



## Investment Team

Charles Oliver,  
HBS Sc Geology, CFA  
Senior Portfolio Manager

## Fund Objective

The objective of the Spratt All Cap Fund is to achieve long-term capital growth by investing primarily in equity and equity related securities of small, medium and large capitalized companies that have the potential to produce above average growth.

## Fund Details<sup>1</sup>

Portfolio Manager	Charles Oliver
Assets Under Management	\$11.7 Million
Fund Type	Small-Mid-Large Cap Equity Fund
Inception Date	September 18, 2008
Unit Price	\$10.77
Registered Tax Plan Status	100% Eligible
Min. Initial Investment	\$1,000
Min. Subsequent Investment	\$100
Valuations	Daily
Management Fee	2.50%
Performance Fee	10% of Excess Over the S&P/TSX Composite TRI
Min. Investment Term*	90 Days (2% Penalty)
Risk Tolerance	Average

## Fund Codes

Code	NL	FE	LL
Series A		SPR 013	SPR 313
Series F	SPR 113		

\*Effective May 1, 2012.

## Why Invest in this Fund?

- Portfolio diversified by market capitalization.
- Employs a "go anywhere" sector mandate.
- Actively shorts to help protect downside and reduce volatility.

## Compounded Returns (%)<sup>1</sup>

COMPOUND	1 MTH	3 MTH	6 MTH	1 YR	3 YR	INCEPTION
FUND	-7.1	-14.7	-13.9	-20.8	4.8	<b>2.1</b>
S&P/TSX COMPOSITE TRI	-0.6	-0.6	1.8	-9.4	12.7	<b>3.6</b>

## Annual Returns (%)<sup>1</sup>

CALENDAR	2008	2009	2010	2011	YTD
FUND	-7.8	18.7	30.8	-19.2	-6.9
S&P/TSX COMPOSITE TRI	-24.6	35.1	17.6	-8.7	3.8

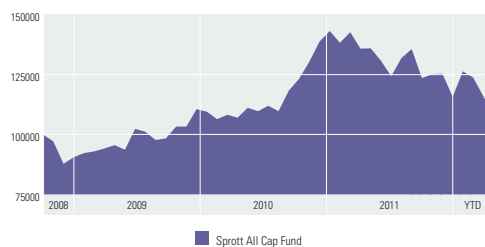
## Statistical Analysis<sup>2</sup>

STATISTICS	FUND	S&P/TSX COMPOSITE TRI
<b>Cumulative Return (Since Inception)</b>	<b>7.7%</b>	<b>13.5%</b>
Standard Deviation	16.2%	18.6%
Sharpe Ratio	0.16	0.05
Total Positive Months	25	24
Total Down Months	19	20
Beta	0.46	

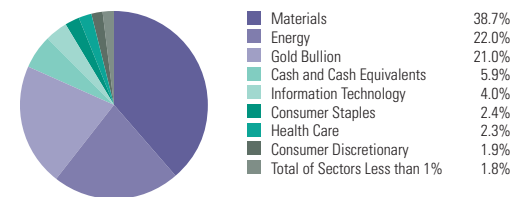
## Top Ten Holdings<sup>3</sup>

- |                                    |                               |
|------------------------------------|-------------------------------|
| 1. Gold Bullion                    | 6. CGX Energy Inc.            |
| 2. Cash & Cash Equivalents         | 7. Viterro Inc.               |
| 3. Suncor Energy Inc.              | 8. CML Healthcare Inc.        |
| 4. Silver Standard Resources Inc.  | 9. Silver Wheaton Corp.       |
| 5. Coeur d'Alene Mines Corporation | 10. Pan American Silver Corp. |

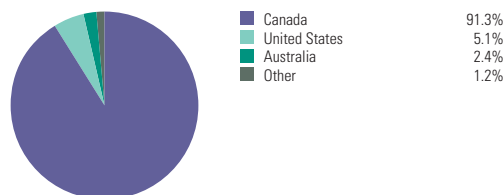
## Growth of \$100,000 Invested Sept. 18, 2008<sup>1</sup>



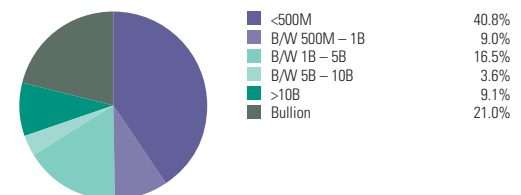
## Sector Allocation<sup>3</sup>



## Country Mix<sup>3</sup>



## Market Cap<sup>3</sup>



# Sprott All Cap Fund

## Q1 MARKET COMMENTARY

The Sprott All Cap Fund Series A (the "Fund") gained 0.2% during the quarter while its benchmark, the S&P/TSX Composite Total Return Index, gained 4.4%.

The Fund maintained an approximate 22% allocation to gold bullion as a defense against the inherent inflationary effects of money printing while also providing a liquid cash substitute. Primarily due to a lackluster response to a second round of European money printing known as the Long-Term Refinancing Operation, gold bullion sold off from its January highs yet still finished the quarter up 4.8% in Canadian dollar terms, outperforming both the broad Canadian stock and bond market.

The Fund ended the quarter with an approximate 40% allocation to materials stocks which are primarily focused on gold exploration and production. The performance gap between gold bullion and the publicly traded gold mining stocks has widened to a point that we find absolutely compelling value opportunities in smaller gold shares. Smaller-cap gold stocks that reside in West Africa suffered during the tail-end of the quarter resulting from a political coup in Mali. This, coupled with a general disinterest in gold shares, resulted in a weak quarter for gold stocks which largely accounted for the Fund's relative underperformance. Still, we remained convinced that gold stocks will regain investor favour as a result of healthy earnings growth and we remain committed to this theme.

The Fund's allocation to energy stocks was approximately 23%. Our approach to energy investing is to maintain a basket of small-cap names which exhibit excellent growth prospects. Unfortunately, WTI declined approximately 6.5% from its late February highs which had an augmented negative effect on small cap E&P stocks.

The Fund ended March with an approximate 10% gross short position which focused on US consumer discretionary and industrial stocks. The purpose of our short book is to buffer negative returns resulting from weak economic headline data.

Going forward, we believe the Fund's precious metals-energy stock barbell strategy will both protect investors' purchasing power while providing investment upside resulting from exposure to undervalued names.

**Please visit [www.sprott.com](http://www.sprott.com) for past commentaries.**

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**Sprott Asset Management LP: Toll Free: 1.866.299.9906**

**DEALER SERVICES: RBC Dexia Dealer Services  
Tel: 416.955.5885; Toll Free: 1.877.874.0899**

<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 April 30, 2012; e) 2008 annual returns are from 09/18/08 to 12/31/08.

<sup>2</sup> Where applicable, all figures are annualized and based on monthly returns since inception. Risk-free rate and minimum acceptable rate calculated using rolling 90-day CDN T-bill rate. The rate of return or mathematical table shown is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the mutual fund or returns on investment in the mutual fund.

<sup>3</sup> Top ten holdings, sector allocation, and country mix as at March 30, 2012. Market commentary as at March 30, 2012. Sector weightings calculated as % of long portfolio, net of cash and bullion. Market Cap as at March 30, 2012 calculated as % of long portfolio excluding cash. Cash and Short-Term Investments include cash held from securities sold short.