



Teraz fund



Spartan 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

Teraz invests in a diversified portfolio of Canadian small and micro-cap equities. The Fund is long-biased, taking long positions in early stage companies run by successful entrepreneurs, including start-ups, listed cash-rich shells, merger and acquisition candidates as well as deep fundamental value and turnaround opportunities.

Monthly Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	TSX Venture	TSX
2021	+0.20%	+5.46%	-8.37% ^e										-3.18% ^e	+8.82%	+7.27%
2020	-6.59%	-16.69%	-22.43%	+46.78%	+21.56%	+11.68%	+10.47%	+3.85%	-9.31%	-3.68%	+5.41%	+10.60%	+40.55%	+51.57%	+2.17%
2019	+5.87%	+6.74%	+3.66%	+0.49%	+2.56%	+5.93%	-3.43%	+2.37%	-3.33%	+1.30%	+5.73%	+20.14%	+57.24%	+3.65%	+19.13%
2018	-3.00%	-6.13%	-8.55%	-6.55%	+4.98%	-1.94%	+5.20%	-2.05%	+4.97%	-10.08%	-12.13%	+3.94%	-28.83%	-34.50%	-11.64%
2017	+7.60%	+21.34%	-0.24%	+2.87%	-0.48%	-5.23%	+1.55%	+10.91%	+2.74%	-5.87%	+1.84%	+1.57%	+42.37%	+11.59%	+6.03%
2016	-2.51%	+12.62%	+11.07%	+15.49%	+0.17%	+8.87%	+11.58%	+3.69%	+4.46%	-0.79%	+1.39%	-0.45%	+85.88%	+45.03%	+17.51%
2015	+1.08%	+2.67%	+2.53%	+1.68%	-3.00%	-0.66%	-7.03%	-7.46%	+4.95%	+2.61%	-6.06%	-0.65%	-9.84%	-24.42%	-11.09%
2014	+4.94%	+12.37%	+1.13%	+2.93%	-4.54%	+10.67%	-0.45%	-2.12%	-7.16%	-6.26%	-10.98%	-0.16%	-2.27%	-25.37%	+7.42%
2013	-1.17%	-6.63%	-1.24%	-3.41%	+2.45%	-3.08%	+3.59%	+3.84%	-2.04%	-0.26%	-0.64%	+0.83%	-7.95%	-23.69%	+9.55%
2012	+3.71%	-0.77%	+1.05%	-5.55%	-5.26%	-3.75%	+3.36%	+0.18%	+5.13%	-2.95%	-3.73%	-0.87%	-9.70%	-17.74%	+4.00%

^e refers to estimated returns, as opposed to final returns. The estimated returns for the current month are included in the calculation of all other returns and statistics. All returns and statistics are based on the Teraz Class 'F' units.

Statistics

	Teraz	TSX Venture	TSX
Monthly Return	-8.37%	-6.48%	3.55%
Last 12 Months Return	125.42%	143.99%	39.78%
Cumulative Return (since inception)	195.18%	-35.84%	56.42%
Annualized Compound Return	12.41%	-4.68%	4.96%
Sharpe Ratio	0.43	(0.20)	0.43
Avg. Monthly Gain	6.36%	5.31%	2.11%
Avg. Monthly Loss	-4.66%	-4.82%	-2.71%
Max. Drawdown	39.63%	76.64%	22.75%
Annualized Std. Deviation	28.60%	23.95%	11.61%
% of Winning Months	54.05%	45.95%	65.77%
Correlation		0.77	0.57

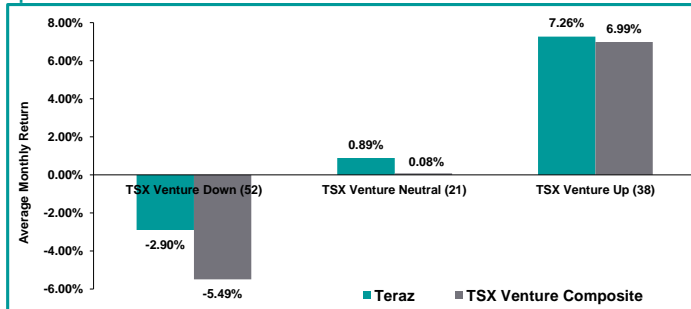
Fund Information

RSP Eligible?	Yes
Min. Investment/Subsequent	\$5,000
Invest/Redeem Frequency	Monthly
Lock-up Period	None
Early Redemption Fee	5% if <12 months
Redemption Notice	45 days
Management Fee	2.00%
Performance Fee	20%
Highwater Mark	Yes, no resets

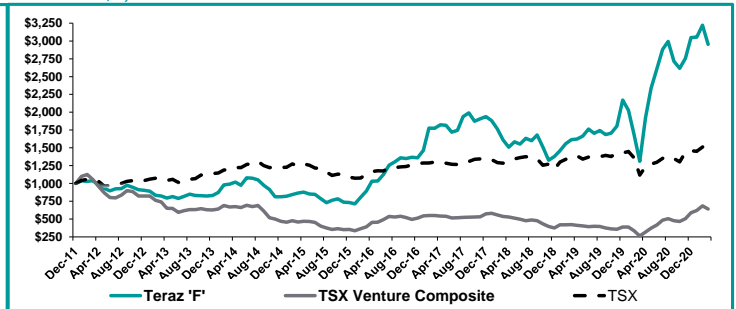
Service Providers

Advisor	Spartan Fund Management Inc.
Prime Broker	BMO Capital Markets
Auditor	Deloitte LLP
Administrator	SGGG Fund Services

Up-Neutral-Down Chart



Growth of \$1,000



Commentary

With senior markets moving skittishly higher we'd like to focus on providing granularity around our relative underperformance in relation to the TSX Venture index the past several months (+125.42% vs. +143.99% over the past 12 months), although we continue to significantly outperform the TSX Composite index (+39.78% for the past 12 months).

- Several larger positions remain in a consolidation pattern after rising sharply over the past year. In fact, these are the same names that have driven our very positive returns over the past couple of years.
- There has been general weakness in the small and micro-cap areas of late, evidenced by the fact that the TSX SmallCap Index joined the Venture in being negative for March. South of the border, the Russell Small Cap Index also failed to participate in the rally, as interest in this area tends to ebb and flow independent of major markets.
- As of the quarter end 8% of the portfolio was invested in private companies. These prices remain static and almost always provide positive returns as these companies go public. All but one of our positions are expected to go public in 2021.
- A further 6.5% of the portfolio is invested in private placements in public companies. These are usually four month holds and typically priced under the market. Such investments are made available at a discount and most often provide substantial returns when they become free trading.

- The materials sector, which includes resource companies, has been a laggard so far this year. Gold prices remain under pressure. While the portfolio is more diversified that at any other time in the past, it still carries a 60% weighting in resource companies. Historically this area has offered some protection in market downturns.

- Micro-cap companies tend to perform when various catalysts occur in their development. There are going to be periods where news flow is light and stock prices drift. They can be frustrating, especially when there is a party going on in the market leading one to feel they didn't receive their invitation. We have lived through several extended periods of time such as that, it's simply part of the territory. We tend to be patient, be there to pick up bargains when available, and wait for the positive catalysts.

The only real surprise in our results was a decline in one of our highest conviction ideas, Jadestone Energy. Shares were down 22% in March, despite the fact that oil prices were firm. There was no bad news. In fact, this virtually debt-free dividend-paying producer announced the return to normalized investment and growth strategies after operating more cautiously throughout 2020. This is hardly a reason to drive the share price downward, and we see no reason to change our very positive outlook.

We thank you for your ongoing support.

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