

LAST MONTH - Class C

Return	1.04 %
NAV per Unit (\$CA)	4.5783
Including Current Distrib. (\$CA)	none
Fund Assets (\$CA MM)	199.5
Firm AUM (\$CA MM)	261.2

MONTHLY HIGHLIGHTS

M&A

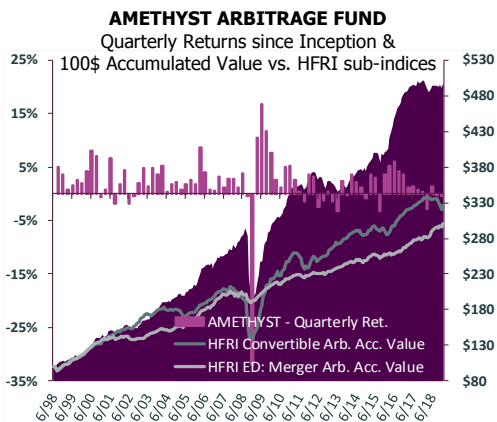
- Added 8 new deals including one by its convertible. Deal spreads back to normal following a tumultuous end to 2018;
- Unfortunately, insufficient support from MEG shareholders caused Husky's offer to be cancelled (95bps loss).

CONVERTIBLE SECURITIES

- Added 3 new situations via the secondary market; valuations are improving and there still attractively priced securities;
- We remain cautious despite the market recovery as geopolitical and economic uncertainties remain significant.

FIXED INCOME ARBITRAGE

- Positive performance across all sub-segments; return to "historical fair value" of CAN credit spreads;
- Cautious positioning as we anticipate another pullback in risky assets with an overall decrease in portfolio "beta" and securities more susceptible to a pullback in spreads. Maintaining our position for a flattening of the yield curve. We are once again long CAN vs US in bonds.



ABOUT CRYSTALLINE MANAGEMENT Inc.

Founded in 1998 by Marc Amirault, Crystalline is a privately held asset management firm registered in Canada. Marc created/managed a portfolio of arbitrage strategies during 3½ years while at the Caisse de Dépôt et Placement du Québec, before launching the Company's flagship Amethyst Arbitrage Fund in 1998.

More than 80% of Crystalline's AUM totaling \$CA 260M originates from pension plans, foundations, endowments, family offices and private corporations. In 20 years, Crystalline has grown to a team of 15.

STRATEGY DESCRIPTION

The **Amethyst Arbitrage Fund** is a multi-strategy hedge fund investing in event driven, convertible securities and fixed income arbitrage opportunities with a Canadian market focus. The Fund's objectives are:

- Return** 5 to 10% above 91d CAN T-Bills
- Volatility** 5 to 7%, annualized
- Capital protection and near zero correlation** with traditional asset classes.

Canadian Focused Niche Arbitrage Fund

- Client base primarily institutional
- Team with 80 years of investment experience
- 19 years of compelling track record
- No lock-up, full transparency for institutions

COMPARATIVE PERFORMANCE SUMMARY, SINCE INCEPTION

As of Jan. 31, 2019	Return (%)				Annualized Return (%)				Ann volat. (%)	% mth > 0	Max Draw-down	Sortino Ratio	Correlation
	Last month	3 mth	6 mth	YTD	1 yr	3 yr	5 yr	Inception					
Amethyst ONshore	1.04	0.7	0.5	1.0	-0.8	7.3	6.7	8.1	7.6	74.1	-34.5	0.60	-
HFRI RV: FI Convert. Arb.	1.99	-1.2	-2.5	2.0	-2.9	4.7	2.9	5.9	6.9	73.3	-31.5	0.45	0.66
HFRI ED: Merger Arb.	1.53	2.4	2.7	1.5	6.6	5.4	4.2	5.5	3.4	74.5	-6.2	1.02	0.38
HFRI Event Driven (total)	3.57	0.1	-1.3	3.6	1.7	7.8	3.4	6.9	6.5	68.4	-21.0	0.81	0.49
HFRI Composite	3.64	1.0	-1.9	3.6	-1.0	6.0	3.5	6.2	6.6	67.2	-19.1	0.75	0.42

RETURN SERIES SINCE INCEPTION, Class C - net of all fees

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
1998	-	-	-	-	-	-	-0.32	2.69	2.60	1.79	0.44	1.45	8.92
1999	-1.22	0.84	1.25	-2.11	3.11	0.75	2.35	1.34	-1.00	-0.32	1.41	0.91	7.43
2000	0.98	0.21	3.01	2.81	3.06	1.95	-0.22	3.98	3.21	-0.45	-0.57	0.40	19.82
2001	3.27	-1.62	-0.80	1.82	4.36	0.35	0.12	-1.08	-0.97	0.04	1.16	0.70	7.42
2002	1.73	0.88	1.75	0.42	0.27	-2.44	-1.37	1.30	-0.38	0.20	0.39	1.39	4.12
2003	2.41	1.81	0.54	0.57	0.90	-0.16	0.61	2.88	1.34	0.91	1.29	1.32	15.35
2004	1.41	2.19	1.48	0.34	0.17	-0.15	0.44	-0.45	1.82	0.38	0.47	1.41	9.89
2005	0.91	1.36	-1.49	-0.37	0.23	1.91	0.72	1.75	0.24	0.28	2.28	-0.76	7.21
2006	1.49	3.03	3.96	2.50	0.47	0.98	0.29	0.98	-0.51	0.84	-2.71	2.43	14.49
2007	1.59	1.70	0.02	1.19	-0.28	0.38	0.74	0.54	1.57	0.91	-0.63	2.58	10.77
2008	-1.67	1.63	1.37	1.11	1.79	0.98	1.70	1.46	-3.51	-20.08	-13.25	-2.04	-28.81
2009	2.75	2.74	4.71	8.24	7.27	0.57	5.25	4.10	2.05	3.90	0.90	2.75	55.45
2010	0.95	0.75	0.96	1.32	-0.60	0.40	1.66	1.91	1.40	2.58	1.37	1.28	14.87
2011	2.39	-0.50	0.72	0.33	-0.32	0.40	0.63	-1.08	-1.04	0.90	1.42	1.31	5.24
2012	1.99	0.91	0.36	-0.16	-2.65	0.37	0.60	-0.36	-1.57	-2.68	1.29	1.92	-0.11
2013	-0.09	-0.48	-0.78	-0.69	-0.45	-2.12	0.76	0.86	0.72	0.98	-1.26	0.10	-2.46
2014	2.12	0.81	0.63	0.44	0.48	1.22	0.86	0.09	0.22	-0.74	1.24	-1.22	6.28
2015	1.80	1.56	0.19	1.06	2.01	0.03	-0.10	-0.19	-2.90	3.01	-0.40	1.03	7.20
2016	0.17	0.86	4.10	2.25	1.36	2.34	1.94	1.19	1.01	0.83	1.47	1.33	20.49
2017	0.23	0.40	0.54	0.74	0.25	0.36	-0.26	-0.11	1.26	-0.68	0.53	0.59	3.91
2018	-0.37	-1.08	-1.46	-0.66	0.93	1.08	-0.04	0.09	-0.22	-0.07	0.60	-0.95	-2.16
2019	1.04												1.04

FUND INFORMATION

LIQUIDITY

- Minimum subscription \$25K accredited (\$25M Cl. I)
- Registered Accounts Yes - RRSP, TFSA, RRRIF, Etc.
- Dealing / Valuation Monthly
- Subscription notice 2 days
- Redemption notice 30 days (No Lock-up)

SERIES	CUSIP	FundSERV
Class C	03111T106	CRY100
Class I	03111T403	CRY101
Class A	03111T205	CRY102
Class F	03111T304	CRY103

MANAGEMENT FEES

- Class C - 2.0%
- Class I - on request
- Class A - 2.25% (1% trailer)
- Class F - 1.25% (fee based advisors only)

SERVICE PROVIDERS

- Prime-Brokers: BMO Nesbitt Burns & Scotia Capital
- Administrator: MUFG Investor Services
- Legal: McMillan LLC
- Auditor: PricewaterHouse Coopers LLC
- Trustee: Computershare Canada

PERFORMANCE FEES

All Classes:
20% above 91d T-bill
& Perpetual HWM

CORRELATIONS, SINCE INCEPTION

CAN Tbills 91d	-0.01
S&P/TSX	0.44 EAFE Equities 0.41
CAN Long Bonds	0.04 MSCI Bonds -0.20

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The Fund's strategies include: convertible securities arbitrage; event driven, principally merger arbitrage; and, fixed income arbitrage opportunities and the capital allocated to each strategy varies over time depending on the opportunity set of each. There is no single hedge fund index depicting this strategy mix, and the alternative strategy indices shown are comparable only to certain aspect of the Fund's strategies. Traditional market indices / asset classes are presented so that an investor may conduct additional analysis of their overall portfolio construction and not as a direct comparison to the Fund. In April 2018 the pre-existing Class F units were renamed as Class C, and a new Class F and Class A units were created for fee based and commission based advisors.