

Spratt Tactical Balanced Fund

(FORMERLY SPROTT MULTI-MANAGER FUND)*

Performance as of April 30, 2012

Fund Objective

The objective of the Spratt Tactical Balanced Fund is to seek to provide a total return over the long term by investing primarily in a portfolio of mutual funds that are managed by the Manager, its associates or its affiliates. The Fund may also invest in gold bullion, exchange traded funds and equity and/or fixed income securities.

Fund Details¹

Portfolio Manager	Spratt Asset Management LP
Assets Under Management	\$44.4 Million
Fund Type	Tactical Allocation
Inception Date	November 2, 2009
Unit Price (Series A)	\$13.37
Registered Tax Plan Status	100% Eligible
Min. Initial Investment	\$1,000
Min. Subsequent Investment	\$100
Valuations	Daily
Management Fee	2.25% (Series A) 2.25% (Series T) 1.25% (Series F) 1.25% (Series FT)
Performance Fee	10% of Excess Over Specified Benchmark (at Underlying Fund Level). None Applied to Direct Tactical Investments.
Min. Investment Term**	60 Days (2% Penalty)
Risk Tolerance	Average
Holdings	Spratt Mutual Funds and Direct Tactical Investments

Fund Codes

Code	NL	FE	LL
Series A		SPR 017	SPR 214
Series T		SPR 417	SPR 517
Series F	SPR 117		
D (FNSSC Series)	SPR 317		
Series FT	SPR 617		

*On November 30, 2010, Spratt Asset Management LP received unitholder approval for changes to Spratt Multi-Manager Fund.

**Effective May 1, 2012.

Why Invest in this Fund?

A Powerful Combination: The Fund combines Spratt's top-down macro research along with Spratt's award-winning portfolio managers and funds

Tactical Asset Allocation: The Fund employs a flexible and opportunistic approach designed to actively seek the most attractive investment opportunities

Tax-Efficient Cash Flow: Tax-efficient monthly cash flow available through Series T and Series FT (6% target distribution)

Compounded Returns (%)¹

COMPOUND	1 MTH	3 MTH	6 MTH	1 YR	INCEPTION
FUND	-2.4	-4.9	-3.9	-14.6	7.7

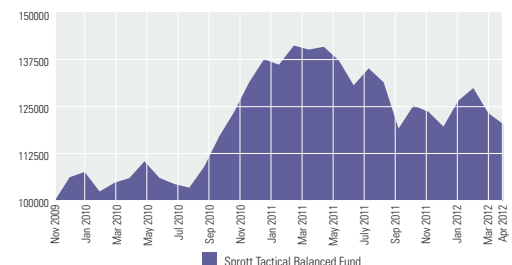
Annual Returns (%)¹

CALENDAR	2009	2010	2011	YTD
FUND	7.7	27.8	-13.0	0.5

Statistical Analysis²

STATISTICS	FUND
Cumulative Return (Since Inception)	20.4%
Standard Deviation	14.8%
Sharpe Ratio	0.53
Total Positive Months	16
Total Down Months	14

Growth of \$100,000 Invested Nov. 2, 2009¹



Investment Strategies and Asset Class Ranges

The investment strategies of the Fund are as follows:

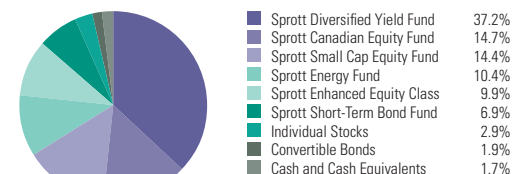
To achieve these objectives, the Fund employs a flexible and opportunistic investment approach that has the potential to perform well in a variety of market environments. The Fund seeks total return over the long-term. Total return includes capital gains, interest and dividends.

The Portfolio Adviser expects to allocate the Fund's assets among the following asset classes according to the approximate ranges set out below. Such ranges are designed to allow the Portfolio Adviser to vary the weighting of the Fund's portfolio within the asset classes to provide the Portfolio Adviser with the flexibility to meet the investment objectives as it considers appropriate in a variety of market environments.

Strategic and Tactical Allocation

ASSET CLASS	RANGE
Equity Funds	40% - 60%
Fixed-Income Funds	25% - 45%
Gold Bullion Funds	0% - 10%
Tactical Investments (exchange traded funds, direct investments in gold bullion, equity and/or fixed-income securities and use of derivatives)	0% - 20%

Current Asset Allocation¹



Sprott Tactical Balanced Fund

Q1 MARKET COMMENTARY

The Sprott Tactical Balanced Fund Series A (the "Fund") gained 3.0% during the first quarter.

At the end of the March, the Fund had approximate allocations of 19% to the Sprott Canadian Equity Fund, 40% to the Sprott Diversified Yield Fund, 15% to the Sprott Small Cap Equity Fund, 11% to the Sprott Energy Fund with the remaining investments being the Sprott Gold Bullion Fund, cash and short-term investments (ie. Sprott Short-Term Bond Fund) and individual stocks and convertible bonds.

The Sprott Canadian Equity Fund, which gained 3% during the quarter, is selected for their overweight precious metals position which has historically defended against inflation and, more currently, provides significant upside potential attributable to its silver bullion and stock position – which we interpret as an undervalued situation.

Given the heightened volatility in equity markets during the commencement of the quarter, and particularly within the small cap stocks which are exceptionally sensitive to the "risk-off trade", we deliberately kept the allocation to the Sprott Diversified Yield Fund over 40% to smooth out the price vacillations which have recently become common place in the small-to-mid cap space. This proved to be a prudent decision as this allocation gained approximately 5% during the quarter.

The Sprott Small Cap Fund's management teams are proven outperformers and, as such, the Fund maintains a solid 15% allocation. Although small cap stocks endured a very difficult March, this allocation delivered in excess of 2.4% during the quarter. Small cap stocks, during market recoveries, have historically outperformed their larger peers and we feel this allocation will provide a significant lift to the Fund's overall performance.

The Sprott Energy Fund edged down approximately 1.2% during the quarter as crude declining approximately 67% from its February highs. The manager of this allocation believes that core energy names have recently entered an "oversold" state and offer ideal investment entry points. As such, we have maintained this allocation in light of recent price weakness.

Individual tactical names, including convertible bonds, represented 4.4% of the Fund. In previous quarters we had reduced our tactical allocation to provide downside protection in the form of cash.

Although March was a challenging month, we are still please with our first quarter performance as we only mildly underperformed the TSX while dramatically outperforming the DEX Universe. The Fund continues to be an ideal vehicle for those wishing one-ticket access Sprott's strongest investment solutions.

Please visit www.sprott.com for past commentaries.

Sprott Asset Management LP is the investment manager to the Sprott Funds (collectively, the "Funds"). Commissions, trailing commissions, management fees, other charges and expenses all may be associated with mutual fund investments. Please read the prospectus carefully before investing. The indicated rate of return for series A units of the Fund for the period ended April 30, 2012 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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¹ 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) 2009 annual returns are from 11/02/09 to 12/31/09. Market commentary as at March 30, 2012.

² 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.