

Spartan Overview

Established in 2006, Spartan Fund Management is an asset manager that specializes in providing, through pooled funds, a broad selection of alternative investment solutions that meet a variety of investment needs. We believe that niche, non conventional investment strategies tend to outperform more traditional strategies and/or add needed diversity. We also believe that alternative investment strategies provide better risk-return opportunities for investors than do conventional strategies. Spartan accesses alternative investment strategies through internal investment teams or by way of feeder fund arrangements with external registrants.

Fund Overview, Objectives and Strategy

The MM Fund invests utilizing a "core and more" approach. The core portfolio consists of sustainable high yielding or dividend paying Canadian equity securities and, to a lesser extent, real estate investment trusts, convertibles, debt securities, preferred shares and U.S. equity securities.

The "more" consists of equity and debt, plus potentially warrants, small and micro capitalization stocks, that will likely have more volatility but a higher potential for capital gains. We will focus on inexpensive secular growth securities or beaten down stocks that have turnaround potential, because of new management, or because of an improvement in their macro-economic factors. We may also look to shorter-term event driven trading opportunities around, for instance, earnings, politics, war, famine, scandal, seasonality, apathy, etc.

Investments will mostly be made in Canadian equity securities and, to a lesser extent, debt securities and U.S. equity securities. The holdings in the core portfolio will typically be held for longer periods.

Monthly Performance¹

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	TSX
2024	4.92%	2.96%	9.00%	0.15%	1.33%								19.50%	7.58%
2023	8.37%	-1.63%	0.54%	0.14%	-4.57%	1.09%	8.38%	-0.71%	-2.92%	1.32%	5.11%	1.80%	17.27%	11.75%
2022	-1.14%	2.95%	2.21%	-4.78%	0.92%	-9.33%	6.18%	-2.52%	-6.53%	8.34%	0.98%	-3.18%	-7.13%	-5.84%
2021	7.45%	6.55%	0.57%	1.94%	-0.44%	-1.26%	-1.95%	1.25%	-1.02%	3.58%	-3.25%	1.29%	15.09%	25.09%
2020	0.30%	-7.54%	-23.34%	19.79%	11.07%	4.95%	8.08%	3.50%	-2.21%	2.85%	10.98%	11.25%	37.90%	5.60%
2019	8.01%	7.55%	4.14%	0.83%	-4.33%	1.10%	0.95%	-4.72%	1.49%	1.76%	3.43%	1.91%	23.54%	22.88%
2018	0.20%	-2.07%	-1.86%	1.99%	1.54%	-0.22%	0.29%	-1.24%	-1.29%	-9.57%	-4.79%	-6.07%	-21.32%	-8.89%
2017	-0.72%	1.54%	0.68%	5.44%	4.30%	1.41%	-1.65%	-0.67%	1.45%	2.38%	2.80%	0.61%	18.79%	9.10%
2016	-6.98%	5.47%	4.15%	0.68%	3.53%	0.50%	0.97%	5.78%	3.49%	3.17%	1.08%	1.73%	25.52%	21.08%
2015							-2.26%	-7.08%	-4.17%	7.06%	3.69%	1.56%	-1.87%	-9.93%

Statistics¹

Cumulative Return (since inception)	193.78%	99.17%
Annualized Compound Return	12.91%	8.07%
Last 12 Months Return	36.83%	17.55%
Sharpe Ratio	0.72	0.61
Avg. Monthly Gain	3.62%	2.74%
Avg. Monthly Loss	-3.94%	-2.95%
Max. Drawdown	31.03%	22.25%
Annualized Std. Deviation	17.93%	13.14%
% of Winning Months	67.29%	64.49%
Correlation	0.80	

MM Fund

TSX

Fund Information

RSP Eligible?	Yes
Minimum Investment	\$500
Invest/Redeem Frequency	Weekly
Short Term Trading Fee	2% if < 30 days
Redemption Notice	1 day
'A' Class Fees (SPA520)	2.00% pa
'F' Class Fees (SPA521)	1.00% pa
Incentive Fee	10%
Hurdle	TSX Total Return Index

Service Providers

Advisor	Spartan Fund Management Inc.
Custodian	Laurentian Bank Securities
Auditor	Deloitte LLP
Administrator	SGGG Fund Services
Legal Counsel	Borden Ladner Gervais

NAV/Unit

- Class A	267.1597
- Class F	293.7750

¹ Performance numbers are net of management and performance fees for the period commencing July 15, 2015 for the Class F units, but do not take into account early redemption fees if investments are held less than 1 year. Returns and statistics for other classes are available on request. 'Monthly' returns are simple returns and are not annualized. 'Annualized Std. Deviation' is the standard deviation, which measures the amount of variability of returns that has historically occurred relative to the average return. 'Max. Drawdown' is the maximum percentage decline, from the highest point to the lowest point. 'Sharpe Ratio' is the Annualized Compound Return divided by the Annualized Std. Deviation, both measured since inception. 'Correlation' measures the degree to which two securities move in relation to each other.

Monthly Commentary

US jobs in May crushed estimates with 272,000 jobs, versus only 180K expected. However, the unemployment rate rose to 4% for the first time since January 2022. Wages rose 0.4%, double the April 0.2% increase. Rising wages pressures inflation, meaning the Fed has to continue to be restrictive to slow the economy and lower inflation.

But the Fed got welcome news on the inflation front in May, as for the first time in almost two years, US inflation was unchanged, and prices rose a less than expected 3.3% over the last year. Softer inflation, even with continued job gains, gives the US Fed the latitude to cut rates, and markets now predict a 75% probability that the Fed will cut in September, the first cut in over 4 years.

Softer inflation, and the prospect of rate cuts allowed US bond yields to fall 30 bps in the first two weeks of June, below the 4.5% ten year yield level that tends to be a head wind for stocks. Lower bond yields are a tailwind for stock valuations as we head into the softer summer season, ahead of what is sure to be another volatile US election.

Large capitalization indices like the S&P 500 and the Dow, hide the volatility beneath the surface, except for AI giant Nvidia that continues to surge.

The Fund was helped in May by nice gains amongst gold and copper stocks (12.2% weight), as gold and copper prices hit record highs of over \$2,400 USD per ounce and over \$5 per pound, respectively.

The Fund is making one new investment in June in a prospective gold development. The Fund has been unusually active this year, with 11 new investments that we believe have the opportunity to have significant gains over coming years, as they continue to grow rapidly. Ten of the 11 new positions are already positive contributors to Fund performance this year.

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Please review the most recent offering memorandum for a detailed description of the Fund's strategy, objectives and risk factors. The above is provided for informational purposes only and is qualified in its entirety by way of the most recent offering documents, which is only available to qualified investors. Prospective investors should consult with a professional financial advisor before investing. Past performance cannot predict future results. Share value and yields will fluctuate. There can be no assurances that any of the Fund's objectives will be met. See Terms and Conditions of our website (www.spartanfunds.ca) for important information and qualifications regarding the use of benchmarking and indices. The index above was chosen as it is a widely used benchmark of the Canadian equity market. While the Fund uses this index for long-term performance comparisons, it is not managed relative to the composition of the index. There are differences which include security holdings, geographic and sector allocation which impact comparability. As a result, the Fund may experience periods when its performance differs materially from the index. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Unless otherwise indicated, rates of return for periods greater than one year are historical annual compound total returns including changes in unit or share value and reinvestment of all distributions, and do not take into account any sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

The Fund is a related and connected issuer of Spartan Fund Management Inc. Spartan may act as dealer in connection with the distribution of securities of the Fund and will also receive management and performance fees from the Fund.