AUSPICE

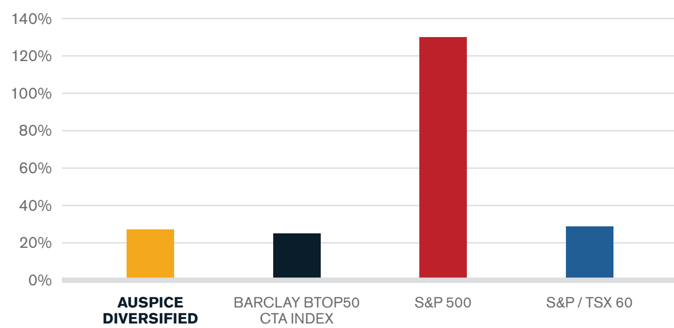
DIVERSIFIED PROGRAM

COMMENTARY + PORTFOLIO FACTS

JULY 2020

CUMULATIVE PERFORMANCE

(SINCE JANUARY 2007*)



Correlation	0.66	-0.20	-0.16

*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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AUSPICE Capital Advisors

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CALGARY, ALBERTA CANADA T2P 5L5

SUMMARY

The Auspice Diversified Program continued to gain, adding 3.36% in July to be up a healthy 7.14% for the year. While the sector benchmarks had a good month, which is no surprise as equities rallied, Auspice found tactical opportunity elsewhere and continues to outperform benchmarks for the year: Barclay BTOP50 CTA added 3.16% to be -0.04% in 2020 (per Table 1) and the SocGen CTA index added 2.66% to be off 0.10% for reference. At this critical time, a spread of over 7% is important diversification.

Most global stock markets had a strong month yet remain negative for the year. The exception remains the US S&P500 and NASDAQ where the increase of COVID cases is being ignored in favour of a large tech focus. The S&P500 added 5.51% to swing positive while the NASDAQ made new all-time highs with a 6.82% gain. The Canadian TSX/S&P60 was up 3.69% yet remains down for the year.

Commodities had another good month led by both industrial and precious Metals as well as some Soft Commodities and Grains. Given petroleum energies largely consolidated, the energy weighted GSCI added 3.78% while the more diverse Bloomberg Commodity index added a stronger 5.70%.

Bond futures moved higher as central banks reiterated interest rates will remain low and expressed concerns the recovery was potentially losing momentum. The US dollar continued to fall as most global currencies gained upward momentum.

OUTLOOK

While the markets have charged higher, we believe that the road to recovery will be long and bumpy. In all likelihood, the pace of recovery will slow in H2 of 2020. Part of this comes from a resurgence of virus infections, prominently in the US, and part from the business reality of the current situation. Large banks, such as JP Morgan, have indicated significant loan loss charges given the uncertain outlook. Jobless claims have started to rise again indicating a stall to labour recovery. As such, the US Fed and other central banks have continued to grow their balance sheets now including corporate bonds and cutting bank reserve requirements. These are concerning signs as profits have narrowed for many businesses and bankruptcies are accelerating. The complexity of the issues is enormous as the global COVID pandemic is exacerbated by racial tensions, a cyber war and an election year in the US.

This has led to a wide dispersion of results amongst investments and managers. Managers with a more fundamental tilt can understandably be of different opinion given the unprecedented issues.

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Chart 1 HISTORICAL GROWTH OF $1000 INVESTMENT

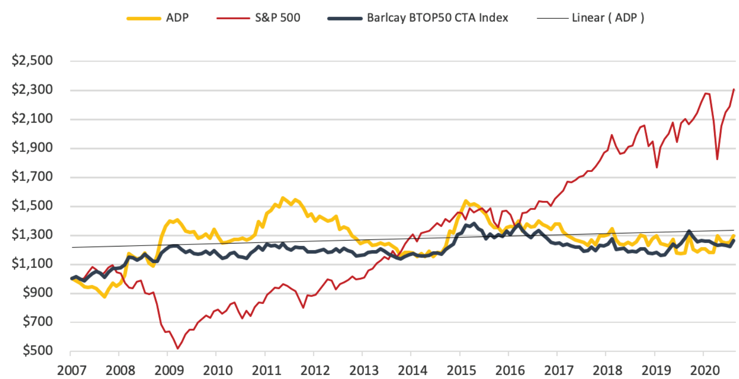
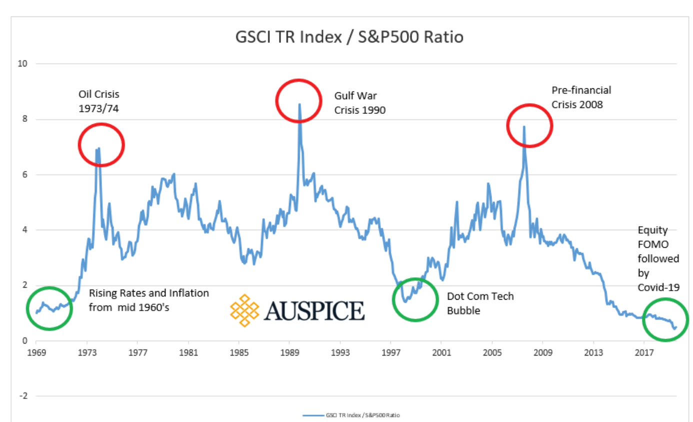


Table 1 ABSOLUTE PERFORMANCE

	Auspice Diversified	Barclay BTOP50 CTA Index	S&P 500	TSX 60
1 Month	**3.36%**	3.16%	5.51%	3.69%
2020 YTD	**7.14%**	-0.04%	1.25%	-4.56%
1 yr (Aug 19)	**9.88%**	-1.52%	9.76%	-1.13%
3 yr (Aug 17)	**5.02%**	5.54%	32.42%	8.69%
5 yr (Aug 15)	**-6.31%**	-3.51%	55.48%	13.51%
10 yr (Aug10)	**2.16%**	10.55%	196.94%	41.41%
13 yr (Aug 07)	**43.27%**	21.43%	124.78%	21.17%
Annualized (Jan 07)				
Return	**1.91%**	1.72%	6.35%	1.97%
Std Deviation	**11.71%**	6.59%	15.39%	13.36%
Sharpe Ratio	**0.24**	0.29	0.52	0.24
MAR Ratio	**0.07**	0.11	0.12	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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OUTLOOK (CONTINUED)

But even for quantitative managers like Auspice, looking to agnostically follow trends up or down, there is a similar dispersion. Time-frame, portfolio make-up and risk-management parameters can produce very unique results despite the goal of "trend-following" being the same.

As such, while we cannot predict the future, we can look at the past for a guide. It is in these highly volatile, unique and crisis-like times that Auspice has historically outperformed. The same combination of stringent risk-management, agile trend-following and a commodity tilt that may lag in the low-volatility "normal" periods of traditional asset gains, has performed well in 2020 as it has through many other periods of need in the past.

ATTRIBUTIONS AND TRADES

After hitting a near all-time low for exposure in late June, we have added back both financial and commodity risk. This has occurred by further reducing commodity shorts and tactically adding long exposures across a variety of markets.

The most significant shift was adding Metals exposure: the portfolio exited shorts and initiated positions in Silver and Copper, added Platinum, Zinc and Nickel while adding to the existing Gold exposure. This made up the bulk of portfolio gains per Chart 2.

Within Grains, short exposure was reduced while we added long Canola exposure

Both Energies and Soft commodities experienced similar shifts as Sugar shorts were exited and tilted to long while petroleum market shorts were reduced with long positions taken in WTI and Brent Crude Oils and Heating Oil.

Financial markets were also active as the US Dollar weakness had the portfolio add long exposure in the British Pound, Euro, Swiss Franc and Japanese Yen.

Within Bonds, we added exposure to the US 30-year, 10-year and the Long Gilt (UK).

We have also added equity markets but notably a slightly reduced net risk exposure. We added short the CBOE VIX alongside long the S&P500, TSX60 and Dow Jones Euro Stoxx 50 index futures.

Return Drivers: Both trend-following strategies and the non-correlated short-term strategies made gains during July (see Chart 3). The consolidation in energies provided opportunities for capturing momentum reversals as trend-following became challenged for this sector illustrating the benefit of the combination.

Chart 2 SECTOR PNL MONTHLY ATTRIBUTION

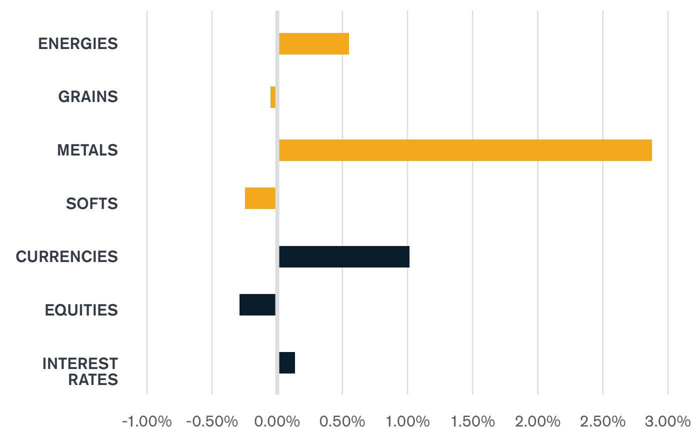
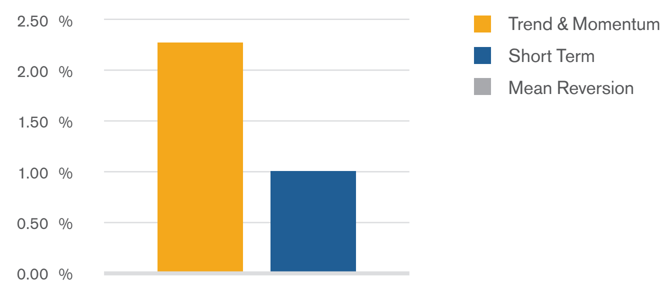


Chart 3 STRATEGY (RETURN DRIVER) ATTRIBUTION



POSITION HIGHLIGHTS

GAINS

- Long Silver (+30%), Gold and Zinc led the portfolio gains.
- Long Euro and Swiss Franc.
- Long Heating Oil made up the bulk of energy gains.

LOSSES

- Natural Gas rallied against shorts.
- Wheat moved up 8% against shorts.
- Cotton whipped back and forth against shorts and new long exposure.

EXPOSURE AND RISK ALLOCATION

Commodity to Financial exposure has shifted to further reduce the commodity tilt to 62:38 from 75:25 last month per Chart 4. This represents a normal commodity tilt.

Portfolio exposure, as measured by the Margin to Equity ratio, increased from far below average in June to above average at 9.0% ending July versus the historical average level of 6.8% (see Chart 6 next page). This illustrates the agility of our approach and adding risk when positive momentum and results occur.

Chart 4 **COMMODITIES VS. FINANCIAL EXPOSURE**

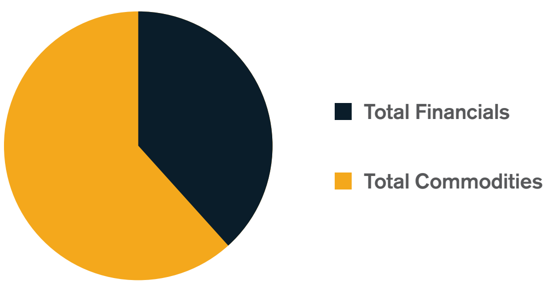
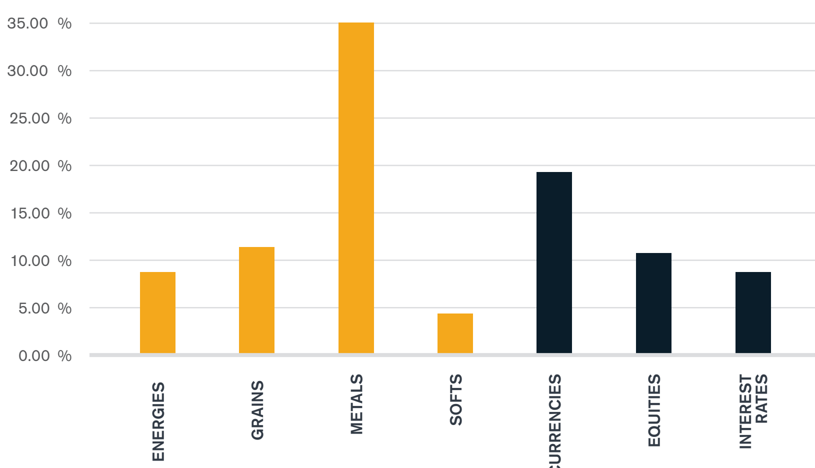


Chart 5 **CURRENT SECTOR RISK**



CURRENT RISK BY SECTOR

ENERGIES **8.34%**

Largest Holdings	Position	% of Risk
WTI Crude Oil	Long	4.00%
Heating Oil	Long	2.32%
Natural Gas	Short	1.69%

GRAINS **11.08%**

Largest Holdings	Position	% of Risk
Canola	Long	6.07%
Corn	Short	3.00%
Wheat	Short	1.79%

METALS **37.77%**

Largest Holdings	Position	% of Risk
Silver	Long	11.27%
Copper	Long	9.28%
Zinc	Long	8.44%

SOFTS **4.53%**

Largest Holdings	Position	% of Risk
Sugar	Long	4.36%
Cotton	Short	0.16%

CURRENCIES **19.37%**

Largest Holdings	Position	% of Risk
Euro	Long	4.47%
British Pound	Long	4.45%
Aussie Dollar	Long	3.70%

EQUITIES **10.26%**

Largest Holdings	Position	% of Risk
NASDAQ Index	Long	4.11%
S&P500	Long	3.07%
CBOE VIX	Short	1.15%

INTEREST RATES **8.66%**

Largest Holdings	Position	% of Risk
Treasury Note/10yr (USA)	Long	3.38%
Treasury Bond/30yr (USA)	Long	2.52%
Long Gilt (UK)	Long	2.39%

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

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 -0.20 to the S&P (see front page), and a modest 0.45 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)

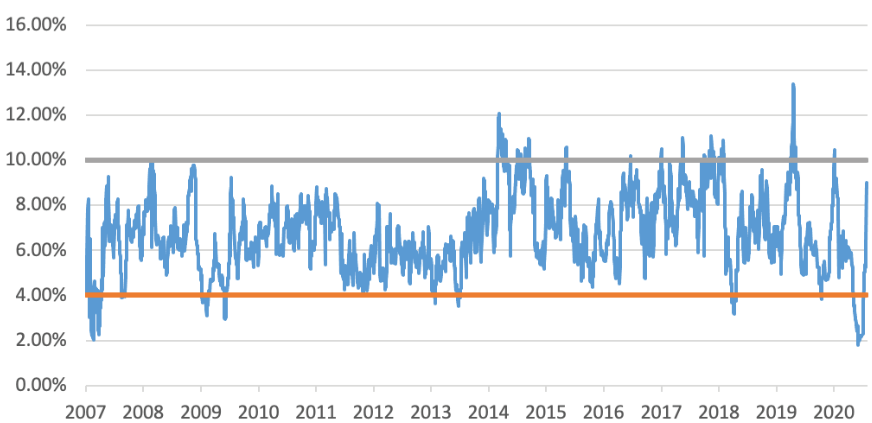


Table 3 NAVS AND RETURNS

Auspice Diversified Trust			
NAV		MTD	YTD
Class A	8.8228	3.28%	6.49%
Class F	9.5059	3.36%	7.14%
Class S	8.6102	3.28%	6.49%
Class I	11.6143	3.45%	7.79%
Class X*	10.8808	3.36%	7.14%

Program Statistics (from Jan 2007)		Trade Statistics	
Annualized Return	1.91%	Avg Monthly Gain	2.89%
Annualized Std Dev	11.71%	Avg Monthly Loss	-2.12%
Largest Drawdown	-26.04%	Daily Std Dev	0.68%
Sharpe Ratio[1]	0.24	Daily VAR (sim w/99% conf)	-1.94%
MAR Index[2]	0.07	Round Turns per $million	800
Sortino	0.43	Margin to Equity ratio	6.75
Upside/Downside Deviation	0.14 / 0.05	Average Hold Period (Days)	66
Correlation to S&P 500	-0.20	% Profitable	40%
Correlation to TSX60	-0.16	$Win / $Loss	1.5
Correlation to BCOM ER	0.00	Skew	1.01

Program Details	
Structure	Unit Trust / LP / Mngd Account / Offshore
Mgmt Fee	Series X 1%
Incentive Fee	15% w/High-Water Mark
Liquidity	Monthly (no lockup)
Firm Assets	$185MM
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%	9.72%	-3.16%	-0.47%	0.28%	3.36%						**7.14%**
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.

COMMENTARY + PORTFOLIO FACTS

JULY 2020

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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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