primarily by volatility in commodity and equity prices. Rising commodity and equity prices may increase the price of an investment while declining commodity and equity prices may have the opposite effect. In particular, the Fund had large investments in three securities which represent 22.2% of the Fund's net assets as at June 30, 2021: Goldshore Resources Inc. (8.5%), Denison Mines Corp. (7.5%) and Thesis Gold Inc. (6.2%). The Fund mitigates price risk by making investing decisions based upon various factors, including comprehensive fundamental analysis prepared by industry experts to forecast future commodity and equity price movements. The Fund's market positions are monitored on a daily basis by the portfolio manager and regular financial reviews of publicly available information related to the Fund's investments are performed to ensure that any risks are within established levels of risk tolerance. The Fund is exposed to price risk through the following financial instrument:

	June 30, 2021
Investments at FVTPL	$ 24,476,237

Based on the above exposure at June 30, 2021, a 10% increase or decrease in the prices of the Fund's investments would result in a $2,447,624 increase or decrease in net assets of the Fund, with all other factors held constant.

B. Interest Rate Risk

Interest rate risk describes the Fund's exposure to changes in the general level of interest rates. Interest rate risk arises when the Fund invests in interest-bearing financial assets such as cash and utilizes financial liabilities such as loan payable. In respect of cash balances and loan payable, the Fund's interest income and expense are positively correlated to interest rates in that rising interest rates increase both interest income and expense while the reverse is true in a declining interest rate environment. The Fund has not hedged its exposure to interest rate movements. The Fund seeks to mitigate this risk through active management, which involves monitoring debt levels and analysis of economic indicators to forecast Canadian and global interest rates. The Fund is exposed to interest rate risk through the following financial instruments:

	June 30, 2021
Cash	$ 2,927,795
Loan Payable	(1,950,000)
Net Exposure	$ 977,795

Based on the above exposures at June 30, 2021, a 1% per annum increase or decrease in interest rates would result in a $9,778 increase or decrease in net assets of the Fund, with all other factors held constant.

C. Liquidity Risk

Liquidity risk is defined as the risk that the Fund may not be able to settle or meet its obligations when due. The Fund had a non-revolving term credit facility in the maximum principal amount of $2.7 million which was secured by a general security agreement. The Fund's other obligations are due within one year. Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and can be readily sold. The Fund retains sufficient cash to maintain liquidity and comply with liquidity requirements as outlined by securities legislation and its investment policies.

5. Financial Risk Management (continued)

C. Liquidity Risk (continued)

The Fund may invest in securities that are not traded on a public stock exchange or that may be illiquid. As a result, the Fund may not be able to dispose of these investments in a timely manner. The Fund mitigates this risk through active management, which involves detailed analysis of such entities to ensure they are financially sound and would be attractive to potential investors if a sale is necessary. The Fund's investment policies and securities legislation limit the amount invested in illiquid securities and these limits are monitored. As at June 30, 2021, the Fund did not hold any illiquid securities.

The table below presents the Fund's financial liabilities based on the remaining period to the contractual maturity date. The amounts in the table reflect the contractual undiscounted cash flows.

As at June 30, 2021

Financial Liabilities	Less than 1 Month	1 to 3 Months	3 Months to 1 year	Total
Loan Payable	$ 450,000	$ 1,500,00	$ -	$ 1,950,000
Accounts Payable and Accrued Liabilities	389,721	-	-	389,721
Total	$ 839,721	$ 1,500,00	$ -	$ 2,339,721

The Manager does not expect that the contractual maturity disclosed above will be representative of the actual cash outflows, as holders of these instruments, specifically Loan Payable, typically retain them for a longer period.

D. Credit Risk

Credit risk represents the financial loss that the Fund would experience if a counterparty to a financial instrument failed to meet its obligations to the Fund. The Fund is exposed to credit risk on its debt instruments, derivative assets, cash and cash equivalents and other short term trade receivables. The Fund measures credit risk and lifetime ECLs related to the trade receivables using historical analysis and forward looking information in determining the ECL. The carrying amounts of financial assets represent the maximum credit exposure. All transactions executed by the Fund in listed securities are settled upon delivery using approved brokers. The risk of default is considered minimal as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase only once the broker has received the securities. The trade will fail if either party fails to meet its obligations. There is no significant credit risk related to the Fund's receivables.

The Fund has established various internal controls to help mitigate credit risk, including prior approval of all investments by the Advisor whose mandate includes conducting financial and other assessments of these investments on a regular basis. The Fund has also implemented policies which ensure that investments can only be made with counterparties that have a minimum acceptable credit rating.

E. Concentration Risk

The Fund is exposed to the possible risk inherent in the concentration of the investment portfolio in a small number of industries or investment sectors. The Manager moderates this risk through careful selection of securities in several investment sectors. At June 30, 2021, the percentages of the Fund's total net assets invested in each investment sector were as follows:

Sector	As a % of Net Assets June 30, 2021
Gold	62.2
Metals and Mining	19.8
Uranium	12.7
Precious Metals and Minerals	2.9
Total	97.6

6. Loan Payable

The non-revolving term credit facility in the maximum principal amount of $2.7 million is secured by a general security agreement. As at June 30, 2021, loans outstanding included bankers' acceptances with a face value of $1.95 million. The minimum and maximum loans outstanding during the period ended June 30, 2021 were $nil and $1.95 million, respectively. The Fund is subject to bank covenants on the loan payable and is in compliance with those covenants in 2021. Finance costs primarily relate to loan interest expenses.

7. Transaction Costs

Brokerage commissions and other transaction costs paid in connection with securities transactions during the period ended June 30, 2021 amounted to $nil. Brokerage commissions and other transaction costs are expensed and recorded in the Statement of Comprehensive Income.

8. Tax Shelter Identification and Partnership Account Numbers

The identification number issued for this tax shelter shall be included in any income tax return filed by the investor. Issuance of the identification number is for administration purposes only and does not in any way confirm the entitlement of an investor to claim any tax benefits associated with the tax shelter. The tax shelter number for the Fund is TS091637. The partnership account number for the Fund is 788991743RZ0001.

9. Related Party Transactions

The General Partner and the Advisor are each entitled to receive fees. The management fee and advisory fee are, in aggregate, equal to 2.0% per annum of the NAV of the Fund, calculated and payable monthly in arrears. These fees are recorded as Management Fee and Advisory Fee in the Statement of Comprehensive Income. At June 30, 2021, the management and advisory fees payable by the Fund were $43,146 and $2,271, respectively and are included in Accounts Payable and Accrued Liabilities. The General Partner also has a 0.01% beneficial interest in the Fund. The General Partner is reimbursed for reasonable costs related to maintaining the Fund and preparation and distribution of financial statements and other documents to the Limited Partners. The Advisor is entitled to a performance fee payable on the earlier of: (a) the business day prior to the date on which the assets of the Fund are exchanged on a tax-deferred basis for redeemable shares of one of the classes of Middlefield Mutual Funds Limited (the “Mutual Fund”), a mutual fund corporation; and (b) the business day immediately prior to the date of dissolution or termination (see Note 11) of the Fund (“Performance Fee Date”), equal to 20% of the amount that is equal to the product of: (i) the number of units outstanding on the Performance Fee Date; and (ii) the amount by which the NAV per unit on the Performance Fee Date and any distributions per unit paid during the period commencing on the date of the initial closing and ending on the Performance Fee Date exceeds, in the case of Class A Units, $26.50, and in the case of the Class F Units, $27.48. During the period ended June 30, 2021, agency fees paid to MCC amounted to $15,604.

10. Capital Management

The Fund’s capital is its net assets attributable to unitholders. The Fund’s objective when managing capital is to safeguard the Fund’s ability to continue as a going concern in order to provide returns for unitholders, maximize unitholder value and maintain financial strength.

The Fund manages and adjusts its capital in response to general economic conditions, the risk characteristics of the underlying assets and working capital requirements. Generally speaking, the Fund will reduce leverage when investments are likely to decrease in value. In order to maintain or adjust its capital structure, the Fund may repay debt under its loan facility or undertake other activities deemed appropriate under the specific circumstances.

11. Termination of Fund

The Fund is currently expected to dissolve on or about March 31, 2023 at which time the net assets will be allocated 99.99% to the Limited Partners and 0.01% to the General Partner; however, it is the current intention of the General Partner to propose prior to the dissolution that the Fund enter into an agreement with the Mutual Fund, whereby assets of the Fund would be exchanged for shares of one of the classes of the Mutual Fund, as determined by the General Partner based on the advice of the Advisor, on or about February 28, 2023. Upon dissolution, Limited Partners would then receive their pro rata share of the shares of one of the classes of the Mutual Fund. The completion of any such arrangement would be subject to the receipt of all necessary regulatory approvals.

12. Comparative Financial Statements

The Fund commenced operations on February 18, 2021. Accordingly, there are no comparative financial statements for the period ended June 30, 2020.

13. The outbreak of the novel coronavirus (COVID-19) has led to governments around the world enacting emergency measures that resulted in business disruptions, volatility in markets and a global economic slowdown. The Manager uses judgment in assessing the impact from such events on assumptions and estimates applied in reporting the assets and liabilities in the Fund’s financial statements at June 30, 2021. The duration and full extent of impact of the COVID-19 pandemic are unknown at the reporting date and it is therefore not possible to reliably estimate the entire impact on the financial results and position of the Fund in future periods.

EXCHANGE - TRADED FUNDS (ETFs)	TSX Stock Symbol
• Middlefield American Core Dividend ETF	ACZ
• Middlefield Healthcare & Life Sciences ETF	LS
• Middlefield Health & Wellness ETF	HWF
• Middlefield REIT INDEXPLUS ETF	IDR

TSX-LISTED FUNDS	
• Digital Consumer Dividend Fund	MDC.UN
• E Split Corp.	ENS | ENS.PR.A
• Global Dividend Growers Income Fund	GDG.UN
• Global Innovation Dividend Fund	BL.UN
• Global Real Estate & E-Commerce Dividend Fund	GEC.UN
• International Clean Power Dividend Fund	CLP.UN
• MBN Corporation	MBN
• Middlefield Can-Global REIT Income Fund	RCO.UN
• Middlefield Global Real Asset Fund	RA.UN
• MINT Income Fund	MID.UN
• Real Estate & E-Commerce Split Corp.	RS | RS.PR.A
• Sustainable Agriculture & Wellness Dividend Fund (commenced June 22, 2021)	AGR.UN
• Sustainable Infrastructure Dividend Fund	INF.UN
• Sustainable Innovation & Health Dividend Fund	SIH.UN

MIDDLEFIELD MUTUAL FUNDS TRUST FUNDS Series A Units	Fund Code FE/LL/DSC
• Global Healthcare Dividend Fund	MID 325/327/330
• INDEXPLUS Income Fund	MID 435/437/440
• Middlefield Global Infrastructure Fund	MID 510/519/520

Series F Units	
• Global Healthcare Dividend Fund	MID 326
• INDEXPLUS Income Fund	MID 436
• Middlefield Global Infrastructure Fund	MID 501

MIDDLEFIELD MUTUAL FUNDS CORPORATE CLASS FUNDS Series A Shares	Fund Code FE/LL/DSC
• Middlefield Canadian Dividend Growers Class	MID 148/449/450
• Middlefield Global Agriculture Class	MID 161/163/166
• Middlefield Global Dividend Growers Class	MID 181/183/186
• Middlefield Global Real Estate Class	MID 600/649/650
• Middlefield Global Sustainable Energy Class	MID 125/127/130
• Middlefield High Interest Income Class	MID 400/424/425
• Middlefield Income Plus Class	MID 800/849/850
• Middlefield U.S. Dividend Growers Class	MID 710/719/720

Series F Shares	
• Middlefield Canadian Dividend Growers Class	MID 149
• Middlefield Global Agriculture Class	MID 162
• Middlefield Global Dividend Growers Class	MID 182
• Middlefield Global Real Estate Class	MID 601
• Middlefield Global Sustainable Energy Class	MID 126
• Middlefield Income Plus Class	MID 801
• Middlefield U.S. Dividend Growers Class	MID 701

RESOURCE FUNDS	
• MRF 2021 Resource Limited Partnership	

INTERNATIONAL FUNDS	
• Middlefield Canadian Income PCC	London UK Stock Exchange (LSE) Symbol:MCT

Directors

Dean Orrico
President and
Chief Executive Officer
Middlefield Capital Corporation

Jeremy T. Brasseur
President and
Chief Executive Officer
Middlefield Group Limited

Robert F. Lauzon, CFA
Managing Director and
Deputy Chief Investment Officer
Middlefield Capital Corporation

Dennis da Silva
Managing Director
Resource Group
Middlefield Capital Corporation

Independent Review Committee

George S. Dembroski
Former Vice-Chairman
RBC Dominion Securities Limited

H. Roger Garland, CPA, CA
Former Vice-Chairman
Four Seasons Hotels Inc.

Bernard I. Ghert (Chairman)
Former Chairman
Mount Sinai Hospital

Edward V. Jackson
Former Managing Director
RBC Capital Markets

Advisors

Middlefield Capital Corporation
SSR, LLC

Officers

Polly Tse, CPA, CGA, CPA (IL)
Chief Financial Officer
Middlefield Capital Corporation

Francis Ramirez
Chief Executive Officer
Middlefield Limited

Catherine Rebuldela, CPA, CGA
Chief Financial Officer
Middlefield Limited

Henry Lee
President
Middlefield Realty Services Limited

Victor Ngai
President
MF Properties Limited

Nancy Tham
Managing Director, Sales and Marketing
Middlefield Capital Corporation

Vincenzo Greco
Managing Director, Trading
Middlefield Capital Corporation

Craig Rogers, CPA, CGA, CFA
Managing Director, Corporate Development
Middlefield Capital Corporation

Shane Obata, CFA, MFin
Executive Director, Investments
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Anthony Tavella, MBA, MFin
Executive Director, International
Middlefield Group

Vince Kraljevic, CFA
Executive Director, Corporate Development
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Shiranee Gomez
Senior Vice-President
Middlefield Group

Gabriel Soler
Senior Vice-President
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Nicole S. Brasseur
Vice-President
Middlefield Group

Stephen Chamberlain
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Stacy J. Crestohl
Vice-President
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Judy Marks
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Sarah Roberts, CPA, CMA
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Assistant Vice-President
Middlefield Group

Rose Espinoza
Assistant Vice-President
Middlefield Group

Scott Hu
Associate
Middlefield Group

Ken Lai
Accountant
Middlefield Group

Auditor

Deloitte LLP, Chartered
Professional Accountants
RSM Canada LLP

Legal Counsel

Bennett Jones
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