



RBC Canadian Small & Mid-Cap Resources Fund

Investment Objective

The fund invests primarily in small- and mid-cap equity securities of companies listed on an exchange in Canada within the Energy and Materials sector. The fund may invest no more than 10% of its assets in foreign securities.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF527

Inception Date	February 2015
Total Fund Assets \$Mil	304.5
Series A NAV \$	7.52
Series A MER %	2.02
Series A Adjusted MER %	1.98
Benchmark	S&P/TSX SmallCap Index (CAD)

Income Distribution	Annually
Capital Gains Distribution	Annually

Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

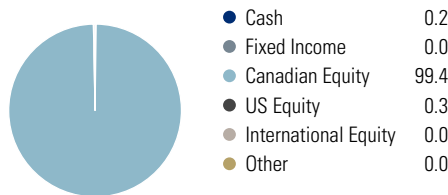
Fund Category	Natural Resources Equity
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Management Company	RBC Global Asset Management Inc.
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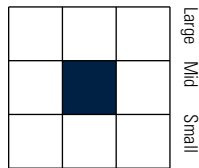
Web Site	www.rbcgam.com
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Portfolio Analysis as of May 31, 2017

Asset Mix



Equity Style



Value Blend Growth

Equity Statistics

P/B Ratio	1.5
P/E Ratio	15.6
Avg. Mkt Cap. \$B	2.5

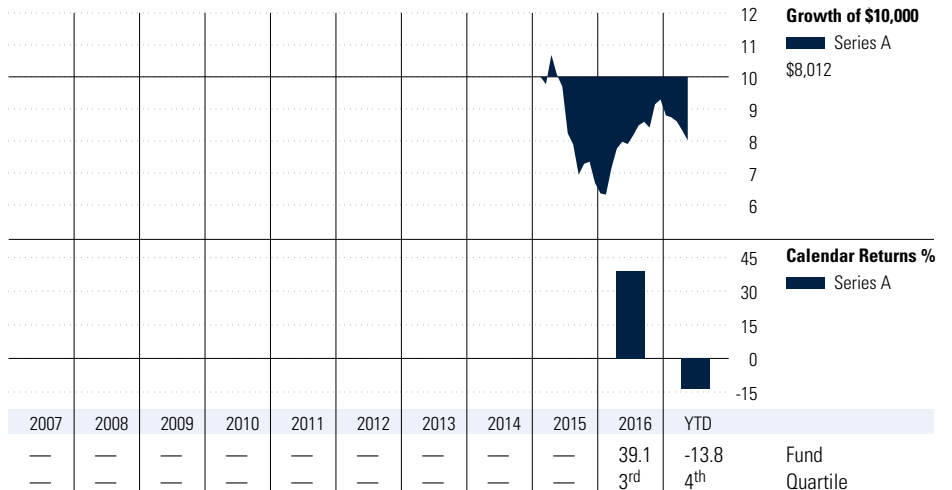
Global Equity Sectors

Sector	% Equity
Energy	68.7
Materials	31.3
Industrials	0.0
Consumer Discretionary	0.0
Consumer Staples	0.0
Health Care	0.0
Financials	0.0
Information Technology	0.0
Telecommunication Services	0.0
Utilities	0.0
Real Estate	0.0
Unclassified	0.0

Top 10 Holdings

Company	% Assets
Seven Generations Energy Ltd	9.2
Lundin Mining Corp	5.9
Parex Resources Inc	5.4
Vermilion Energy Inc	5.3
Enerplus Corp	4.3
Tourmaline Oil Corp	3.7
West Fraser Timber Co.Ltd	3.5
Peyto Exploration & Development Corp	3.4
Whitecap Resources Inc	3.4
Interfor Corp	3.3
Total % of Top 10 Holdings	47.4
Total Number of Stock Holdings	40
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	41

Performance Analysis as of May 31, 2017



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
-3.7	-8.3	-12.3	0.5	—	—	—	-11.3	Fund
3 rd	3 rd	4 th	3 rd	—	—	—	—	Quartile
149	149	149	147	114	94	59	—	No. of Funds in Category



RBC Canadian Small & Mid-Cap Resources Fund

Management Overview

Manager Bios

Chris Beer

RBC Global Asset Management Inc.

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

Brahm Spilfoegel

RBC Global Asset Management Inc.

Brahm Spilfoegel is Vice President and Senior Portfolio Manager, Global Equities. He has been in the investment industry since 1991.

Performance Analysis Cont'd as of May 31, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	—	—	0.07	—	—	—	—	—	—	—	—
Interest	—	—	0.00	—	—	—	—	—	—	—	—
Dividends	—	—	0.06	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2016	39.1	—	—	—	—	—	—
Worst	2-2016	-36.8	—	—	—	—	—	—
Average		5.2		—		—		—
No. of Periods		16		—		—		—
Pct. Positive		62.5		—		—		—

* Distributions are characterized into income type at year-end.

Quarterly Commentary as at March 31, 2017

The Energy sector delivered weak quarterly performance as the oil price was unable to maintain the momentum it had achieved in Q4. Concerns mounted that the global crude oil inventory levels would not draw down quickly. Natural gas prices fell sharply as weather became unsupportive. Canadian natural gas prices and producers experienced greater pricing pressure as the market became anxious about market access and competitiveness of the gas in the North American market.

The Fund was overweight the Energy sector, and our relative performance was negatively impacted by the significant exposure to Canadian natural gas producers, including Seven Generations, Birchcliff and Crew Energy. Performance was helped by our overweight position in Nexgen early on in the quarter which benefited from solid uranium prices.

The Materials sector performance was positive,

however the solid relative performance in the Metals & Mining subsector was not enough to offset the relative weakness created from an underweight exposure to the Containers and Packaging subsector, specifically CCL Industries. With solid gains in the copper prices, the overweight position in Lundin Mining contributed positively to performance. The manager continues to be positive near term zinc and medium term copper based on supply/demand fundamentals.

In the near term, geo-political events including the U.S.'s involvement in Syria and increased rhetoric against Russia and Iran could provide a floor to oil prices, however the market will be focused on seeing actual U.S. inventory improvements now that refinery maintenance season has ended. The portfolio manager's approach remains to invest in companies with high quality assets, strong management teams and the ability to finance growth projects.



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Disclosure

RBC Funds, BlueBay Funds, PH&N Funds and RBC Corporate Class Funds are offered by RBC Global Asset Management Inc. and distributed through authorized dealers.

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

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and estimates constitute RBC GAM's judgment as of the date of this document, are subject to change without notice and are provided in good faith but without legal responsibility. The Top Ten/25 Holdings may change due to ongoing portfolio transactions within the fund. The Prospectus and other information about the underlying investment funds are available at www.sedar.com.

MER (%) for RBC Funds and PH&N Funds is based on actual expenses for the full-year period, January 1 to December 31, 2016, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full-year period, April 1, 2016 to March 31, 2017, expressed on an annualized basis.

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

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

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

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

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

Quartile rankings are determined by Morningstar Research Inc., an independent research firm, based on categories maintained by the Canadian Investment Funds Standards Committee (CIFSC). Quartile rankings are comparisons of the performance of a fund to other funds in a particular category and are subject to change monthly. The quartiles divide the data into four equal segments expressed in terms of rank (1, 2, 3 or 4). This is the Morningstar quartile ranking of Series A and F units of the Fund as of April 30, 2017.

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