AUSPICE

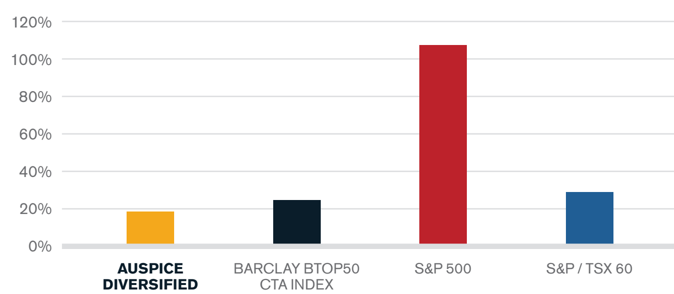
DIVERSIFIED PROGRAM

COMMENTARY + PORTFOLIO FACTS

FEBRUARY 2020

CUMULATIVE PERFORMANCE

(SINCE JANUARY 2007*)



	AUSPICE DIVERSIFIED	BARCLAY BTOP50 CTA INDEX	S&P 500	S&P / TSX 60
Correlation	0.69	-0.15	-0.09	

*Cumulative performance from January 2007. This represents the first full year of the fund and is most representative of the current strategy and portfolio.

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SUMMARY

The Auspice Diversified Program softened in February by a mere 0.19%. The Barclay BTOP50 CTA fell by 1.21% for the month (per Table 1). Chart 1 illustrates there is a history of preserving capital and stronger gains at critical times while performing alongside benchmarks long-term.

After a resilient start to the year, global equities have corrected sharply all in the last week of February. The S&P fell -8.41%, while the Nasdaq and MSCI World lost 6.38% and 9.73%. The Canadian TSX/S&P60 lost 5.89% while the TSX Energy sub-index tanked 14.97%, highlighting the resource energy weakness.

Commodities continued to move lower as the fear has started to become reality as global economies are softening and demand is potentially being affected. The weakness was fairly universal and there were only a few places to hide. As such, the energy weighted GSCI lost a massive 16.67% while the more diverse Bloomberg Commodity index dropped 5.15%.

Bond futures rallied sharply and the US dollar also ended higher for the month. Commodity currencies sold off while the Japanese Yen reversed and moved higher to close the month.

OUTLOOK

After the year started with numerous geo-political events that could not support commodities while equities remained strong, the unknown ramifications of the spreading coronavirus led to weakness. Since peaking on February 20th, most markets have lost over 10%. Commodities continued to the sell-off and looks to have been the canary in the coal mine.

The path forward is very hard to predict. It is likely most capital markets will remain volatile. As with all Auspice programs, risk-management and capital allocation are the backbone that worked very well during the final week of the month. We anticipate this to continue as this strategy has a long track record in volatile times and performing in a way to first protect capital, and second to provide positive non-correlated returns.

We are optimistic that the volatility and surprises the year will continue to unfold are met with experience and discipline that lead to opportunity.

Chart 1 HISTORICAL GROWTH OF $1000 INVESTMENT

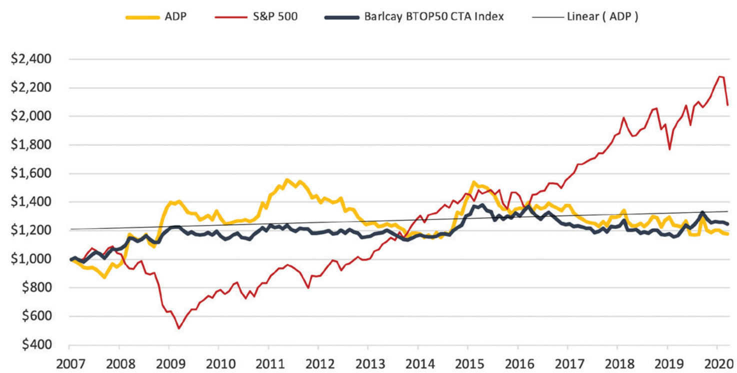
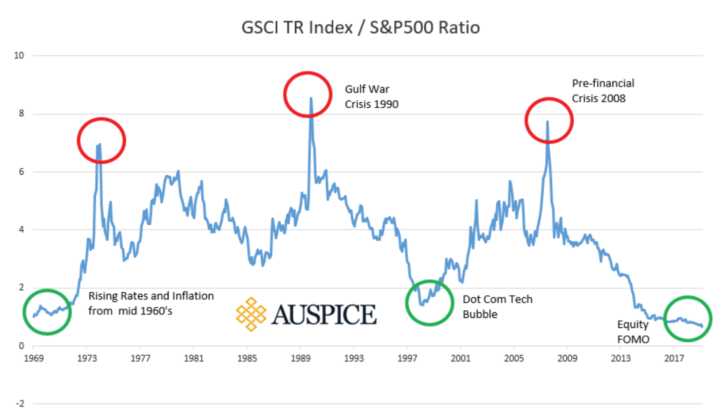


Table 1 ABSOLUTE PERFORMANCE

	Auspice Diversified	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	**-0.19%**	-1.21%	-8.41%	-5.89%
2020 YTD	**-2.25%**	-0.93%	-8.56%	-4.21%
1 yr (Mar 19)	**-4.45%**	7.00%	6.10%	1.91%
3 yr (Mar 17)	**-9.25%**	0.86%	24.99%	7.12%
5 yr (Mar 15)	**-21.79%**	-8.46%	40.38%	9.18%
10 yr (Mar 10)	**-5.73%**	8.54%	167.47%	42.80%
13 yr (Mar 07)	**21.78%**	25.31%	109.99%	30.71%
Annualized (Jan 07)				
Return	**1.26%**	1.69%	5.73%	2.07%
Std Deviation	**11.53%**	6.63%	14.72%	12.56%
Sharpe Ratio	**0.19**	0.28	0.51	0.27
MAR Ratio	**0.05**	0.11	0.11	0.05
Worst Drawdown	**-26.04%**	-16.11%	-52.56%	-44.27%

GSCI/S&P500 RATIO: EQUITIES EXPENSIVE, COMMODITIES CHEAP?



Source: Dr. Torsten Dennin, Incrementum AG

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ATTRIBUTIONS AND TRADES

After exiting weaker Asian equity markets, the stronger global indices were exited as the weakness and volatility appeared. We have shifted to net short global equity indices albeit it is the smallest sector attribution in the portfolio at this time. The sector experienced a loss that was limited by the agility of the strategies employed.

Metals had a strong month, albeit perhaps not as one would think. Gains from a new short in Zinc on the industrial side complimented by a massive move higher in Palladium led portfolio gains. A sharp reversal in the final day had our capital allocation model exit and take profits in this volatile market. Gold and Silver did not end up being the safe havens expected and sold off sharply at month end.

Bond futures did end up the safe-haven and rallied universally. Gains were led by US 10-year Notes and 30-year Bond futures.

Return Drivers: Trend-following strategies had a positive month while the non-correlated short-term strategies gave back some strong gains made in January (see Chart 3).

Chart 2 **SECTOR PNL MONTHLY ATTRIBUTION**

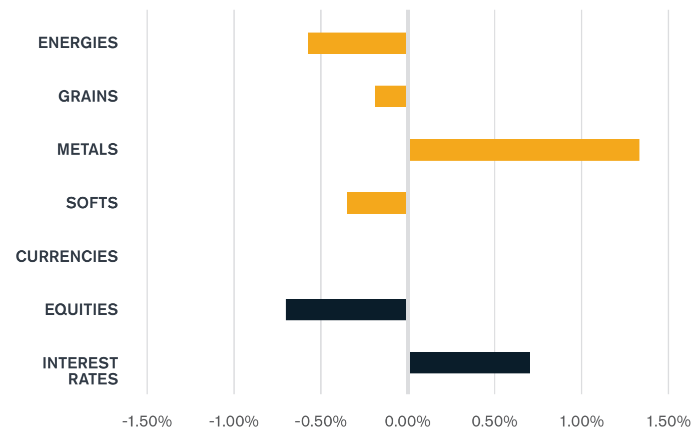
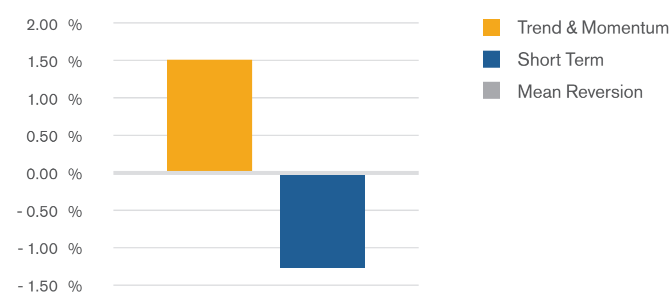


Chart 3 **STRATEGY (RETURN DRIVER) ATTRIBUTION**



* Strategy Attribution excludes all fees.

POSITION HIGHLIGHTS

GAINS

- Long Palladium led the portfolio and precious metals.
- Strong returns across all bond futures
- Short Aussie Dollar.

LOSSES

- Weakness in Cotton.
- New long entry and reversal from DJ EuroStoxx equity exposure.
- Long British Pound held as market softened.

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EXPOSURE AND RISK ALLOCATION

Commodity to Financial exposure had the exposure to commodity markets fall slightly to 71:29 from 74:26 last month per Chart 4.

Within commodities, the most notable changes were increasing Energies (short side) while trimming Metals and Grains. Within Financials, Equities and Currencies led the reduction while adding Rate exposure.

Portfolio exposure, as measured by the Margin to Equity ratio, softened to 6.9% from 7.6% which is in line with the historical average level of 6.8% (see Chart 6 next page).

Chart 4 COMMODITIES VS. FINANCIAL EXPOSURE

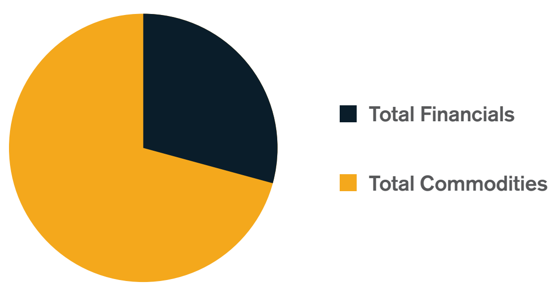
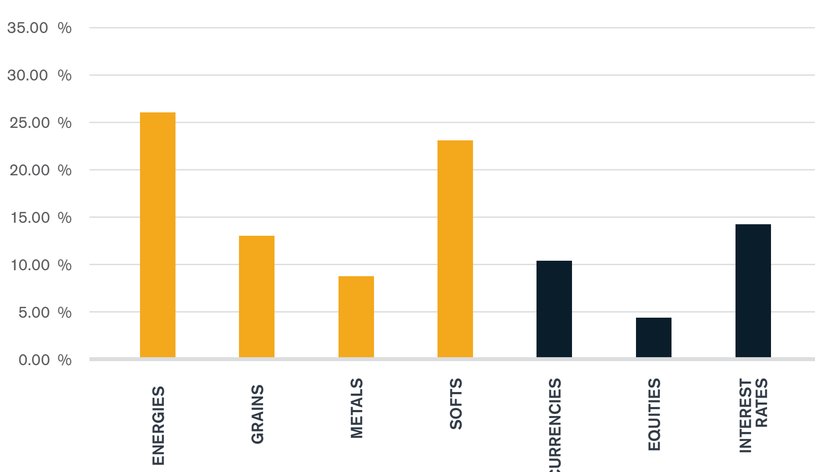


Chart 5 CURRENT SECTOR RISK



* Risk is expressed as the maximum expected loss in a position or sector divided by the total portfolio risk across all positions.

CURRENT RISK BY SECTOR

ENERGIES **25.89%**

Largest Holdings	Position	% of Risk
Crude Oil (WTI)	Short	6.04%
Gasoline	Short	5.98%
Natural Gas	Short	5.05%

GRAINS **13.10%**

Largest Holdings	Position	% of Risk
Corn	Short	5.91%
Soybeans	Short	4.39%
Canola	Short	1.37%

METALS **8.59%**

Largest Holdings	Position	% of Risk
Copper	Short	3.24%
Zinc	Short	3.15%
Gold	Long	2.18%

SOFTS **23.23%**

Largest Holdings	Position	% of Risk
Sugar	Long	16.25%
Cotton	Short	6.98%

CURRENCIES **10.19%**

Largest Holdings	Position	% of Risk
Aussie Dollar	Short	4.06%
Canadian Dollar	Short	3.60%
Euro	Short	1.53%

EQUITIES **4.62%**

Largest Holdings	Position	% of Risk
CBOE VIX	Long	1.88%
DJ EuroStoxx 50	Short	1.27%
Nikkei	Short	0.76%

INTEREST RATES **14.38%**

Largest Holdings	Position	% of Risk
Treasury Note/10yr (USA)	Long	4.00%
Euro Schatz	Long	3.74%
Treasury Bond/30yr (USA)	Long	3.42%

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STRATEGY DESCRIPTION

Auspice Diversified is our flagship strategy. It is a rules-based multi-strategy investment program designed to deliver superior, non-correlated returns at critical times. It represents the culmination of the ongoing research and experience of the Auspice Portfolio Management and Research teams.

The strategy draws from all of Auspice's current research (the Auspice Building Blocks). The strategy is rooted in trend following but is our most active and evolving multi-strategy quantitative approach pulling together other complementary strategies and wrapping them in a rigorous risk and capital allocation model. The strategy is designed to be agile and resilient as we believe these traits are necessary in order to generate performance long term.

With a long term correlation of -0.15 to the S&P (see front page), and a modest 0.49 correlation to the SG CTA Index (1 year basis - daily returns), this demonstrates the combined performance and non-correlation to equity and other CTAs is accretive and valuable.

THE MAIN POINTS OF DIFFERENTIATION INCLUDE:

- Higher allocation to commodities relative to our peers,
- Negative correlation to equity, no correlation to commodity,
- Low risk (margin to equity average <7.0%) makes it scalable, low round turns per million.
- Portfolio Management team with experience trading in volatile environments.
- Positive skew: Auspice Diversified has outperformed at critical times of crisis, recovery, and volatility expansion.

FUND FACTS

Chart 6 PORTFOLIO EXPOSURE (MARGIN TO EQUITY)

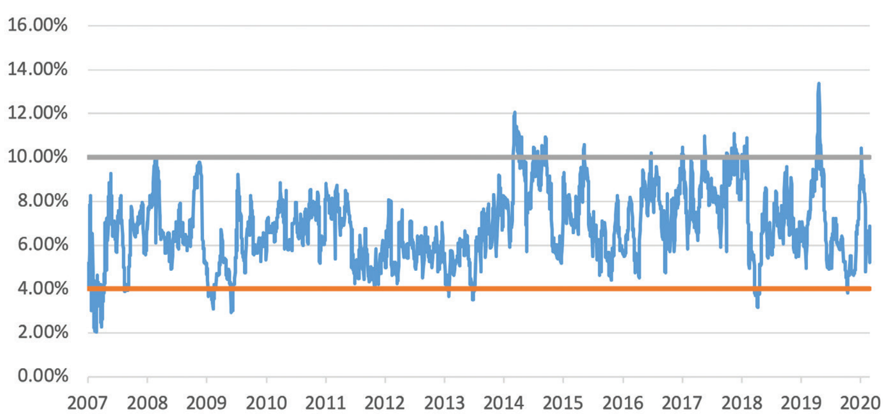

Table 3 NAVS

Auspice Diversified Trust			
NAV		**MTD**	**YTD**
Class A	8.0847	-0.28%	-2.42%
Class F	8.6729	-0.19%	-2.25%
Class S	7.8895	-0.28%	-2.42%
Class I	10.5511	-0.10%	-2.08%
Class X*	9.9273	-0.19%	-2.25%

Program Statistics (from Jan 2007)		Trade Statistics	
Annualized Return	1.26%	Avg Monthly Gain	2.83%
Annualized Std Dev	11.53%	Avg Monthly Loss	-2.13%
Largest Drawdown	-26.04%	Daily Std Dev	0.68%
Sharpe Ratio[1]	0.19	Daily VAR (sim w/99% conf)	-1.38%
MAR Index[2]	0.05	Round Turns per $million	800
Sortino	0.33	Margin to Equity ratio	6.8
Upside/Downside Deviation	0.14 / 0.05	Average Hold Period (Days)	67
Correlation to S&P 500	-0.15	% Profitable	40%
Correlation to TSX60	-0.09	$Win / $Loss	1.49
Correlation to BCOM ER	0.04	Skew	1.00

Program Details	
Structure	Unit Trust / LP / Mngd Account / Offshore
Mgmt Fee	0-2%
Incentive Fee	20% w/High-Water Mark
Liquidity	Monthly (no lockup)
Firm Assets	$194MM
Min. Investment	Accredited Investor / QEP
Unit Pricing	$CAD or $USD

1. Assumes Risk free rate of 0%.
2. MAR is the annualized return divided by the largest drawdown.

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FUND FACTS (CONT)

MONTHLY PERFORMANCE TABLE*

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020	-2.06%	-0.19%											**-2.25%**
2019	-4.14%	-0.47%	-0.65%	3.50%	-7.43%	-0.37%	0.52%	10.60%	-7.59%	-1.33%	1.42%	0.25%	**-6.75%**
2018	3.12%	-5.81%	-2.27%	-0.19%	1.41%	-1.48%	1.89%	3.57%	-0.84%	-4.75%	3.66%	1.64%	**-0.61%**
2017	-3.66%	-1.89%	-1.35%	-1.39%	-0.53%	-0.51%	-1.61%	2.76%	-2.53%	5.16%	-0.27%	0.67%	**-5.31%**
2016	-0.22%	3.12%	-4.93%	3.59%	-1.64%	0.56%	2.44%	-1.55%	-1.06%	-1.34%	2.68%	-0.13%	**1.15%**
2015	4.66%	-1.93%	0.47%	-0.98%	-2.03%	-1.84%	-4.36%	-2.14%	0.26%	-2.74%	2.56%	0.66%	**-7.47%**
2014	-2.02%	1.62%	-1.84%	3.25%	-3.11%	2.65%	-0.43%	3.92%	8.56%	-0.78%	7.05%	4.19%	**24.76%**
2013	0.40%	-2.23%	0.26%	0.99%	-0.90%	0.66%	-1.54%	-1.33%	-4.07%	2.01%	0.04%	-0.36%	**-6.01%**
2012	2.41%	-1.11%	-1.19%	0.60%	1.72%	-6.29%	1.17%	-0.70%	-3.64%	-1.80%	2.38%	-0.81%	**-10.24%**
2011	1.39%	2.97%	-1.16%	4.09%	-1.31%	-1.62%	2.16%	-1.09%	-2.60%	-3.82%	1.07%	-3.44%	**-3.66%**
2010	-3.26%	0.45%	0.61%	0.95%	0.01%	0.62%	-1.02%	1.07%	1.82%	6.98%	-2.51%	6.68%	**12.53%**
2009	-0.61%	1.08%	-2.27%	-3.32%	-0.58%	0.15%	-3.23%	0.75%	1.44%	-2.31%	4.84%	-3.83%	**-7.93%**
2008	5.60%	14.59%	-1.72%	-1.58%	0.71%	2.86%	-5.61%	-1.99%	6.86%	10.80%	5.77%	2.73%	**44.30%**
2007	-1.43%	-1.76%	-2.42%	-0.79%	0.71%	-1.32%	-3.16%	-3.07%	5.87%	4.53%	-2.13%	2.29%	**-3.11%**

* Returns represent the performance for Auspice Diversified Trust, Class X (1.5% management and 15% performance fee with hurdle rate). Prior to December 2019, the returns were from Auspice Managed Futures LP, Series 1 (2% management and 20% performance fee) and based in Canadian Dollars (CAD). See Important Disclaimer and Notes for addition details.

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COMPARABLE INDICES

*Returns for **Auspice Diversified Program ("ADP")** represent the performance for Auspice Diversified Trust, Class X (1.5% management and 15% performance fee with hurdle rate). Prior to December 2019, the returns were from Auspice Managed Futures LP, Series 1 (2% management and 20% performance fee) and based in Canadian Dollars (CAD).

The **Barclay BTOP50 CTA Index** seeks to replicate the overall composition of the managed futures industry with regard to trading style and overall market exposure. The BTOP50 employs a top-down approach in selecting its constituents. The largest investable trading advisor programs, as measured by assets under management, are selected for inclusion in the BTOP50.

The **SG CTA Index** provides the market with a reliable daily performance benchmark of major commodity trading advisors (CTAs). The SG CTA Index calculates the daily rate of return for a pool of CTAs selected from the larger managers that are open to new investment.

The CTA indexes do not encompass the whole universe of CTAs. The CTAs that comprise the indices have submitted their information voluntarily and the performance has not been verified by the index publisher.

The **S&P/TSX 60 Index** is designed to represent leading companies in leading industries. Its 60 stocks make it ideal for coverage of companies with large market capitalizations and a cost-efficient way to achieve Canadian equity exposure. Price Return data is used (not including dividends).

The **S&P 500** is an index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe. Price Return data is used (not including dividends).

The **(MSCI) World Index**, Morgan Stanley Capital International, is designed to measure equity market performance large and mid-cap equity performance across 23 developed markets countries, covering approximately 85% of the free float-adjusted market capitalization in each. This index offers a broad global equity benchmark, without emerging markets exposure.

The Bloomberg Commodity (Excess Return) Index **(BCOM ER)**, is a broadly diversified index that allows investors to track 19 commodity futures through a single, simple measure.

Excess Return (ER) Indexes do not include collateral return.

The S&P Goldman Sachs Commodity Excess Return Index **(S&P GSCI ER)**, is a composite index of commodity sector returns representing an unleveraged, long-only investment in commodity futures that is broadly diversified across the spectrum of commodities.

PERFORMANCE NOTES

The Equity benchmarks used in this material are intended to reflect the general equity market performance. They are shown to illustrate the non-correlated attributes versus other assets such as the Barclay CTA Index and the Auspice Diversified Program. Adding non-correlated assets within a portfolio has the potential to reduce portfolio volatility and drawdowns.

QUALIFIED INVESTORS

For U.S. investors, any reference to the Auspice Diversified Strategy or Program, "ADP", is only available to Qualified Eligible Persons "QEP's" as defined by CFTC Regulation 4.7.

For Canadian investors, any reference to the Auspice Diversified Strategy or Program, "ADP", is only available to "Accredited Investors" as defined by CSA NI 45-106.

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