

**Sprott Enhanced Balanced Fund** is designed to provide long-term growth with a focus on reducing downside risk.

Downmarket Return

Fund: -11.93%

Peers: -16.96%

Cumulative return

since inception

23.08%

	CUMULATIVE RETURN (%)	DOWNSIDE CAPTURE (%)	UPSIDE CAPTURE (%)	UPMARKET RETURN (%)	DOWNSIDE RETURN (%)	DOWNSIDE DEVIATION (%)	SORTINO RATIO <sup>3</sup>
Sprott Enhanced Balanced Fund <sup>1</sup>	23.08	72.85	40.59	40.24	-11.93	2.49	1.71
Peer Group <sup>2</sup>	34.57	103.63	60.65	60.12	-16.96	2.82	2.04

As of May 31, 2017, cumulative return since inception of the Fund on April 16, 2012, partial month return in inception month has been excluded from risk measures.

The Fund's lead manager, **John Wilson**, has a proven track record of achieving results for his clients by following the simple principle of "winning by not losing". His core equity strategy focuses on a concentrated portfolio of quality companies and uses options, tactical cash allocation and a well-defined investment process, including loss limits and sell discipline to reduce risk and enhance returns.

**Scott Colbourne**, the Fund's fixed income manager, has extensive experience investing in all fixed income sectors. Scott's flexible, go anywhere approach allows him to take advantage of the opportunities in all areas of the bond market. His investment strategy includes currency hedging and short selling to enhance returns and limit downside risk.

**Sprott Enhanced Balanced Fund** is an **ideal core balanced holding** for risk-averse investors.

# ENHANCED PEACE OF MIND

Sprott Enhanced Balanced Fund

**Downside Capture/Upward Capture** – measure how much of the benchmark return is being captured by the Fund, in periods when the benchmark was negative/positive.

**Upmarket Return/Downmarket Return** – the Fund’s cumulative return in periods when the benchmark was positive/negative.

**Downside Deviation** – measures the variation of returns around the average mean return of periods that fall below zero. The lower the number, the better.

**Sortino Ratio** – measures risk-adjusted return. It is the excess return over the risk-free rate divided by the downside semi-variance, so it measures the return to downside volatility. The higher the ratio, the better.

## Sprott Enhanced Balanced Fund (Series A) Compounded Returns (%)<sup>1</sup>

1 MTH	YTD	3 MTH	6 MTH	1 YR	3 YR	5 YR	ANNUALIZED SINCE INCEPTION (04/16/12)
-0.1	1.8	1.3	3.2	4.9	1.7	4.3	4.1

## Fund Codes

CODE	NL	FE	LL
Series A		SPR 240	SPR 241
Series T		SPR 243	SPR 244
Series F	SPR 245		
Series FT	SPR 247		



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<sup>1</sup> All returns and fund details are a) based on Series A units; b) net of fees; c) annualized if period is greater than one year; d) as at May 31, 2017; e) 2012 annual returns are from 04/16/12 to 12/31/12.

<sup>2</sup> Source: Morningstar, CIFSC. Based on simple average.

Peer Group: CIFSC: Funds in the Tactical Balanced category must have a flexible asset allocation policy ranging from 40% (or less) to 60% (or more) in each of equity and fixed income securities. Inclusion in this category may be based on: i) a written asset allocation policy meeting the above definition (i.e. in a fund’s prospectus or written investment policy); ii) a portfolio manager’ or sub-adviser’s stated or known approach to managing portfolios; or iii) the fund’s historical asset allocation tendencies. The portfolio manager or sub-adviser may employ one or more methods to make their asset allocation decisions. Indices are computed by Sprott Asset Management based on publicly available index information.

<sup>3</sup> Sortino Ratio is calculated based on a minimum acceptable rate of return of 0%.

**The Fund is generally exposed to the following risks. See the prospectus of the Fund for a description of these risks: capital depletion risk (Series T and Series FT securities only); commodity risk; concentration risk; credit risk; currency risk; derivatives risk; exchange traded funds risk; foreign investment risk; inflation risk; interest rate risk; market risk; regulatory risk; securities lending, repurchase and reverse repurchase transactions risk; series risk; short selling risk; tax risk.**

Sprott Asset Management LP is the investment manager to the Sprott Funds (collectively, the “Funds”). Commissions, trailing commissions, management fees, performance fees (if any), and other expenses all may be associated with investing in the Funds. Please read the prospectus carefully before investing. The indicated rate of return for series A units of the Fund for the period ended May 31, 2017 is based on the historical annual compounded total return including changes in unit value and reinvestment of all distributions and does 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, their values change frequently and past performance may not be repeated. The information contained herein does not constitute an offer or solicitation by anyone in the United States or in any other jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. Prospective investors who are not resident in Canada should contact their financial advisor to determine whether securities of the Fund may be lawfully sold in their jurisdiction.

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