

Corporate Overview

Spartan, established in 2006, is a Toronto-based investment management company that specializes in niche investment strategies managed by experienced investment managers with proven track records. Spartan's infrastructure adheres to institutional standards with independent risk management and compliance, and well-known third party service providers. This allows our investment management teams to focus on investing and provides investors with the comfort that their money is being managed to the same standard as larger funds.

Fund Overview, Objectives and Strategy

The investment objective of the Goldenwise Multi Strategy Fund is to provide investors with absolute returns that have a low correlation with traditional asset classes, such as the S&P500. Goldenwise uses quantitative and behaviour analysis to identify short and mid-term market inefficiencies, mispricings and strong global macro trends, which it looks to profit from by utilizing quantitative strategies, such as Relative Value Long/Short, Volatility Arbitrage, Statistical Arbitrage, Spread Trading, Trend Following, and Global Macro.

Monthly Performance¹

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	S&P500	TSX	
2018	-0.79%	-0.49%												-1.28%	+1.50%	-4.73%
2017	-0.14%	-3.36%	+3.41%	+2.43%	+0.23%	+0.53%	+0.06%	+0.72%	-0.50%	-2.02%	+2.20%	+0.07%	+3.50%	+19.42%	+6.03%	
2016	+2.26%	+0.57%	-2.20%	+4.37%	+2.13%	-1.59%	-0.14%	+0.39%	+0.91%	+1.05%	+0.73%	+1.28%	+10.06%	+9.54%	+17.51%	
2015	-0.60%	+4.17%	+6.76%	+1.09%	-0.81%	-1.10%	-1.10%	+2.92%	+9.17%	+0.49%	+0.85%	+1.28%	+17.27%	-0.73%	-11.09%	
2014	+0.32%	-0.31%	+3.00%	+1.37%	+0.87%	+0.04%	-1.91%	+1.47%	+5.13%	-10.73%	+0.17%	+7.94%	+6.45%	+11.33%	+7.42%	
2013								+2.07%	-0.12%	+2.95%	+2.56%	+2.80%	+10.67%	+9.65%	+9.09%	

¹ Starting in Jul/17 returns are actual returns of the Fund's Class I C\$ units. Returns for Jan/17-Jun/17 are the unleveraged returns for the Goldenwise Hydra cell (which the Fund invests in). Returns for Aug/13-Dec/16 are capital-weighted composite returns of accounts managed by Goldenwise. All returns are net of management fees (2.00% pa) and performance fees (20%) and for Aug/13-Jun/17 are net of estimated operating expenses (0.50% pa). The monthly return for February 2018 includes a reimbursement by the manager for trading losses that were incurred due to forced liquidations under exceptional market circumstances, including a tripling of the margin requirement by futures exchanges and the collapse of leveraged inverse VIX-linked notes. Without the reimbursement, Goldenwise was -28.01%.

Statistics

	Goldenwise	S&P500	TSX
Cumulative Return (since inception)	55.37%	60.99%	23.67%
Annualized Compound Return	10.10%	10.96%	4.75%
Sharpe Ratio	0.95	1.11	0.63
Avg. Monthly Gain	2.13%	2.42%	1.63%
Avg. Monthly Loss	-2.00%	-2.19%	-1.90%
Max. Drawdown	10.73%	8.89%	17.94%
Annualized Std. Deviation	10.59%	9.88%	7.55%
% of Winning Months	69.09%	67.27%	65.45%
Correlation		-0.07	-0.11

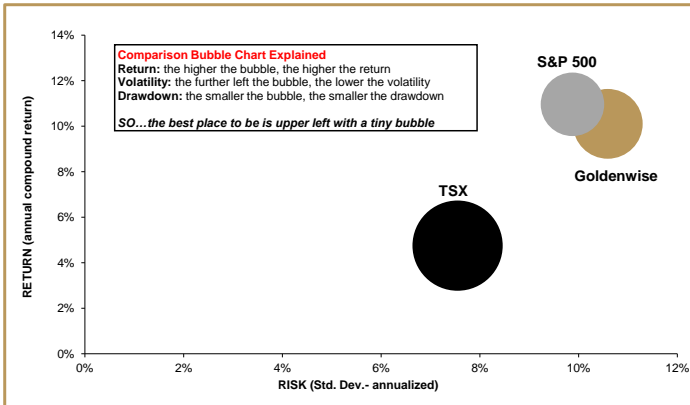
Fund Information

RSP Eligible?	Yes
Min. Investment	\$25,000
Invest/Redeem Frequency	Monthly
Lock-up Period	None
Early Redemption Fee	3% if < 6 months
Redemption Notice	30 days
'A' Class Fees (SPA1200)	2.50% + 20%
'F' Class Fees (SPA1202)	1.50% + 20%
Highwater Mark	Yes, no resets

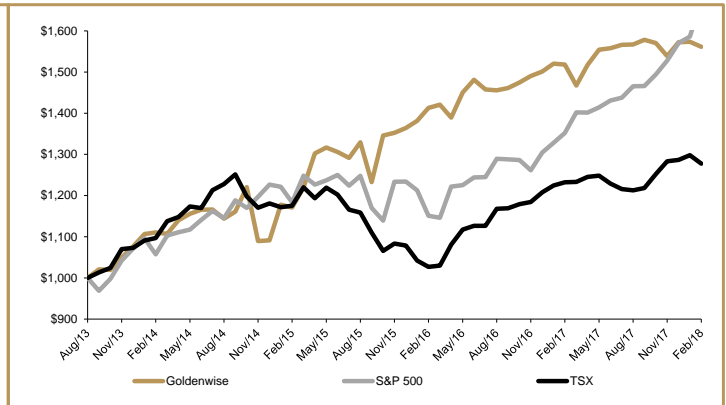
Service Providers

Manager	Spartan Fund Management Inc.
Portfolio Manager	Goldenwise Capital Management
Auditor	Deloitte LLP
Administrator	SGGG Fund Services
Legal Counsel	McMillan LLP

Risk-Return Comparison



Growth of \$1,000



Commentary

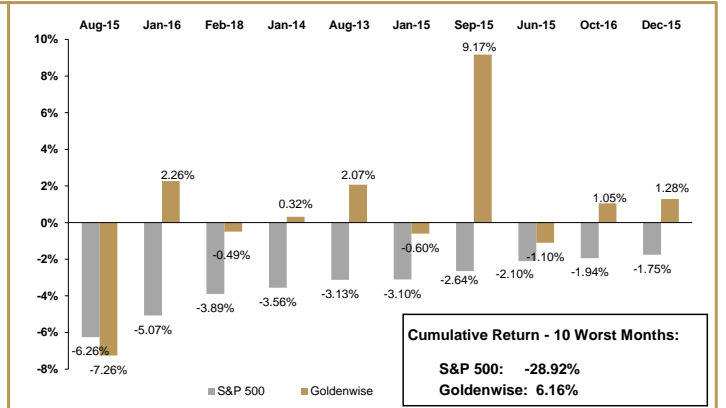
February, 2018 was a black month for most hedge funds, especially the ones that are focused on volatility markets. The destruction of short-volatility products such as the XIV and SVXY contributed to huge downward moves in the equity markets such that it had a significant negative impact on the performance of hedge funds focused on volatility and other strategies.

The long-lasting low VIX index was abruptly changed to a much higher volatility regime in a very short period of time. From Friday 2/2 to Monday 2/5, 1-month VIX increased from 15.2 to 29.81, a 96% increase in a single day, the largest one-day percentage move in history. With the distortion of XIV and SVXY, the 1-month VIX rose by 10 points, nearly 50% just in 15 mins from 4 to 4:15 pm on Feb 5th.

Now, the VIX ETN products are no longer dominant players in the volatility market. Volatility oriented funds are also negatively impacted. In the short run, the volatility hedge fund industry is going to undertake a recovery phase but in the medium to long run we see better opportunities for the new investors as the previous one-sided direction of the volatility market (short vol) has been dramatically reduced. There will be more trading and arbitrage opportunities available for the volatility funds with less crowded and competitive markets. We believe that volatility hedge funds are poised to repeat their outstanding performance in the near future like it did before 2014.

We encourage any investor with questions to directly reach out to us.

10 Worst S&P 500 Months



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