

Interim Unaudited Financial Statements

For the Six-Month Period Ended September 30, 2018

These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance (“MRFP”) of the investment fund. You may obtain a copy of the Interim MRFP, at no cost, by contacting us using one of the methods noted under Fund Formation and Series Information or by visiting the SEDAR website at www.sedar.com. Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above.

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.

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

Mackenzie Financial Corporation, the Manager of the Fund appoints independent auditors to audit the Fund’s Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice.

The Fund’s independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.



MACKENZIE CANADIAN RESOURCE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

SECTOR FUND

STATEMENTS OF FINANCIAL POSITION

*In thousands (except per security figures)
As at*

	Sep. 30 2018	Mar. 31 2018 (Audited)		Sep. 30 2018	Mar. 31 2018 (Audited)
	\$	\$		\$	\$
ASSETS			Net assets attributable to securityholders		
Current assets			per security (note 3)		
Investments at fair value	656,601	666,726	Series A	21.36	20.26
Cash and cash equivalents	14,753	5,367	Series D	9.01	8.51
Accrued interest receivable	973	1,032	Series F	14.10	13.28
Dividends receivable	1,210	713	Series FB	12.31	11.61
Accounts receivable for investments sold	3,636	4,082	Series G	9.64	9.11
Accounts receivable for securities issued	28	116	Series I	13.15	12.43
Due from manager	–	6	Series J	7.88	7.46
Margin on futures contracts	11	11	Series O	27.67	25.91
Total assets	677,212	678,053	Series PW	8.68	8.22
			Series PWF	–	7.54
			Series PWFB	9.65	9.08
			Series PWX	9.43	8.83
			Series R	8.15	7.63
			Series S	20.44	19.14
			Quadrus Series	15.66	14.85
			H Series	18.62	17.56
			HW Series	9.65	–
			L Series	8.63	8.17
			N Series	9.30	8.71
			QF Series	9.81	9.25
			QFW Series	9.65	–
			Series LB	7.74	7.34
			Series LW	10.21	9.67
LIABILITIES					
Current liabilities					
Accounts payable for investments purchased	8,762	1,772			
Accounts payable for securities redeemed	767	1,186			
Due to manager	–	25			
Liability for options written	2,137	–			
Total liabilities	11,666	2,983			
Net assets attributable to securityholders	665,546	675,070			
Net assets attributable to securityholders					
per series (note 3)					
Series A	81,610	102,893			
Series D	711	865			
Series F	7,599	5,210			
Series FB	16	68			
Series G	157	166			
Series I	372	352			
Series J	41	42			
Series O	8,023	7,668			
Series PW	29,704	13,426			
Series PWF	–	2,078			
Series PWFB	170	93			
Series PWX	906	894			
Series R	38,218	39,922			
Series S	433,548	435,619			
Quadrus Series	44,537	46,301			
H Series	2,300	2,275			
HW Series	64	–			
L Series	10,994	11,248			
N Series	4,883	4,174			
QF Series	740	804			
QFW Series	14	–			
Series LB	699	724			
Series LW	240	248			

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



MACKENZIE
Investments

MACKENZIE CANADIAN RESOURCE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

SECTOR FUND

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended September 30 (note 1)
In thousands (except per security figures)

	2018	2017		2018	2017
	\$	\$		\$	\$
Income			QF Series	54	(39)
Dividends	5,725	4,084	QFW Series	1	–
Interest income	1,111	359	Series LB	42	(120)
Other changes in fair value of investments and other net assets			Series LW	15	–
Net realized gain (loss)	30,373	20,574	Increase (decrease) in net assets attributable to securityholders from operations per security		
Net unrealized gain (loss)	11,336	(84,536)	Series A	1.62	(1.92)
Total income (loss)	48,545	(59,519)	Series D	0.65	(0.76)
			Series F	0.42	(1.10)
Expenses (note 6)			Series FB	2.53	(1.66)
Management fees	2,010	2,359	Series G	0.55	(0.86)
Management fee rebates	(13)	(14)	Series I	0.73	(1.09)
Administration fees	336	388	Series J	0.48	(0.62)
Interest charges	14	23	Series O	1.77	(2.06)
Commissions and other portfolio transaction costs	662	447	Series PW	(0.10)	(0.86)
Independent Review Committee fees	1	1	Series PWF	0.94	(0.68)
Other	3	2	Series PWFB	0.21	(0.83)
Expenses before amounts absorbed by Manager	3,013	3,206	Series PWX	0.63	(0.70)
Expenses absorbed by Manager	–	–	Series R	0.60	(0.48)
Net expenses	3,013	3,206	Series S	1.41	(1.55)
Increase (decrease) in net assets attributable to securityholders from operations before tax	45,532	(62,725)	Quadrus Series	0.89	(1.43)
Foreign withholding taxes	229	368	H Series	1.11	(1.55)
Foreign income taxes paid (recovered)	–	–	HW Series	(0.10)	–
Increase (decrease) in net assets attributable to securityholders from operations	45,303	(63,093)	L Series	0.48	(0.73)
Increase (decrease) in net assets attributable to securityholders from operations per series			N Series	0.63	(0.60)
Series A	7,024	(11,942)	QF Series	0.67	(0.59)
Series D	56	(72)	QFW Series	0.18	–
Series F	205	(442)	Series LB	0.43	(0.72)
Series FB	6	(6)	Series LW	0.62	–
Series G	10	(20)			
Series I	20	(33)			
Series J	3	(3)			
Series O	522	(582)			
Series PW	(268)	(1,392)			
Series PWF	254	(139)			
Series PWFB	2	(8)			
Series PWX	63	(66)			
Series R	2,804	(2,275)			
Series S	30,733	(39,336)			
Quadrus Series	2,661	(5,095)			
H Series	142	(213)			
HW Series	(1)	–			
L Series	637	(1,055)			
N Series	318	(255)			

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



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MACKENZIE CANADIAN RESOURCE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

SECTOR FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended September 30 (note 1)
In thousands

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series A		Series D		Series F		Series FB		Series G	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	102,893	159,045	865	920	5,210	6,812	68	107	166	234
Increase (decrease) in net assets from operations	7,024	(11,942)	56	(72)	205	(442)	6	(6)	10	(20)
Distributions paid to securityholders:										
Investment income	-	-	-	-	-	-	-	-	-	-
Capital gains	-	-	-	-	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	-	-	-	-	-	-	-	-	-	-
Security transactions:										
Proceeds from securities issued	2,729	4,589	67	84	2,906	600	9	99	-	-
Reinvested distributions	-	-	-	-	-	-	-	-	-	-
Payments on redemption of securities	(31,036)	(31,798)	(277)	(130)	(722)	(1,647)	(67)	(155)	(19)	(16)
Total security transactions	(28,307)	(27,209)	(210)	(46)	2,184	(1,047)	(58)	(56)	(19)	(16)
Total increase (decrease) in net assets	(21,283)	(39,151)	(154)	(118)	2,389	(1,489)	(52)	(62)	(9)	(36)
End of period	81,610	119,894	711	802	7,599	5,323	16	45	157	198
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	5,080	7,125	102	99	392	470	6	8	18	23
Issued	123	221	7	10	196	44	-	8	-	-
Reinvested distributions	-	-	-	-	-	-	-	-	-	-
Redeemed	(1,383)	(1,484)	(30)	(15)	(49)	(116)	(5)	(12)	(2)	(1)
Securities outstanding – end of period	3,820	5,862	79	94	539	398	1	4	16	22
	Series I		Series J		Series O		Series PW		Series PWF	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	352	425	42	82	7,668	8,105	13,426	2,041	2,078	596
Increase (decrease) in net assets from operations	20	(33)	3	(3)	522	(582)	(268)	(1,392)	254	(139)
Distributions paid to securityholders:										
Investment income	-	-	-	-	-	-	-	-	-	-
Capital gains	-	-	-	-	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-	(3)	(2)	-	-
Total distributions paid to securityholders	-	-	-	-	-	-	(3)	(2)	-	-
Security transactions:										
Proceeds from securities issued	-	-	-	-	471	218	18,781	15,874	43	1,276
Reinvested distributions	-	-	-	-	-	-	1	1	-	-
Payments on redemption of securities	-	(16)	(4)	(36)	(638)	(365)	(2,233)	(2,115)	(2,375)	(82)
Total security transactions	-	(16)	(4)	(36)	(167)	(147)	16,549	13,760	(2,332)	1,194
Total increase (decrease) in net assets	20	(49)	(1)	(39)	355	(729)	16,278	12,366	(2,078)	1,055
End of period	372	376	41	43	8,023	7,376	29,704	14,407	-	1,651
Increase (decrease) in fund securities (note 7):										
Securities outstanding – beginning of period	28	31	6	10	296	287	1,634	226	276	72
Issued	-	-	-	-	17	8	2,038	1,767	5	156
Reinvested distributions	-	-	-	-	-	-	-	-	-	-
Redeemed	-	(1)	(1)	(4)	(23)	(14)	(250)	(254)	(281)	(11)
Securities outstanding – end of period	28	30	5	6	290	281	3,422	1,739	-	217

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

MACKENZIE CANADIAN RESOURCE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

SECTOR FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended September 30 (note 1)
In thousands

	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Series PWF		Series PWX		Series R		Series S		Quadrus Series	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	93	–	894	926	39,922	36,667	435,619	543,805	46,301	60,894
Increase (decrease) in net assets from operations	2	(8)	63	(66)	2,804	(2,275)	30,733	(39,336)	2,661	(5,095)
Distributions paid to securityholders:										
Investment income	–	–	–	–	–	–	–	–	–	–
Capital gains	–	–	–	–	–	–	–	–	–	–
Management fee rebates	–	–	–	–	–	–	–	–	(9)	(11)
Total distributions paid to securityholders	–	–	–	–	–	–	–	–	(9)	(11)
Security transactions:										
Proceeds from securities issued	77	101	2	4	1,647	7,192	13,191	12,333	1,218	2,013
Reinvested distributions	–	–	–	–	–	–	–	–	5	11
Payments on redemption of securities	(2)	–	(53)	(34)	(6,155)	(1,057)	(45,995)	(36,792)	(5,639)	(5,908)
Total security transactions	75	101	(51)	(30)	(4,508)	6,135	(32,804)	(24,459)	(4,416)	(3,884)
Total increase (decrease) in net assets	77	93	12	(96)	(1,704)	3,860	(2,071)	(63,795)	(1,764)	(8,990)
End of period	170	93	906	830	38,218	40,527	433,548	480,010	44,537	51,904
Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	10	–	101	96	5,231	4,407	22,757	26,058	3,118	3,715
Issued	8	10	–	–	200	985	638	645	75	131
Reinvested distributions	–	–	–	–	–	–	–	–	–	1
Redeemed	–	–	(5)	(3)	(741)	(142)	(2,181)	(1,906)	(348)	(388)
Securities outstanding – end of period	18	10	96	93	4,690	5,250	21,214	24,797	2,845	3,459
	H Series		HW Series		L Series		N Series		QF Series	
	\$		\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS										
Beginning of period	2,275	2,703	–	–	11,248	13,008	4,174	3,757	804	620
Increase (decrease) in net assets from operations	142	(213)	(1)	–	637	(1,055)	318	(255)	54	(39)
Distributions paid to securityholders:										
Investment income	–	–	–	–	–	–	–	–	–	–
Capital gains	–	–	–	–	–	–	–	–	–	–
Management fee rebates	(1)	(1)	–	–	–	–	–	–	–	–
Total distributions paid to securityholders	(1)	(1)	–	–	–	–	–	–	–	–
Security transactions:										
Proceeds from securities issued	29	47	65	–	638	1,205	942	1,273	60	249
Reinvested distributions	1	1	–	–	–	–	–	–	–	–
Payments on redemption of securities	(146)	(151)	–	–	(1,529)	(1,278)	(551)	(402)	(178)	(108)
Total security transactions	(116)	(103)	65	–	(891)	(73)	391	871	(118)	141
Total increase (decrease) in net assets	25	(317)	64	–	(254)	(1,128)	709	616	(64)	102
End of period	2,300	2,386	64	–	10,994	11,880	4,883	4,373	740	722
Increase (decrease) in fund securities (note 7):	Securities		Securities		Securities		Securities		Securities	
Securities outstanding – beginning of period	130	141	–	–	1,377	1,450	479	396	87	61
Issued	2	2	7	–	71	146	104	145	5	28
Reinvested distributions	–	–	–	–	–	–	–	–	–	–
Redeemed	(8)	(8)	–	–	(174)	(153)	(58)	(45)	(17)	(11)
Securities outstanding – end of period	124	135	7	–	1,274	1,443	525	496	75	78

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

MACKENZIE CANADIAN RESOURCE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

SECTOR FUND

STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

For the periods ended September 30 (note 1)
In thousands

	2018	2017	2018	2017	2018	2017	2018	2017
	QFW Series		Series LB		Series LW		Total	
	\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS								
Beginning of period	-	-	724	1,374	248	-	675,070	842,121
Increase (decrease) in net assets from operations	1	-	42	(120)	15	-	45,303	(63,093)
Distributions paid to securityholders:								
Investment income	-	-	-	-	-	-	-	-
Capital gains	-	-	-	-	-	-	-	-
Management fee rebates	-	-	-	-	-	-	(13)	(14)
Total distributions paid to securityholders	-	-	-	-	-	-	(13)	(14)
Security transactions:								
Proceeds from securities issued	23	-	1	107	5	-	42,904	47,264
Reinvested distributions	-	-	-	-	-	-	7	13
Payments on redemption of securities	(10)	-	(68)	(149)	(28)	-	(97,725)	(82,239)
Total security transactions	13	-	(67)	(42)	(23)	-	(54,814)	(34,962)
Total increase (decrease) in net assets	14	-	(25)	(162)	(8)	-	(9,524)	(98,069)
End of period	14	-	699	1,212	240	-	665,546	744,052
Increase (decrease) in fund securities (note 7):								
Securities outstanding – beginning of period	-	-	99	170	26	-		
Issued	2	-	-	13	-	-		
Reinvested distributions	-	-	-	-	-	-		
Redeemed	(1)	-	(9)	(20)	(3)	-		
Securities outstanding – end of period	1	-	90	163	23	-		

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

MACKENZIE CANADIAN RESOURCE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

SECTOR FUND

STATEMENTS OF CASH FLOWS

For the periods ended September 30 (note 1)
In thousands

	2018	2017
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	45,303	(63,093)
Adjustments for:		
Net realized loss (gain) on investments	(21,160)	(20,574)
Change in net unrealized loss (gain) on investments	(11,336)	84,536
Purchase of investments	(118,085)	(109,107)
Proceeds from sale and maturity of investments	170,283	144,125
Change in accrued interest receivable	59	918
Change in dividends receivable	(497)	68
Change in due from manager	6	–
Change in due to manager	(25)	–
Net cash from operating activities	64,548	36,873
Cash flows from financing activities		
Proceeds from securities issued	22,732	28,623
Payments on redemption of securities	(77,884)	(63,139)
Distributions paid net of reinvestments	(6)	(1)
Net cash from financing activities	(55,158)	(34,517)
Net increase (decrease) in cash and cash equivalents	9,390	2,356
Cash and cash equivalents at beginning of period	5,367	(1,089)
Effect of exchange rate fluctuations on cash and cash equivalents	(4)	2
Cash and cash equivalents at end of period	14,753	1,269
Cash	499	1,269
Cash equivalents	14,254	–
Cash and cash equivalents at end of period	14,753	1,269
Supplementary disclosures on cash flow from operating activities:		
Dividends received	5,228	4,152
Foreign taxes paid	229	368
Interest received	1,170	1,277
Interest paid	14	23

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MACKENZIE CANADIAN RESOURCE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

SECTOR FUND

SCHEDULE OF INVESTMENTS

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS					
Jupiter Resources Inc. 8.50% 10-01-2022 Callable 144A	Canada	Corporate - Non Convertible	USD 18,000,000	19,046	11,487
Total bonds				19,046	11,487
EQUITIES					
Advantage Oil & Gas Ltd.	Canada	Energy	5,000,000	24,496	18,000
Africa Oil Corp.	Canada	Energy	2,500,000	4,540	3,650
AngloGold Ashanti Ltd. ADR	South Africa	Materials	1,350,000	18,862	14,969
ARC Resources Ltd.	Canada	Energy	575,000	7,702	8,280
Aston Bay Holdings Ltd.	Canada	Materials	3,950,000	1,365	474
Baytex Energy Corp.	Canada	Energy	2,000,000	11,601	7,500
Belgravia Capital International Inc.	Canada	Materials	16,641,000	5,179	499
Bernum Petroleum Ltd. Private Placement	Canada	Energy	220,000	286	286
BlackPearl Resources Inc.	Canada	Energy	1,749,591	2,402	2,065
Bonavista Energy Corp.	Canada	Energy	6,500,000	22,245	9,685
Brazil Potash Corp. Private Placement	Canada	Materials	2,255,000	2,262	8,742
Buried Hill Energy (Cyprus) Public Co. Ltd. Private Placement	Canada	Energy	8,931,333	18,466	17,082
California Resources Corp.	United States	Energy	350,000	5,547	21,950
Callon Petroleum Co.	United States	Energy	425,000	6,126	6,585
Canadian Natural Resources Ltd.	Canada	Energy	500,000	20,280	21,100
Canfor Corp.	Canada	Materials	275,000	5,995	6,622
Capstone Mining Corp.	Canada	Materials	998,700	872	789
Cardinal Energy Ltd.	Canada	Energy	1,700,000	10,651	9,061
Carrizo Oil & Gas Inc.	United States	Energy	750,000	21,788	24,424
Cascades Inc.	Canada	Materials	650,000	8,827	8,197
China Metal Recycling (Holdings) Ltd.	Hong Kong	Materials	15,000,000	17,903	–
Conifex Timber Inc.	Canada	Materials	900,000	5,350	3,717
Copper Mountain Mining Corp. Purchase Warrants Exp. 08-03-2019	Canada	Materials	450,000	–	196
Copper Mountain Mining Corp.	Canada	Materials	4,493,657	5,602	5,303
Coro Mining Corp.	Canada	Materials	45,870,823	3,830	2,752
Crown Holdings Inc.	United States	Materials	60,000	3,573	3,722
Cuda Oil and Gas Inc. Warrant Exp. 08-14-2020	Canada	Energy	49,612	–	29
Cuda Oil and Gas Inc.	Canada	Energy	426,903	1,916	1,537
Detour Gold Corp.	Canada	Materials	1,250,000	20,006	13,050
Eastman Chemical Co.	United States	Materials	25,000	3,236	3,092
EastSiberian PLC	Canada	Energy	246,083	12	–
Enerplus Corp.	Canada	Energy	850,000	9,249	13,558
Eni SPA ADR	Italy	Energy	200,000	8,211	9,734
Essential Energy Services Ltd.	Canada	Energy	7,500,000	16,313	3,900
First Quantum Minerals Ltd.	Zambia	Materials	1,750,000	21,310	25,742
Fox River Resources Corp.	Canada	Materials	2,793,600	84	182
Front Range Resources Ltd.	Canada	Energy	2,000,000	1,400	150
Galaxy Resources Ltd.	Australia	Materials	867,213	1,726	2,017
Glencore PLC	Switzerland	Materials	1,750,000	4,697	9,775
Global Energy Ventures Ltd.	Australia	Energy	109,758	46	22
Gran Tierra Energy Inc.	Canada	Energy	700,000	3,261	3,444
Halliburton Co.	United States	Energy	145,000	8,166	7,595
Handa Copper Corp.	Canada	Materials	368,000	31	25
Hochschild Mining PLC	Peru	Materials	960,000	3,674	2,647



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SECTOR FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Hornbeck Offshore Services Inc.	United States	Energy	1,186,327	23,621	9,015
International Paper Co.	United States	Materials	40,000	2,774	2,541
Itafos	Brazil	Materials	64,930	179	94
Lundin Gold Inc.	Canada	Materials	873,465	4,905	4,219
LyondellBasell Industries NV Class A	United States	Materials	25,000	2,851	3,312
Mountain Province Diamonds Inc.	Canada	Materials	2,000,000	9,895	5,440
MRC Global Inc.	United States	Industrials	625,000	12,211	15,160
Neo Lithium Corp.	Canada	Materials	2,183,333	2,620	2,336
Neo Performance Materials Inc.	Canada	Materials	125,000	2,250	2,250
Noble Energy Inc.	United States	Energy	600,000	24,296	24,183
Nutrien Ltd.	Canada	Materials	240,000	15,655	17,899
NuVista Energy Ltd.	Canada	Energy	400,000	3,240	3,000
Orocobre Ltd.	Australia	Materials	285,000	1,371	1,123
Painted Pony Energy Ltd.	Canada	Energy	1,271,783	5,401	4,171
Pan American Silver Corp.	Canada	Materials	300,000	6,382	5,712
Patterson-UTI Energy Inc.	United States	Energy	225,000	5,573	4,975
PDC Energy Inc.	United States	Energy	50,000	3,193	3,164
Petroleo Brasileiro SA - Petrobras ADR	Brazil	Energy	150,000	2,356	2,340
Petrowolf Resources LLC - Private Placement	United States	Energy	231	254	75
Petrus Resources Ltd.	Canada	Energy	778,824	3,518	724
Pieridae Energy Ltd.	Canada	Energy	2,250,000	3,543	7,313
Plains GP Holdings LP	United States	Energy	225,000	6,270	7,133
Pretium Resources Inc.	Canada	Materials	550,000	4,453	5,401
QEP Resources Inc.	United States	Energy	1,800,000	35,255	26,331
Range Energy Resources Inc. Purchase Warrants Exp. 01-18-2021	Canada	Energy	2,000,000	—	6
Range Energy Resources Inc. Purchase Warrants Exp. 11-06-2020	Canada	Energy	2,500,000	—	8
Range Energy Resources Inc. Purchase Warrants Exp. 12-30-2020	Canada	Energy	1,000,000	—	3
Range Energy Resources Inc.	Canada	Energy	33,045,000	1,046	165
Red Crescent Resources Ltd.	Turkey	Materials	6,718,671	—	—
Reliance Steel & Aluminum Co.	United States	Materials	65,000	5,064	7,164
Reunion Gold Corp. Purchase Warrants Exp. 09-19-2020	Canada	Materials	1,050,000	—	44
Reunion Gold Corp.	Canada	Materials	2,386,700	271	465
Royal Dutch Shell PLC A ADR	Netherlands	Energy	75,000	6,754	6,604
Rubicon Minerals Corp.	Canada	Materials	1,386,863	1,845	1,831
Secure Energy Services Inc.	Canada	Energy	1,750,000	17,340	14,805
Shear Diamonds Ltd.	Canada	Materials	38,500	—	—
Shield Energy Ltd. Private Placement	Canada	Energy	1,850,000	2,136	2,128
SM Energy Co.	United States	Energy	350,000	8,044	14,261
Steel Reef Infrastructure Corp. Private Placement	Canada	Energy	2,775,000	4,453	4,440
Storm Resources Ltd.	Canada	Energy	1,497,600	6,441	4,103
Surge Energy Inc.	Canada	Energy	4,100,000	13,741	10,865
Ternium SA ADR	Luxembourg	Materials	125,000	4,887	4,893
Tidewater Midstream and Infrastructure Ltd.	Canada	Energy	3,379,000	4,562	4,663
Titan Mining Corp.	Canada	Materials	1,600,000	2,240	2,144
Tourmaline Oil Corp.	Canada	Energy	950,000	27,209	21,603
TransCanada Corp.	Canada	Energy	75,000	4,108	3,920
Trident Exploration Corp.	Canada	Energy	699,368	213	265
Turquoise Hill Resources Ltd.	Canada	Materials	999,848	4,623	2,750



MACKENZIE
Investments

MACKENZIE CANADIAN RESOURCE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

SECTOR FUND

SCHEDULE OF INVESTMENTS (cont'd)

As at September 30, 2018

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Venuturion Oil Ltd. Private Placement	Canada	Energy	3,976,601	4,120	7,754
Warrior Met Coal Inc.	United States	Materials	75,000	2,647	2,621
West Fraser Timber Co. Ltd.	Canada	Materials	50,000	2,252	3,676
Western Energy Services Corp.	Canada	Energy	3,000,000	18,009	2,460
Western Forest Products Inc.	Canada	Materials	6,250,000	13,694	13,188
Westgold Resources Ltd. Bonus Option Exp. 06-30-2019	Australia	Materials	140,000	–	7
Westrock Co.	United States	Materials	125,000	9,135	8,633
Whitecap Resources Inc.	Canada	Energy	1,000,000	8,061	7,840
The Williams Companies Inc.	United States	Energy	625,000	16,037	21,961
WindRiver Power Corp. Dilution Warrants Exp. 02-19-2019	Canada	Utilities	334,000	–	–
WindRiver Power Corp. Private Placement	Canada	Utilities	1,834,000	2,751	2,751
Total equities				712,837	638,081
OPTIONS					
Options purchased (see schedule of options purchased)				15,137	7,033
Total options				15,137	7,033
Transaction costs				(1,332)	–
Total investments				745,688	656,601
Liability for options written (see schedule of options written)					(2,137)
Cash and cash equivalents					14,753
Other assets less liabilities					(3,671)
Total net assets					665,546



MACKENZIE
Investments

MACKENZIE CANADIAN RESOURCE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

SECTOR FUND

SUMMARY OF INVESTMENT PORTFOLIO

September 30, 2018	
Portfolio Allocation	% of NAV
Equities	96.7
<i>Equities</i>	95.9
<i>Purchased options</i>	1.1
<i>Written options</i>	(0.3)
Cash and short-term investments	2.2
Bonds	1.7
Other assets (liabilities)	(0.6)

Regional Allocation	
Regional Allocation	% of NAV
Canada	53.2
United States	33.1
Zambia	3.9
South Africa	2.2
Cash and short-term investments	2.2
Switzerland	1.5
Italy	1.5
Netherlands	1.0
Luxembourg	0.7
Australia	0.5
Peru	0.4
Brazil	0.4
Other assets (liabilities)	(0.6)

Sector Allocation	
Sector Allocation	% of NAV
Oil, gas and consumable fuels	55.2
Metals and mining	18.6
Energy equipment and services	6.4
Chemicals	5.4
Paper and forest products	4.1
Containers and packaging	3.5
Trading companies and distributors	2.3
Cash and short-term investments	2.2
Corporate bonds	1.7
Other	0.8
Independent power and renewable electricity producers	0.4
Other assets (liabilities)	(0.6)

March 31, 2018	
Portfolio Allocation	% of NAV
Equities	96.9
<i>Equities</i>	94.6
<i>Purchased options</i>	2.3
Bonds	1.8
Cash and short-term investments	0.8
Other assets (liabilities)	0.5

Regional Allocation	
Regional Allocation	% of NAV
Canada	56.1
United States	28.4
Zambia	4.7
Switzerland	2.8
South Africa	2.5
Italy	1.7
Ireland	1.0
Cash and short-term investments	0.8
Peru	0.5
Luxembourg	0.5
Other assets (liabilities)	0.5
Australia	0.4
Brazil	0.1

Sector Allocation	
Sector Allocation	% of NAV
Oil, gas and consumable fuels	48.9
Metals and mining	22.7
Paper and forest products	7.2
Energy equipment and services	5.8
Chemicals	5.6
Other	2.3
Containers and packaging	2.3
Corporate bonds	1.8
Trading companies and distributors	1.7
Cash and short-term investments	0.8
Other assets (liabilities)	0.5
Independent power and renewable electricity producers	0.4



MACKENZIE
Investments

MACKENZIE CANADIAN RESOURCE FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2018

SECTOR FUND

SCHEDULE OF OPTIONS PURCHASED

As at September 30, 2018

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000s)	Fair Value (\$ 000s)
Gold 100 OZ Future	350	Call	Nov. 27, 2018	USD 1,100.00	10,072	4,378
iShares S&P/TSX Global Gold Index Fund	15,000	Call	Dec. 21, 2018	CAD 8.00	5,065	2,655
Total options					15,137	7,033

SCHEDULE OF OPTIONS WRITTEN

As at September 30, 2018

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Received (\$ 000s)	Fair Value (\$ 000s)
California Resources Corp.	(2,000)	Written Call	Oct. 19, 2018	USD 41.00	(930)	(2,137)
Total options					(930)	(2,137)



MACKENZIE
Investments

NOTES TO FINANCIAL STATEMENTS

1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2018 and 2017, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2018, as applicable. In the year a Fund or series is established or reinstated, 'period' represents the period from inception or reinstatement. Refer to Note 9 for the formation date of the Fund and the inception date of each series.

The Fund is organized as an open-ended mutual fund trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated from time to time. The address of the Fund's registered office is 180 Queen Street West, Toronto, Ontario, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. Series of the Fund are available for sale under Simplified Prospectus or exempt distribution options.

Mackenzie Financial Corporation ("Mackenzie") is the manager of the Fund and is wholly owned by IGM Financial Inc., a subsidiary of Power Financial Corporation, which itself is a subsidiary of Power Corporation of Canada. The Great-West Life Assurance Company, London Life Insurance Company and The Canada Life Assurance Company (collectively, the "Related Insurance Companies") are wholly owned by Great-West Lifeco Inc., which is also a subsidiary of Power Financial Corporation. Investments in companies within the Power Group of companies held by the Fund are identified in the Schedule of Investments.

2. Basis of Preparation and Presentation

These unaudited interim financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including international Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). These financial statements were prepared using the same accounting policies, critical accounting judgements and estimates as applied in the Fund's most recent audited annual financial statements for the year ended March 31, 2018. A summary of the Fund's significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional and presentation currency, and rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial assets and liabilities that have been measured at fair value.

These financial statements were authorized for issue by the Board of Directors of Mackenzie Financial Corporation on November 13, 2018.

Standards issued but not yet effective for the current accounting year, as applicable, are described in Note 3.

3. Significant Accounting Policies

(a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, open-ended investment funds and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9, *Financial Instruments* ("IFRS 9"). Upon initial recognition, financial instruments are classified as fair value through profit or loss ("FVTPL"). All financial instruments are recognized in the Statement of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial assets are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled and expires. As such, investment purchase and sale transactions are recorded as of the trade date.

Financial instruments are subsequently measured at FVTPL with changes in fair value recognized in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The Fund's redeemable securities contain multiple dissimilar contractual obligations and therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Fund, arising from financing activities. Changes in securities of the Fund, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the securities not settled in cash as at the end of the period are presented as either Accounts receivable for securities issued or Accounts payable for securities redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after year-end.

Realized and unrealized gains and losses on investments are calculated based on the weighted average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income – Commissions and other portfolio transaction costs.

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(a) Financial instruments (cont'd)

Gains and losses arising from changes in the fair value of the investments are included in the Statement of Comprehensive Income for the period in which they arise.

The Fund accounts for its holdings in unlisted open-ended investment funds and exchange-traded funds, if any, at FVTPL. Mackenzie has concluded that any unlisted open-ended investment fund and exchange-traded funds in which the Fund invests, do not meet either the definition of a structured entity or the definition of an associate.

(b) Fair value measurement

Fair value is defined as 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.

Investments listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Mackenzie determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Mackenzie's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

The cost of investments is determined on a weighted average cost basis.

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the Fund in the management of short-term commitments. Cash and cash equivalents are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position.

The Fund may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio manager(s), provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable. Refer to "Exemptions from National Instrument 81-102" in the Annual Information Form of the Fund for further details, including the complete conditions of these exemptions, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The value of futures contracts or swaps fluctuates daily, and cash settlements made daily, where applicable, by the Fund are equal to the unrealized gains or losses on a "mark to market" basis. These unrealized gains or losses are recorded and reported as such until the Fund closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on futures contracts or swaps. Any change in the variation margin requirement is settled daily.

Premiums received from writing options are included in the Statement of Financial Position as a liability and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received.

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at September 30, 2018.

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(c) Income recognition

Interest income from interest bearing investments is recognized using the effective interest method. Dividends are accrued as of the ex-dividend date. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income, realized gains (losses) on sale of investments or fee rebate income, as appropriate.

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

(d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, advisers, brokers and dealers. Commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 9. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

(e) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

Securities lending transactions are administered by Canadian Imperial Bank of Commerce (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statement of Comprehensive Income – Securities lending income and recognized when earned.

Note 9 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable.

(f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 9 summarizes the details of such offsetting, if applicable.

Income and expenses are not offset in the Statement of Comprehensive Income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the Fund.

(g) Foreign currency

The functional and presentation currency of the Fund is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

(h) Net assets attributable to securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

(i) Net asset value per security

The daily Net Asset Value ("NAV") of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators' ("CSA") regulations. The difference between NAV and Net assets attributable to securityholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities. Refer to Note 9 for the Fund's NAV per security.

NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(j) Increase (decrease) in net assets attributable to securityholders from operations per security

Increase (decrease) in net assets attributable to securityholders from operations per security in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to securityholders from operations for the period, divided by the weighted average number of securities outstanding during the period.

(k) Mergers

The Fund applies the acquisition method of accounting for Fund mergers. Under this method, one of the Funds in each merger is identified as the acquiring Fund, and is referred to as the Continuing Fund, and the other Fund involved in the merger is referred to as the Terminated Fund. This identification is based on the comparison of the relative net asset values of the Funds as well as consideration of the continuation of such aspects of the Continuing Fund as: investment advisors; investment objectives and practices; type of portfolio securities; and management fees and expenses.

4. Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to make estimates and assumptions that primarily affect the valuation of investments. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

Use of Estimates

Fair value of securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the Fund.

Use of Judgments

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie has assessed the Fund's business model, the manner in which all financial instruments are managed and performance evaluated as a group on a fair value basis, and concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation of the Fund's financial instruments.

Functional currency

The Fund's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration the manner in which securities are issued and redeemed and how returns and performance by the Fund are measured.

Structured entities and associates

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the Fund invests, but that it does not consolidate, meets the definitions of either a structured entity or of an associate, Mackenzie is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity or of an associate. Mackenzie has assessed the characteristics of these underlying funds and has concluded that they do not meet the definition of either a structured entity or of an associate because the Fund does not have contracts or financing arrangements with these underlying funds and the Fund does not have an ability to influence the activities of these underlying funds or the returns it receives from investing in these underlying funds.

5. Income Taxes

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its securityholders as at the end of the taxation year. It is the intention of the Fund to distribute all of its net income and sufficient net realized capital gains so that the Fund will not be subject to income taxes other than foreign withholding taxes, if applicable.

Losses of the Fund cannot be allocated to investors and are retained in the Fund for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 9 for the Fund's loss carryforwards.

NOTES TO FINANCIAL STATEMENTS

6. Management Fees and Operating Expenses

Mackenzie is paid a management fee for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Fund by investors. The management fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Each series of the Fund, except B-Series, is charged a fixed rate annual administration fee ("Administration Fee") and in return, Mackenzie bears all of the operating expenses of the Fund, other than certain specified fund costs. The Administration Fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Mackenzie Funds' Independent Review Committee (IRC), costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after the date of the most recently filed simplified prospectus, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after the date of the most recently filed simplified prospectus.

All expenses relating to the operation of the Fund attributable to B-Series securities will be charged to that particular series. Operating expenses include legal, audit, transfer agent, custodian, administration and trustee services, cost of financial reporting and Simplified Prospectus printing, regulatory filing fees and other miscellaneous expenses specifically attributable to the B-Series securities and any applicable taxes.

Mackenzie may waive or absorb management fees and/or Administration Fees at its discretion and stop waiving or absorbing such fees at any time without notice. Refer to Note 9 for the management fee and Administration Fee rates charged to each series of securities.

7. Fund's Capital

The capital of the Fund, which is comprised of the net assets attributable to securityholders, is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at September 30, 2018 and 2017 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the Fund in accordance with the investment objectives as discussed in Note 9.

8. Financial Instruments Risk

i. Risk exposure and management

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at September 30, 2018, grouped by asset type, with geographic and sector information.

Mackenzie seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund's investment objectives, and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, Mackenzie also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

ii. Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In accordance with securities regulations, the Fund must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold). In addition, the Fund retains sufficient cash and short-term investment positions to maintain adequate liquidity. The Fund also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

iii. Currency risk

Currency risk arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the Fund's reporting currency, fluctuates due to changes in exchange rates. Note 9 summarizes the Fund's exposure, if applicable and significant, to currency risk.

NOTES TO FINANCIAL STATEMENTS

8. Financial Instruments Risk (cont'd)

iv. Interest rate risk

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the Fund to significant amounts of interest rate risk. Note 9 summarizes the Fund's exposure, if applicable and significant, to interest rate risk.

v. Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps, and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the Fund continues to increase, without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the Fund. This risk is mitigated by ensuring that the Fund holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract. Note 9 summarizes the Fund's exposure, if applicable and significant, to other price risk.

vi. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Note 9 summarizes the Fund's exposure, if applicable and significant, to credit risk.

All transactions in listed securities are executed with approved brokers. To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position.

The Fund may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have a rating equivalent to a designated rating organization's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

vii. Underlying funds

The Fund may invest in underlying funds and may be indirectly exposed to currency risk, interest rate risk, other price risk and credit risk from fluctuations in the value of financial instruments held by the underlying funds. Note 9 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.

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NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s except for (a))

(a) Fund Formation and Series Information

Date of Formation January 3, 1978

The Fund may issue an unlimited number of securities of each series. The number of issued and outstanding securities of each series is disclosed in the Statements of Changes in Financial Position.

Series Offered by Mackenzie Financial Corporation (180 Queen Street West, Toronto, Ontario, M5V 3K1; 1-800-387-0614; www.mackenzieinvestments.com)

Series A securities are offered to retail investors investing a minimum of \$500.

Series D securities are offered to retail investors investing a minimum of \$500 through a discount brokerage or other account approved by Mackenzie.

Series F securities are offered to investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest at least \$500; they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie.

Series FB securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor.

Series O securities are offered only to investors investing a minimum of \$500,000 who are enrolled in Mackenzie Portfolio Architecture Service or Open Architecture Service; certain institutional investors; and certain qualifying employees of Mackenzie and its subsidiaries.

Series PW securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000.

Series PWFB securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor.

Series PWX securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor.

Series R securities are offered only to other affiliated funds and certain institutional investors in connection with fund-of-fund arrangements.

Series S securities are offered to the Related Insurance Companies and certain other mutual funds, but may be sold to other investors as determined by Mackenzie.

Series G securities are no longer available for sale, except for additional purchases by investors who have held these securities since December 11, 2017.

Series I and Series J securities are no longer available for sale.

Series PWF securities are no longer available for sale. Effective June 1, 2018, Series PWF securities were consolidated into Series F securities.

Series Distributed by Quadrus Investment Services Ltd. (255 Dufferin Ave., London, Ontario, N6A 4K1; 1-888-532-3322; www.quadrusgroupoffunds.com)

Quadrus Investment Services Ltd. ("Quadrus") is the principal distributor of the series of securities listed below:

Quadrus Series, H Series, HW Series, L Series, N Series, QF Series and QFW Series securities are no longer available for sale, except for additional purchases by investors who have held these securities since September 28, 2018.

Series Distributed by LBC Financial Services Inc. (1360 René-Lévesque Blvd. West, 13th Floor, Montréal, Québec H3G 0A9; 1-800-522-1846; www.laurentianbank.ca/mackenzie)

Series LB and Series LW securities are no longer available for sale, except for additional purchases by investors who have held these securities since December 11, 2017.

An investor in the Fund may choose among different purchase options that are available under each series. These purchase options are a sales charge purchase option, a redemption charge purchase option, various low-load purchase options and a no-load purchase option. The charges under the sales charge purchase option are negotiated by investors with their dealers. The charges under the redemption charge and low-load purchase options are paid to Mackenzie if an investor redeems securities of the Fund during specific periods. Not all purchase options are available under each series of the Fund, and the charges for each purchase option may vary among the different series. For further details on these purchase options, please refer to the Fund's Simplified Prospectus and Fund Facts.

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NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s except for (a)) (cont'd)

(a) Fund Formation and Series Information (cont'd)

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Sep. 30, 2018	Mar. 31, 2018
Series A	January 31, 1978	2.00%	0.26%	21.36	20.26
Series D	December 31, 2013	1.25%	0.20%	9.01	8.51
Series F	December 6, 1999	0.80% ⁽⁵⁾	0.15% ⁽⁸⁾	14.10	13.28
Series FB	October 26, 2015	1.00%	0.31%	12.31	11.61
Series G	April 1, 2005	1.50%	0.26%	9.64	9.11
Series I	October 25, 1999	1.35%	0.28%	13.15	12.43
Series J	December 7, 2010	1.75%	0.30%	7.88	7.47
Series O	August 28, 2001	— ⁽¹⁾	— *	27.67	25.91
Series PW	October 22, 2013	1.80% ⁽⁶⁾	0.15%	8.68	8.22
Series PWF	None issued ⁽¹⁰⁾	0.85%	0.15%	—	7.54
Series PWFB	April 3, 2017	0.80% ⁽⁷⁾	0.15%	9.65	9.08
Series PWX	January 3, 2014	— ⁽²⁾	— ⁽²⁾	9.43	8.83
Series R	July 3, 2007	— *	— *	8.15	7.63
Series S	August 9, 2002	— ⁽¹⁾	0.03%	20.44	19.14
Quadrus Series	August 9, 2002	2.00% ⁽³⁾	0.30%	15.66	14.85
H Series	August 9, 2002	1.00% ⁽⁴⁾	0.15% ⁽⁹⁾	18.62	17.56
HW Series	August 7, 2018	0.80%	0.15%	9.65	—
L Series	November 24, 2011	1.80%	0.15%	8.63	8.17
N Series	October 24, 2011	— ⁽¹⁾	— ⁽¹⁾	9.30	8.71
QF Series	July 12, 2016	1.00% ⁽⁴⁾	0.31%	9.81	9.25
QFW Series	August 7, 2018	0.80%	0.15%	9.65	—
Series LB	January 26, 2012	2.00%	0.26%	7.74	7.34
Series LW	December 1, 2017	1.85%	0.15%	10.21	9.68

* Not applicable.

- (1) This fee is negotiable and payable directly to Mackenzie by investors in this series.
- (2) This fee is payable directly to Mackenzie by investors in this series through redemptions of their securities.
- (3) Prior to February 28, 2018, the management fee for Quadrus Series was charged to the Fund at a rate of 2.10%.
- (4) Prior to February 28, 2018, the management fee for this series was charged to the Fund at a rate of 1.10%.
- (5) Prior to June 1, 2018, the management fee for Series F was charged to the Fund at a rate of 1.00%.
- (6) Prior to June 1, 2018, the management fee for Series PW was charged to the Fund at a rate of 1.85%.
- (7) Prior to June 1, 2018, the management fee for Series PWFB was charged to the Fund at a rate of 0.85%.
- (8) Prior to June 1, 2018, the administration fee for Series F was charged to the Fund at a rate of 0.20%.
- (9) Prior to June 28, 2018, the administration fee for H Series was charged to the Fund at a rate of 0.20%.
- (10) The series' original start date was May 14, 2014. All securities in the series were consolidated into Series F on June 1, 2018.

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NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s except for (a)) (cont'd)

(b) Investments by Mackenzie and Affiliates

As at September 30, 2018, Mackenzie, other funds managed by Mackenzie and Related Insurance Companies had an investment of \$527, \$38,218 and \$433,548 (March 31, 2018 – \$490, \$39,922 and \$435,619), respectively, in the Fund.

(c) Loss Carryforwards

As at the last taxation year-end, the following losses were available for carryforward for tax purposes. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Non-capital losses may be utilized to reduce future net income and realized capital gains and expire on December 15 of the years indicated.

Total Capital Loss \$	Total Non-Capital Loss \$	Expiration Date of Non-Capital Losses										
		2037	2036	2035	2034	2033	2032	2031	2030	2029	2028	2027
75,080	91	–	–	–	–	–	91	–	–	–	–	–

(d) Securities Lending

As at September 30, 2018 and March 31, 2018, the Fund did not have any open securities lending, repurchase or reverse repurchase transactions.

(e) Commissions

The value of third-party services paid for by brokers during the period, is disclosed in the table below:

	(\$)
September 30, 2018	53
September 30, 2017	10

(f) Investments Pledged as Collateral

As at September 30, 2018, investments in listed equities with a fair value of \$12,543 (March 31, 2018 – \$Nil) have been pledged as collateral against written options.

(g) Offsetting of Financial Assets and Liabilities

The table below presents financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the Fund's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

	September 30, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	–	–	–	–
Unrealized losses on derivative contracts	–	–	–	–
Liability for options written	(2,137)	–	–	(2,137)
Total	(2,137)	–	–	(2,137)

As at March 31, 2018, there were no amounts subject to offsetting.

(h) Risks Associated with Financial Instruments

i. Risk exposure and management

The Fund seeks above-average capital growth by investing primarily in equities of Canadian energy and natural resource companies. The Fund generally invests in both small- and large-capitalization companies. It may hold up to 49% of its assets in foreign investments.

MACKENZIE CANADIAN RESOURCE FUND

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NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s except for (a)) (cont'd)

(h) Risks Associated with Financial Instruments (cont'd)

ii. Currency risk

The table below indicates currencies to which the Fund had significant exposure as at period end in Canadian dollar terms, including the underlying principal amount of any derivative instruments. Other financial assets and liabilities (including accrued interest and dividends receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

September 30, 2018				
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	298,126	323	(2,137)	296,312
British pound	12,422	(323)	–	12,099
Australian dollar	3,169	–	–	3,169
Total	313,717	–	–	311,580
% of Net Assets	47.1	–	(0.3)	46.8

March 31, 2018				
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	259,986	–	–	259,986
British pound	22,818	–	–	22,818
Euro	6,541	–	–	6,541
Australian dollar	2,663	–	–	2,663
Total	292,008	–	–	292,008
% of Net Assets	43.3	–	–	43.3

* Includes both monetary and non-monetary financial instruments

As at September 30, 2018, had the Canadian dollar increased or decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased or increased, by approximately \$15,579 or 2.3% of total net assets (March 31, 2018 – \$14,600 or 2.2%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

As at September 30, 2018 and March 31, 2018, the Fund did not have a significant exposure to interest rate risk.

iv. Other price risk

The Fund's most significant exposure to price risk arises from its investment in equity securities and options. As at September 30, 2018, had the prices on the respective stock exchanges for these securities increased by 10%, with all other variables held constant, net assets would have increased by approximately \$69,409 or 10.4% (March 31, 2018 – \$71,557 or 10.6%) of total net assets. Similarly, had the prices on the respective stock exchanges for these securities decreased by 10%, with all other variables held constant, net assets would have decreased by approximately \$67,793 or 10.2% (March 31, 2018 – \$71,546 or 10.6%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

v. Credit risk

As at September 30, 2018 and March 31, 2018, the Fund did not have a significant exposure to credit risk.



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NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s except for (a)) (cont'd)

(i) Fair Value Classification

The table below summarizes the fair value of the Fund's financial instruments using the following fair value hierarchy:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The inputs are considered observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

	September 30, 2018				March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	11,487	–	11,487	–	12,143	–	12,143
Equities	594,272	–	43,809	638,081	561,304	31,995	45,565	638,864
Options	7,033	–	–	7,033	15,719	–	–	15,719
Derivative liabilities	(2,137)	–	–	(2,137)	–	–	–	–
Short-term investments	–	14,254	–	14,254	–	4,866	–	4,866
Total	599,168	25,741	43,809	668,718	577,023	49,004	45,565	671,592

The Fund's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for non-North American equities when North American intraday stock market movements exceed pre-determined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, during the period ended September 30, 2018, non-North American equities frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices).

As at September 30, 2018, these securities were classified as Level 1. As at March 31, 2018, fair value adjustments were applied to the majority of securities in non-North American markets (Level 2) that were closed on the last business day. The remaining non-North American securities were classified as Level 1. Other than as described above, there were no significant transfers between Level 1 and Level 2.

Other financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.

For the period ended September 30, 2018, equity positions with a fair value of \$Nil (March 31, 2018 – \$9) were transferred from Level 3 to Level 2 as a result of changes in the inputs used for valuation.

For the period ended September 30, 2018, equity positions with a fair value of \$1,750 (March 31, 2018 – \$10,359) were transferred from Level 3 to Level 1 and were primarily due to the conversion of holdings into actively-traded securities (Level 1).



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NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s except for (a)) (cont'd)

(i) Fair Value Classification (cont'd)

The table below presents a reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) for the periods ended September 30, 2018 and March 31, 2018:

	September 30, 2018	March 31, 2018
	Equities (\$)	Equities (\$)
Balance – beginning of period	45,565	52,567
Purchases	–	–
Sales	–	–
Transfers in	–	–
Transfers out	(1,750)	(10,359)
Gains (losses) during the period:		
Realized	–	(4)
Unrealized	(6)	3,361
Balance – end of period	43,809	45,565
Change in unrealized gains (losses) during the period attributable to securities held at end of period	54	(1,486)

Fair value of each Level 3 financial instrument is generally measured using unobservable market inputs with the best information available at the time. Various valuation techniques are utilized, depending on a number of factors including, key inputs and assumptions which are company specific and may include estimated discount rates and expected price volatilities.

The table below presents investments in the Fund whose fair values are determined based on valuation techniques that utilize unobservable market inputs. The effect of changing one or more of those inputs are indicated in the table below:

September 30, 2018				
Fair Value (\$)	Valuation Technique	Unobservable Input	Reasonable Possible Change in Input	Impact on Fair Value (\$)
8,742	Discount off financing	Financing discount	Zero discount	2,186
75	Discount off financing	Financing discount	+/-5%	+/-15

The remaining Level 3 investments of \$34,992 have been valued based on recent financing transactions, values of comparable indices and through incorporating observable market data and using standard market convention practices. If the value of these investments were to increase or decrease by 10%, the value of the Fund would increase or decrease by \$3,499.

March 31, 2018				
Fair Value (\$)	Valuation Technique	Unobservable Input	Reasonable Possible Change in Input	Impact on Fair Value (\$)
8,715	Discount off financing	Financing discount	Zero discount	2,179
149	Discount off financing	Financing discount	+/-5%	+/-15

The remaining Level 3 investments of \$36,701 have been valued based on recent financing transactions, values of comparable indices and through incorporating observable market data and using standard market convention practices. If the value of these investments were to increase or decrease by 10%, the value of the Fund would increase or decrease by \$3,670.



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