

Spartan Overview

Established in 2006, Spartan Fund Management is an investment fund manager that specializes in providing 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 diversification. We also believe that alternative investment strategies provide better risk-return opportunities for investors than do conventional strategies. Spartan accesses alternative investment strategies either through internal investment teams or by way of feeder funds that invest in existing funds that are managed by external fund managers.

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
2025	+0.10%	-3.72%	-0.98%	-1.01%	+5.58%	+5.79%	+3.44%						+9.16%	+12.03%
2024	+4.92%	+2.96%	+9.00%	+0.15%	+1.33%	-3.66%	+5.50%	-2.01%	+2.20%	+1.86%	+3.89%	-1.81%	+26.39%	+21.65%
2023	+8.37%	-1.63%	+0.54%	+0.14%	-4.57%	+1.03%	+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)
Annualized Compound Return
Last 12 Months Return
Sharpe Ratio
Avg. Monthly Gain
Avg. Monthly Loss
Max. Drawdown
Annualized Std. Deviation
% of Winning Months
Correlation

MM Fund	TSX
239.15%	152.31%
12.93%	9.65%
13.58%	21.37%
0.75	0.75
3.61%	2.82%
-3.69%	-2.76%
31.03%	22.25%
17.29%	12.85%
66.12%	64.46%
0.80	

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 304.7756
- Class F 339.1501

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

The long-expected slowdown finally arrived as the July U.S. jobs report of 73,000 missed estimates. Worse, the downward revision of May and June erased almost 260,000 jobs, suggesting an average job growth of only 35,000 over the last three months, the worst since the pandemic. This was the biggest revision in 50 years, highlighting the unreliability of this important U.S. economic statistic.

A couple of weak job reports could push even a hesitant Jerome Powell towards a rate cut in September, from a restrictive policy rate of 4.25% that stands well above headline inflation of 2.7%. Last week, Powell refused to consider cutting rates, despite two dissenting voices on the Federal Open Market Committee, citing a "quite solid" labour market. Yet, controversy continues around the firing of the BLS chairman, and it's plausible that even "too late" Powell and his team of 400 PhD economists might have already pivoted had the original May and June data been accurate.

Markets are now pricing in a 90% chance of a rate cut at the September meeting, and two rate cuts total in the fall. Bond yields tumbled 20 basis points on Friday, and while slower growth can hurt

earnings, lower yields support valuations and are stimulative to consumers and corporate borrowers, especially in housing and real estate.

Friday's weak jobs-induced equity market contraction of -1.6% coincided with the start of the traditionally weakest seasonal period for stocks (August–October).

The Fund benefited in July from continued strength in financials and gold stocks, a bounce back in the energy sector, as well as our second takeover of the year. We took profits in several of our winners and initiated new positions in a Canadian gold exploration company, an emerging silver producer, a small Canadian software company, and a larger global IT solutions company.

The Fund is looking to take advantage of record gold and near-record silver prices with a 19.2% weight in gold, silver equities, and mining drilling companies. These producers are experiencing significant profitability due to elevated commodity prices, which in turn enhances their overall firm value.

Investor Contacts:

Gary Ostoich
416-601-3171
gostoich@spartanfunds.ca

Ed Sollbach
416-601-5607
esollbach@spartanfunds.ca

Paul Patterson
416-601-3175
ppatterson@spartanfunds.ca

Advisor Contact:

Brent Channell
416-601-3172
bchannell@spartanfunds.ca

Spartan Fund Management Inc.
150 King St. W., Suite 200
Toronto, ON M5H 1J9
www.spartanfunds.ca

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 assurance 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.